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MICROENTERPRISE INNOVATION PROJECT (MICROSERVE)

Contract No. PCE-I-00-95-00034-00

Project No. 940-0406-5692345

INSTITUTIONAL ASSESSMENT OF MOVIMIENTO MANUELA RAMOS

Delivery Order No. 7

**by:
Kenneth Weiss**

**Submitted to:
Jim Dempsey, Project Officer
USAID/Washington, D.C.**

**Submitted by:
Chemonics International Inc.**

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Microenterprise Development Office
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Washington, D.C.

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SECTION I

Introduction and Recommendation

A. Introduction

In February 2000, the MERCOMUJER proposal submitted by the Peruvian non-governmental organization (NGO) Movimiento Manuela Ramos (MMR) was selected for the short list for the USAID/Washington Office of Microenterprise Development's Implementation Grant Program (IGP) funding in the year 2000 IGP Business Development Services (BDS) competition. The proposal asks for funding for MMR's handcrafts export project called MERCOMUJER. A prerequisite for actual funding is an on-site organizational assessment. Consultant Kenneth Weiss and USAID staff member Elizabeth Hunt carried out such an assessment in mid-April 2000.

The organizational assessment in this case involves two entities, MMR and its division MERCOMUJER. The latter plans to become independent of MMR, but does not yet have legal status (*persona juridica* in Spanish). The philosophy and business planning for MERCOMUJER to become a freestanding business appear to be in place. At this time, the exact form MERCOMUJER's independent existence will take is being debated, as will be discussed below. This assessment assumes that independence will follow shortly and makes such independence a condition precedent for the grant. Therefore, MERCOMUJER is assessed as a nascent, independent business in the discussion that follows.

The authors worked in MMR headquarters in Lima, Peru during the week of April 10, 2000, interviewing the management of MMR and staff of MMR's REPROSALUD program, as well as reviewing documents. They also met with USAID staff members, in particular those of the Health and Population Office. In 1996, this office began an important collaboration with MMR through the REPROSALUD program, within which MERCOMUJER was originally conceived.

Ms. Hunt remained in Peru for an additional week, during which time she interviewed REPROSALUD and MERCOMUJER field staff in Puno and Tarapoto, engaged in in-depth discussions with USAID Microenterprise Development Office staff, and continued the work Mr. Weiss had begun helping MERCOMUJER strengthen the implementation plan. This latter work consisted mainly of advising on the level of detail that would be usefully presented and the perspective from which it should be written, since an impressive amount of business planning, analysis and feasibility work had already been completed by MERCOMUJER.

As part of the assessment, the consultants interviewed designer/market liaison Docey Lewis and consultant Wesley Weidemann, each of whom has been a critical factor in the initial design of MERCOMUJER.

We are grateful for the cooperation and assistance of everyone with whom we met.

B. Recommendation

Based on our institutional assessment, we recommend approval of the funding that has been requested. Our main reasons are the following:

- The information in the original proposal was found to be substantially correct.
- The information MERCOMUJER has presented in the full Implementation/Business Plan demonstrates in detail a strong grasp of true business principles and a complete dedication to them.
- The planned activity meets all USAID criteria for microenterprise programs.
- There is a reasonably good chance that MERCOMUJER will become the fully profitable business envisioned and reach significant scale during the grant period.
- In addition to having good prospects of commercial success, the business has been designed to have a highly positive impact on the lives of a significant number of poor women in quite isolated, rural areas in some of the poorest departments of Peru, and is designed to do so without distorting the labor markets in those areas.
- MERCOMUJER, the implementing organization, appears to have the capability to manage both the business and training successfully.
- MMR, the contracting organization, has the capability to manage the grant funds effectively, and due to its prior association with the REPROSALUD activity, has in place all the special audit and accounting arrangements USAID requires.

On the risk side are the following:

- The potential success of MERCOMUJER is highly dependent on continued access to top-notch, U.S.-based designers who can provide the exclusive designs for and liaison with the high-end boutiques that are the principal market for MERCOMUJER's products. The risk is that MERCOMUJER may someday be unable to pay such a designer, from either donor funding or from business revenues. The likely result would be a steady decline in sales.
- The current executive director and CEO of MERCOMUJER, Josefa Nolte, has been training an assistant, but, for the moment, she is indispensable. If Ms. Nolte were to leave, the combination of her training as an anthropologist and her natural gifts as a strong manager and businesswoman would be difficult to replicate. There are, however, many other capable women in Peru and we do not feel that the loss of the current executive director would be fatal to the project.
- At a retreat in November 1999, the staff of MMR was led through a process that resulted in the decision to separate MERCOMUJER from REPROSALUD and run it

as a business. While all staff interviewed repeated this decision, seemingly with enthusiasm, the overall philosophy of MMR writ large is decidedly that of a grant-based NGO. There is some concern that the new business perspective may not yet be deep-rooted throughout MMR. Therefore, unless MERCOMUJER is formally made a separate organization with its own board of directors, there is a risk of backsliding into the grant mentality at the first change of key personnel, most especially Ms. Nolte and/or the current director of the REPROSALUD program, Susana Galdos.

The risk just described has been a special concern of the external consultants who have worked with MERCOMUJER. If this organization does not become and remain substantially independent, and profit-seeking, it may continue to grow for a few years but is not likely to survive in the long run.

In spite of the risks just described, the authors believe there is a high probability that MERCOMUJER will succeed in both earning profits and improving the social and economic well being of the women who produce the goods that it will sell.

Section II

Executive Summary and Institutional Target**A. Executive Summary**

Having had considerable success operating MERCOMUJER on a miniature but expanding scale, MMR has requested a three-year, US\$450,000 Microenterprise Implementation Grant from the Business Development Services branch of the Implementation Grant Program in the Office of Microenterprise Development in USAID/Washington. The proposal asks USAID to invest in the conversion of MERCOMUJER into a profitable, stand-alone business of significant scale: 3500 women producers and US\$440,624 in annual sales in 2003 compared to 500 women producers and US\$18,000 in annual sales in 1999.

The targets found in Table I are set forth in the Business Plan for MERCOMUJER and/or in the program description of the cooperative agreement. Those columns highlighted will be covenanted targets within the cooperative agreement and expose the agreement to possible termination if fulfilled to less than 75 percent at the midway point of the agreement. The 1999 column reflects actual end-of-year status, and the 2000 column a best estimate based on performance year-to-date.

Table I: Targets for MERCOMUJER

CRITERION	31-12-99 Baseline	31-12-00 Estimate	31-12-01 Target	31-12-02 Target	31-12-03 Target	31-12-04 post-grant
Number of villages in which the program is operating	10	20	30	50	60	60
Number of additional women trained	259	250	1,000	1,000	1,000	
MERCO/Total* Cumulative number of women trained and producing handcrafts	259	500	1,500	2,500	3,500	
Measure of impact on producers to be developed** ¹	TBD	TBD	TBD	TBD	TBD	TBD
Total sales at f.o.b. Lima airport prices US\$000	US\$18	US\$80	US\$210	US\$314.7	US\$440.6	US\$513
Cost Recovery Ratio	.04	.19	.512	.683	.898	1.116
Profit (Loss) US\$US000			US\$200 loss	US\$145 loss	US\$50 loss	US\$8 profit

* This is a measure of women fully trained and producing for MERCOMUJER compared to those fully trained (and producing) but lost to MERCOMUJER. It is intended to capture not only the number of women trained but also any leakage or attrition. Retention rates of the trainees will be an important factor in cost management.

** Within the first three months of the agreement period, MERCOMUJER, MMR and USAID will agree on an indicator for measuring/assessing the impact on the producers/beneficiaries. TBD = To be determined.

¹ Calculated by dividing Cost of Goods Sold by the number of women, then dividing by 2 because about half of Cost of Goods Sold is for production labor.

B. Institutional Target

In pre-contract negotiations with MMR and MERCOMUJER, it has been agreed in principle that MERCOMUJER will be established as a separate, wholly owned entity. The decision on whether to constitute MERCOMUJER as a separate NGO or a for-profit business will be based on analysis of the legal and tax provisions of Peruvian law. MERCOMUJER and MMR will report on progress toward separation in each semi-annual report. Any decision to retain MERCOMUJER as a division of MMR shall be made only with the written agreement of the USAID technical office.

SECTION III

Verification of Information in the Proposal

The consultants have reviewed the proposal in detail with MMR staff and have seen documents that substantiate the essential parts of it. We are convinced that it is substantially truthful and correct, allowing for minor, unintentional errors. Both team members consulted with MERCOMUJER staff on the Business Plan, and we are comfortable that the material it presents is based on considerable, thoughtful research and analysis. For example, the planning has been subjected to a double analysis. Projections have been done by U.S.-based consultants, starting with the required price structure to compete effectively in the U.S. luxury market and enter the profit zone within five years, and then working backwards to establish production budgets. Projections were also done starting from the daily realities of the women producing the products, including their time constraints and the local labor and input markets and working forward. The two methods allowed a similar range of assumptions.

The overall MMR organization indeed has enormous experience working with and for Peruvian women, including poor women in rural areas of isolated provinces. It operates two kinds of microcredit programs: forming village banks in such remote areas and lending directly to women entrepreneurs in the Lima area. MMR's handcrafts export project, MERCOMUJER, has been in operation for just under two years and is already successful, although not yet financially viable. The CEO of MERCOMUJER is a Peruvian anthropologist with considerable knowledge and sensitivity to the target population, as well as impressive management talents and a seemingly natural affinity for business and entrepreneurship.

Clearly, MMR through its program REPOSALUD has gained credibility as a force for positive change in the lives of large numbers of women in rural areas. This credibility allows MERCOMUJER to encourage these women to take design risks in the products they make and make changes in traditional life patterns that will allow these products to compete more successfully in international markets. It is hoped that increased income will allow these women not only to improve their families' lives, but also to increase their influence in family matters. While it may not be feasible for MERCOMUJER to reach the original target of 5,000 women during the life of this grant, it seems quite likely that that number could be reached by the middle of the decade.

MERCOMUJER is successfully creating new products designed for specific buyers, training women to produce them, supplying the needed equipment and raw materials, scheduling and supervising the production, collecting the products and controlling their quality, packing, transporting, exporting, and paying the producers. To date MERCOMUJER has been able to meet both its production and delivery deadlines and maintain its rigorous quality standards. MMR's records of these activities appear to be adequate, and are being maintained with record-keeping systems designed by MMR in cooperation with USAID.

The staffing plan and expenses detailed in the proposal appear reasonable for the size and type of organization that MERCOMUJER is expected to become. MMR is asking USAID to fund

slightly less than half of MERCOMUJER's operating expenses for the years 2001 through 2003. As currently budgeted, the USAID contribution would cover 100 percent of the direct costs of the first year and just over 10 percent of the direct costs for the third year. While this has a certain appeal, such a sharp increase in assuming financial responsibility on the part of MERCOMUJER may not be feasible.

The goal of adding 1,000 producers per year for three years, which amounts to about 20 per week, will be difficult to accomplish, but may be possible given the number of women who would like to participate, the size of the selected market, the staffing plan and the budget. Approximately 500 women are now participating in the program in seven regions of Peru: Aymara-speaking Puno, Quechua-speaking Puno, Ayacucho, Ancash, and Huancavelica, all located in the *sierra* (mountainous region), and Tarapoto and Pucallpa, located in the *selva* (jungle region). A standardization of training modules planned for the coming year should improve the likelihood of meeting the training target.

The financial projections in the original proposal are based very conservatively on just six products, each of which can be produced in various sizes or styles. Numerous other products have already been designed for clients and are either under contract or in various stages of design. MERCOMUJER has direct contact with three established customers in the U.S., all of which have placed additional orders and suggested ideas for additional, different designs. In addition, MERCOMUJER is beginning to work with a relatively new organization that sells handcrafts from developing countries via the Internet in the U.S. and actively seeks additional partners as part of its overall business strategy.

SECTION IV

Overview of Movimiento Manuela Ramos

A. Brief Description

MMR is a non-profit organization that was legally registered in Peru in 1978. Its registration number is 005-98/PRES-SECTI. MMR's overall mission is to contribute to the empowerment of Peruvian women so they can participate actively in the development of their country. For a number of years, MMR chose to remain a small organization, dedicated principally to human rights, health and reproductive rights, and women's legal issues.

In the early 1990s, an income-generation component was added. This component focused on providing credit and technical assistance for women entrepreneurs in the peri-urban areas of Lima.

In 1995, with the implementation of the REPROSALUD program, MMR entered a phase of rapid growth, expanding from a total staff of 45 to 280. By far the largest program is training in reproductive health, which is financed mainly by USAID. There are approximately 140 employees in the headquarters in Lima and an equal number in other departments of the country.

The REPROSALUD program focuses on training in reproductive health, but incorporated the microcredit program and set up a store to sell handicrafts. Small credits are given for a wide variety of entrepreneurial activities including production of handicrafts. The program includes some technical assistance to improve the design and quality of the craft items, but in general they are less attractive than the items being produced by MERCOMUJER.

The main beneficiaries of MMR's work are women in rural areas of Peru, in the view of MMR staff, are at the line between poverty and extreme poverty. The organization has served more than 2,000 women in the past seven years and more than 40,000 since it was founded.

An important testimony to the success of MMR is the large number of international organizations from which it has received grant funds. These include the Chase Manhattan Foundation, the Ford Foundation, and the European Union.

B. Top-level Direction and Oversight

Assembly of Members. The top governing body of MMR is the General Assembly of Members, of whom there are twelve. This group meets every six months, and on special occasions as needed. Its functions are listed below:

Table 1. Functions of the Assembly of Members

To elect the coordinator and the members of the Managing Council
To approve the strategic plan and the guiding policies
To approve the four-month work plans and their annual reviews

To approve the annual reports of activities and finances
To approve guidelines for the annual budgets
To approve any changes in the by-laws

Managing Council. The Managing Council has six voting members and one non-voting member (the Administrative Manager). It meets monthly and makes decisions regarding work plans, budgets, personnel policies, agreements with other institutions, and other matters that may come before it. It can refer important matters to the Assembly of Members for its consideration.

Program committee. The program committee consists of the General Coordinator, the Administrative Manager, and the Technical Coordinator (*Coordinadora de Programas y Organos de Apoyo*). It meets twice a month for general coordination and once a month on other matters that may come before it. This body essentially verifies that the various programs of MMR are working with each other in pursuit of the organization's goals.

Management structure. Below the Managing Council there is a management structure that includes a General Coordinator, persons in charge of public relations and monitoring and evaluation, persons in charge of the management information system, financial activities, human resources and general services, and persons in charge of the six main programs. These are human rights, health and sexual and reproductive rights, income generation, marketing, political participation and leadership, and reproductive health. An organizational chart follows and is labeled Annex I.

The Reproductive Health in the Community project includes Advocacy, Health Services, Microcredit Services, and Evaluation. It also supervises the organization's offices in eight secondary cities. MERCOMUJER has been a component of this project, but is currently in the process of being made an autonomous entity under the MMR umbrella.

C. Management Information System

Accounting system. MMR's management information system has been highly developed with assistance from USAID and other organizations. The financial system has six modules: bank accounts; cash accounts; accounts payable; budgets; interphase accounts (relationships among other modules); accounting; and regional offices.

The authors have seen the Chart of Accounts and have elected not to include it here. It is 30 pages in length and has approximately 1,200 account titles. Each is specified as either a Peruvian *sol* or a U.S. dollar account. We have seen evidence that the chart is being followed and the accounts are being audited. Statements are issued on a monthly and an annual basis.

There is a designated internal auditor, Luis Alberto Matos, in the Department of Administration.

Communication between offices. There is constant communication between the Lima office and the eight provincial offices, carried out through personal visits, phone and fax, and increasingly, by e-mail. Most communication with provincial offices from Lima is done by REPOSALUD staff; however, persons in other departments of MMR communicate directly with provincial offices when the need arises.

Activity and financial reports from provincial offices are sent to the REPOSALUD project coordinator, by email, and the originals follow by courier. This is done on a monthly basis. They are compiled and tabulated by computer, using software that was developed especially for MMR.

There is excellent control of loans made and outstanding in the microcredit program. The level of non-payment is minimal. Please see Annex VI, taken from a recent report on the microcredit program.

D. Financial Planning, Analysis and Controls

Annual budgets are prepared by the Administration Department and approved by the Managing Council. These are constructed from the bottom up, based on the needs of each part of the organization, within the constraints of the funds available from the various grantors and, to some extent, from operations. The coordinator of each program has full information on her budget and is responsible for meeting the income targets (if any) and expense targets.

Monthly budgets are also prepared, and there are monthly comparisons of budget figures with actual results. Departments are not allowed to exceed their budgets without specific authorization.

E. Institutional Linkages and Competition

MMR has formal linkages with a number of other organizations. Five have affiliated with MMR, mostly to gain its assistance in delivering their programs to their target markets. These programs relate mainly to women's legal rights, health and empowerment.

MMR has affiliated with some 15 organizations, mostly to gain access to their publications and training materials, advisors, and in some cases for the execution of projects. A list of these affiliations and groups is presented as Annex III.

There are other programs that offer services similar to those of MMR, but none has such wide reach in very undeveloped and almost inaccessible areas. Various people have commented that MMR is almost certainly the best-known women's organization in the country.

F. Organization and Staffing

Information about the organization and staffing has been presented earlier in this report, and an organizational chart is included as Annex I. The organization and staffing of MERCOMUJER will be presented in a later section.

G. Management and Decision-making

The management structure of MMR has been presented earlier in this report. From discussions with personnel of USAID and MMR, we conclude that the organization is well managed, often in a participatory way. This is reflected in employee morale, which seems exceptionally high. In our few days at MMR, we saw employees coming to work early and leaving late, and employees

being allowed to leave for urgent personal business without undue hassle. We heard no complaining at all, and noticed unusually high *esprit de corps* in the lunchroom, where employees can buy excellent meals or eat food brought from home.

Decision-making seems to follow a normal hierarchical system, but with considerable consultation. Our impression is that, by and large, supervisors neither abuse nor abdicate their authority. Interviews with REPROSALUD coordinators and MERCOMUJER promoters in two regional offices left a similar impression of deep commitment, high morale, long hours and a relaxed, highly interactive staff. We also saw instances of persons from those offices telephoning Lima for guidance.

H. Strengths and Weaknesses

We believe the main strengths of MMR are in its long and ample experience, excellent personnel, and the confidence it has earned from thousands of poor rural women. It is this confidence that puts MMR in such a strong position to introduce income-producing activities.

SECTION IV

Financial Information for MMR

A. Balance Sheet for 31st December 1999

The balance sheet for MMR follows as Annex IV. When converted to dollars, the balance sheet shows assets of USUS\$1.4 million, liabilities of USUS\$600,000 and ownership of USUS\$800,000. Most of the assets consist of buildings, furniture, equipment and cash, while most of the liabilities are funds to be used by REPROSALUD.

B. Income and Expense Statement for the Year 1999

A statement of income and expenses for MMR is attached as Annex V. This statement shows total income of USUS\$6.3 million and total expenses of slightly less. The bulk of the income is from contributions from donor and financial organizations. By far the most important expense items are salaries and employee benefits.

C. Microcredit Activities

About 1997, MMR began adding income-generation activities to the REPROSALUD project, consisting of a system of community banks, and an individual loan program. In the past two years, MMR has formed 185 community banks, of which 183 remain in operation. They average about 20 women per bank, with loans outstanding of USUS\$145 per person, and a repayment rate of 98 percent. This program works with COPEME, a consortium of Peruvian organizations providing services or support to small and microentrepreneurs, from which it receives technical assistance. The program reports information through COPEME to SINFONED, the COPEME system for collecting and publishing MFI performance indicators, and to the credit bureau. More information on the community-banking program is presented in Annex VI.

MMR also gives individual loans to women from three “desks,” placed within other organizations in Lima. As of February 2000, there were 3,411 individual loans outstanding, with a total of USUS\$2.8 million. The average initial loan size was about USUS\$600; 84 percent of the loans were to women.

Beyond this, the credit programs will not be discussed because they appear at this time to be irrelevant to the transformation of MERCOMUJER into a business. This is because there is no relationship between the microcredit program and MERCOMUJER; they operate separately. In future, should MERCOMUJER reach semi-industrial scale as a business, the MMR community banks, or their competitors, may play a useful role providing credit for input purchases to the individual producers.

The second form of income generation developed by MMR was direct production and sale of goods. This was represented by the development of MERCOMUJER, which is discussed immediately below.

SECTION VI

Specific Comments on MERCOMUJER

MERCOMUJER is an organization with two co-equal purposes and the absolute need for both to flourish if it is to survive. MERCOMUJER began as an experiment and a one of several activities of the REPROSALUD project. It is now becoming a true business endeavor, evidenced by its growing list of repeat customers in the high-end U.S. market.

MERCOMUJER was not created to make money as an end in itself, but rather to revolutionize the lives of women from the most rural and isolated parts of Peru. MERCOMUJER is designed to bring these particular women into the monetary economy, cash into their households, and new dignity, recognition and power within their family structures. Many have solid traditional skills, such as knitting, but the disciplines of producing for an international market are new to them. Therefore, MERCOMUJER must provide them with training to allow them to succeed.

MERCOMUJER does not plan to shift production to more easily reachable, pre-trained women. Thus, it will experience much higher staff training costs and transportation costs than the average business. For any Peruvian handcraft business to compete in the international high-end market, it must have clever and finely made products, reliability, and competitive prices. MERCOMUJER has set itself the task of achieving all these things with extraordinary efficiency in order to generate the margins necessary to cover the training and compensate for the internal distances.

A. How MERCOMUJER Came to Be

The MMR Movement (MMR) is a very active, Peruvian NGO that seeks to improve the status of women in Peru. Begun in 1978, MMR focused exclusively on issues of women's political and personal empowerment. By choice it had remained a fairly small institution with some 45 employees and an annual budget of around US\$700. MMR has had a close working relationship with USAID/Peru since 1995, when a cooperative agreement was signed with the Health And Population Office for the REPROSALUD activity.

REPROSALUD transformed MMR considerably. Staff expanded to over 280 persons and the budget expanded to about US\$6 million, of which 80 percent is dependent on USAID resources. Half of MMR employees work in Lima and its peri-urban periphery, and the other half works in six of Peru's 24 provinces. Over the last four years, REPROSALUD has been able to reach about 40,000 women. It acts on a philosophy that the women themselves are best able to determine their own needs. REPROSALUD has striven to provide the women with the technical support and resources to actualize the solutions they have proposed.

As a result of this approach, and because throughout its many years in operation, MMR has found its clients preoccupied with, and limited by, their very poor economic situation, about 1997 MMR began adding income generation activities to the REPROSALUD mix. These took two forms. The first, discussed in section 5.3 above, was a duo of microcredit activities.

The other income-generation activity was MERCOMUJER, designed to increase family income, and the status and influence of REPOSALUD beneficiaries within their families. Introduced in 1998, MERCOMUJER included the production and sale of exclusive handcraft designs based on local skills and materials to high-end, niche-markets in the USA.

Weidemann and Associates, a consulting firm hired under a MicroServe buy-in that was financed with REPOSALUD funds designed the initial MERCOMUJER activity. The current MERCOMUJER CEO was not the initial designer of the project. In fact, she was found and hired by the senior Weidemann consultant. The main tasks were, not to persuade women to participate, but to find markets and products and business logistics that would make it worthwhile for the women to produce unique, handcrafted items. Convincing the MMR management of the worth of good business principles was also a task.

Initially within MMR, there was considerable resistance to the idea of running the activity according to true business principles. Three elements, however, together resulted in a major change of attitude within MMR: the visit of the CEO to the New York gift show, where she quickly grasped the realities of the highly competitive market represented there; the participation of MMR's REPOSALUD director in the Boulder microfinance training sessions; and the continual reinforcement of the business concept by the Weidemann team. It has been an uphill struggle of sorts, but the philosophical battle appears to be won. In part this is because the pilot stage of MERCOMUJER has achieved considerable success while ever increasingly being driven by the market.

These actual income-generating activities began in 1998, with introductory discussions and the contracting of a consulting firm from the U.S., Weidemann Associates. A few carefully selected product lines were developed and tested, and were put into production. At the end of 1999, there were about 500 women in the program and sales for the year were about US\$20,000. An arrangement was made with the *Central Interdepartamental de Artesanos del Perú*, to do the actual exporting, for a fee of 10 percent of the f.o.b./airport value. The *Central* is an association of craft producers which has a commercial arm allied with the Fair Trade movement. A normal commercial intermediary operating with customary margins would charge between 30 and 60 percent.

In the organization's operations to date:

- A total of 1,200 women have been reached.
- Twelve orders have been successfully filled for seven organizations.
- All buyers have been sufficiently pleased that they have placed follow-up orders, in several cases requesting new products or additional models.

In addition, MERCOMUJER has developed a methodology which:

- Instills rigorous quality standards.
- Instills rigorous market discipline.
- Bases production strictly on sales contracts.

- Avoids artificial distortion of the local, rural economy.
- Uses local inputs.
- Promotes women's empowerment within their families and traditional lifestyles.

To do all of this simultaneously is no small feat and deserves applause.

B. Local Labor and Input Markets

Josefa Nolte, the CEO of MERCOMUJER, comes from a diverse background. By training and former professional experience she is an anthropologist. This training has led her to make a number of very intelligent and sensitive design decisions. The pricing of items produced has been figured in two directions. One, of course, looks at a price competitive in the international market. However, careful attention has also been paid to the local economies within which the producers reside.

In almost all cases, the women producers had multiple before MERCOMUJER. They are mothers; they are farmers; they are shepherds. In the *altiplano* regions where MERCOMUJER is active — Puno, Huancavelica, Ancash, and Ayacucho — most/many of the women already had good basic knitting skills, but they did not necessarily knit products to be sold, or, if they did, they knitted the low-demand traditional items for the local tourist trade. Production and pricing were keyed to the local economy.

In designing MERCOMUJER's product line, an emphasis was placed on identifying small, sometimes tiny, knitted items that could be carried easily while following herds of alpaca or sheep, and that could be crammed in a pocket easily if chasing a stray were to become an immediate concern. This emphasis can be changed if the market for these products becomes large and lucrative enough for them to focus on their knitting activities to the exclusion of others. For the moment, it makes a great deal of sense, and to date the American market has demanded a wide variety of items small enough and portable enough to fit the bill.

The local wage standard for men is S/.10 a day for unskilled or semi-skilled labor. It was determined that knitting part-time as she watched the family flock, a woman could produce two market-quality doll or dog sweaters a day. A price of S/.5 each to the knitter was set. This was determined both by a competitive price in the United States after full mark-ups and by a desire to key the pricing to the local labor market. The cost of men's rural labor in the isolated areas where MERCOMUJER works is sufficiently low to allow the two trajectories to coincide nicely.

MERCOMUJER also emphasizes the use of local materials. These include two of the world's true luxury fibers, alpaca and Pima cotton, neither of which is widely available elsewhere. For the moment, alpaca is not fully appreciated by affluent international consumers, who still prefer cashmere. Thus, alpaca fleece and yarns are not now priced prohibitively.

The methods of production are distinct for the papermaking done in the jungle regions and for the knitting done on the *altiplano*.

C. International Markets: Quality Standards and Market Discipline

MERCOMUJER has established very high standards of quality for its products and has trained the women from the beginning that they are responding to market demand.

The women donate their time and labor in return for MERCOMUJER training. MERCOMUJER factors training into its list of costs that must be covered by sales, but the cost is covered by the margin on sales, not by charging the women up front. As with most companies, in-house training of the workforce is treated as a cost of doing business.

Both MERCOMUJER and the women supply materials. If MERCOMUJER supplies the materials and equipment, the women pay for them. For example, although knitting needles cost only S/.2-3 (US\$1 or less), the women buy them. This practice is intended to instill the women with a market mentality as well as to save MERCOMUJER the cost of the knitting needles. Recognizing the barter economy in which many of the women live, MERCOMUJER does allow them to request that the cost be taken out of their pay when they begin to produce. Women who do not produce items that can be sold must return the items they received on credit.

The women begin to receive pay when their work begins to sell. Until the individual woman's work is of acceptable quality to fill an export order, she is considered to be practicing, not producing, and she receives no compensation.

Absolute quality standards are enforced. For example, when a shipment containing fewer than the expected number of *piasaba* brooms arrived in Lima, and included brooms with damp or damaged fiber, the CEO simply and firmly communicated that the order would not be shipped until it was complete, with all brooms in perfect condition, and that nobody would be paid until the order was shipped and accepted. The additional, clean brooms arrived shortly. This episode caused MERCOMUJER to produce a 35-point quality control sheet for brooms, which is included as Annex X. Since then quality control sheets have been created for each product added to the line.

There have been serious issues of quality control, production discipline, and lack of volume in the papermaking areas in particular. MERCOMUJER staff, however, indicates that these problems have largely been solved. For example, the women of Tarapoto delivered only 3,000 feathered Christmas cards to a Lima buyer rather than the 10,000 that had been ordered. According to MERCOMUJER staff, the resulting loss of income, follow-up orders, and credibility apparently made a deep impression on the women, and drove home the paramount need for timeliness.

A list of export orders received and shipped is presented as Annex VII.

D. Organization and Staffing

MERCOMUJER currently has nine salaried employees: an executive director/CEO, her assistant, a secretary/bookkeeper, and six regional promoters. The positions of marketing manager, training coordinator, and promoter for Huancavelica are currently vacant. MERCOMUJER's management information and accounting services are currently provided by MMR. If

MERCOMUJER indeed becomes a separate entity, it will need to buy services and/or rent equipment for these services, either from MMR or the outside. A proposed organizational chart is presented as Annex VII.

MERCOMUJER's staff is outstanding. MERCOMUJER has adopted the organizational culture of MMR, which emphasizes group-process decision-making and problem solving. This culture helps enormously toward ensuring that high-quality products are delivered on time.

MERCOMUJER promoters have been carefully selected to provide a mix of skills and to complement one another's strengths. For example, in Puno, where there are separate regions for the Quechua- and Aymara-speaking areas, there are two promoters. The two differ not only in their language skills, but in their areas of expertise as well. One has no higher education and is building self-confidence in working with a predominantly university educated staff, but has exceptional knitting skills. Her passion is working out actual knitting patterns of new and different designs and teaching the pattern to others. She is a genuine asset for MERCOMUJER.

The second promoter in Puno is not as skilled a knitter, but is strong in management, budgeting, and report-writing, also important skills. The two were hired with a clear awareness of the complementarity of their skills. This level of thinking is characteristic of the selection and training of MERCOMUJER staff and augurs well for the organization.

The producers are also part of the MERCOMUJER team, although they work on a piecework basis in most cases. These women are currently drawn from the REPROSALUD groups, which number about 40,000 women. The subset of women who are or will become producers for MERCOMUJER are poor and isolated, but also capable of change and of internalizing the market principles that are the basis of MERCOMUJER. Both the REPROSALUD staff and MERCOMUJER are fully aware that women are not necessarily good candidates for transformation into producers of export quality goods just because they belong to the target population for REPROSALUD.

MERCOMUJER, as suggested by other consultants, may need to incorporate women from the broader population eventually. However, given the fact that REPROSALUD itself does not form groups of its own, but utilizes almost any form of local women's organization already in existence (mother's clubs, "popular dining rooms," etc.) in the target area, the potential universe from which MERCOMUJER currently proposes to draw is already quite large. In Puno, the local staff explained that REPROSALUD has 35 formal counterpart groups in the area, but each of these has some 15 other groups associated with it. The overall universe is not likely to be the constraint. It remains to be seen on average what percentage of the women belonging to these groups will prove to be good material for conversion to MERCOMUJER producers/ employees. If there is a constraint, it lies in this percentage.

MERCOMUJER will become have a greater chance for success if its staff regards its producers as subcontractors or employees rather than beneficiaries or even clients. Indeed, they are its most important team members, which MERCOMUJER staff must keep in mind as it develops its compensation, training and incentive plans. If Peruvian law allows, a plan that allows all associates to be compensated with shares and stock options in the business is to be highly

encouraged. It is recognized that putting all the producers into a permanent hire status would be suicidal under Peruvian labor law. The question is: could they be given or sold shares at preferential prices and continue not to be viewed as employees under Peruvian labor law?

E. Scale

E1. Training the Producers: The Question of Timing for Scale

MERCOMUJER currently has about 260 women trained to produce its various crafts. A pressing issue is the rate at which groups can be adequately trained. Although at first glance it appears to be unnervingly slow, closer examination suggests that it may be adequate to *meet* the need. For one thing, there is a calculated plan to keep the addition of more producers in line with the addition of new purchasers. For another, there is a back-up plan for assuring that adequate numbers of producers will be available should an exceptionally large order appear for certain items. This is, essentially, to cross-train so that groups that have excess time can help those who have excess orders.

In the Aymara-speaking region in Puno, only four groups have been trained, with 17, 24, 25, and 27 active producers each. The promoter plans to train two more groups, about 50 more women, in the near future. It was not clear to us whether the relaxed training pace was due to unknown factors or to a perceived lack of sufficient markets to employ additional women.

One reason training may be slow is its intensity, if Tarapoto is a typical case. At least for the papermaking there, the training process is very intensive. The promoter stated that to train one group of 15 to 20 women requires two months of her full-time effort. She broke this down as two weeks to train the women to make the product, two additional weeks working on their technique (i.e., quality) and a full month working on organizing the work. This pattern is related to the production of paper, which is produced in a group production process. The knitters knit individually and many highland women have at least basic knitting skills, so training there may be less intensive.

At this time about 80 women are trained and working in Tarapoto. The local promoter estimates that she will train six groups of 15-20 women each over the next year, and that supervisors of groups already trained will train some other groups nearby, but the promoter did not indicate the number. If we assume, however, that the promoter trains six groups, and the supervisors train three groups, all with an average of 18 women in each group, some 162 more women will be trained in Tarapoto in the next year. Assuming similar numbers in the other six regions, 1,000 additional women trained would be achievable with the staff now in place within a year.

We project that the average number of trained workers during the year 2001 will be 1000, and that the year-end total will be 1,500. The sales projection for 2001 is US\$210,000, which comes out to just US\$210 per worker (210/000/1000). Although the labor content varies, we might reasonably assume that the average item will require US\$1.00 of labor.

E2. Other Scale Issues: Inputs, More Labor Instantly, and Mechanization

The ability to fill very large orders for high-quality merchandise may remain a difficulty, especially in paper production. It appears that larger orders are highly probable if the supply is there. Apparently the company World Paper is prepared to buy as much paper as MERCOMUJER can produce once MERCOMUJER can produce adequate quantities to an export standard. A consultant interviewed by the team said that MERCOMUJER had declined a large order for high-quality paper for lampshades and wallpaper from high-end interior designers in the San Francisco Bay Area due to a lack of production capability.

This same consultant suggested that investment in a Hollander Beater for mixing the paper slurry would allow both greater employment opportunities for women pressing the paper and MERCOMUJER the capability to take on much larger orders.

MERCOMUJER staff should constantly project needs for raw materials, search for the most reliable and economical sources, and try new and different materials. In some instances, staff may need to shift raw materials or production from one area to another, particularly in papermaking. MERCOMUJER now pays women to collect raw materials for papermaking. The women have three sources of these materials. First, in Tarapoto, they collect the waste product of sugar production known as "bagasse" from the local sugar plant. The plant produces large amounts of bagasse, and the plant owners allow the women to remove it at no cost. Second, raw materials are harvested from native plants or picked up off the ground. Finally, some materials, such as plantain skins, are rescued from garbage dumps.

Finding enough, affordable materials may become a problem if MERCOMUJER moves toward larger-scale production of paper. The owners of the sugar plant may begin to charge for bagasse, and native plants may become overharvested. This problem may be offset, however, by the continued use of a wide variety of materials. Novelty, is an important goal; one example is the incorporation of crushed shells into the paper.

It is likelier that the knitters in the altiplano will be ready to fill larger orders before the papermakers. Although the products have been chosen to fit the knitters' daily routines and responsibilities, MERCOMUJER staff has emphasized that if a large order is received, or one with a short turnaround time, the women must work as many hours as necessary to meet the delivery schedule without a lapse in quality. There is some evidence that, with a bit of coaching, the women's husbands and families will take over some or all of the women's tasks if necessary. However, more hands may simply be necessary from time to time. And it remains to be tested if discipline can be maintained should a large order arrive just as a major planting or harvest period begins.

Two tools that will help obtain the needed production are pride and pay. Both are valuable to people in the Andean region. Another weapon in this battle is cross training. Currently in the knitting regions, different items are being produced in different geographic areas. For example, in the past doll clothes and dog sweaters have been produced in different parts of Puno. Now, however, the CEO is requiring all knitters to learn to make the specialty items of all the regions so that all may assist in filling an order if necessary. Thus, orders can be filled more quickly, and the women learn that production is demand-driven rather than market-driven.

For the knitters, the question of whether to mechanize their work is very important. There are many knitting machines in the Altiplano, but until now the producers for MERCOMUJER have produced only very good quality, hand knitted products. The organization and its knitters will probably gain from the use of machines, if they can sell the larger quantities and more standardized items that this technology will produce.

Knitters are already paying fairly high prices for their raw materials. Baby alpaca wool currently sells for US\$30 per kilo, superfine alpaca wool for US\$25, and pima cotton for US\$26. This compares to regular *tanquis* cotton at US\$12 per kilo, sheep's wool selling for US\$8, and acrylic selling for US\$6 per kilo in the same market. The danger is that, with a sudden boom in international popularity, alpaca prices could soar much higher. *This has happened in the past but usually for brief periods* of time. If the price of the final product were also to soar, of course, the effect would either be muted or actually beneficial.

F. Returns to Labor

MMR staff told us that people in the areas in which MERCOMUJER works live outside the monetary economy to the extent that they often go several months without handling money. Therefore, any income from producing items for MERCOMUJER means a real change in the total income of the producers' families. USAID/Peru's microenterprise staff warns that this income is sufficiently significant that to experience it and then lose it would be tragic. They caution all parties to work diligently to prevent this from happening.

As noted above, in Puno, small items that can be knit under normal circumstances at the rate of two per day are currently priced at S/.5 each, which brings the women's wages in line with men's wages in the area. The promoter interviewed said that last year the women who participated had each earned about S/.300 (about US\$85) on average.

In Tarapoto, working two days per week, women can earn S/.80-120 collecting raw materials at S/.5 per kilo, S/.30-50 providing firewood that costs S/.3 per *tercio*, or S/.60-70 actually making paper. We did not collect figures on what that adds up to on average per woman. Some of these figures are per month, but the field notes are unclear as to whether all of them are for that time period, so the figures may not be directly comparable. What was clear was that the paper production is more of a collective process and that different women do different things. Some find the materials, some produce the slurry; some actually make the paper. MERCOMUJER is beginning to pay the women differentiated wages based on the skill level that they have developed and the sensitivity of the task they are doing. This has provided another set of lessons on the market economy.

G. Returns to MERCOMUJER

G1. Simplified Activity and Financial Statement and Profit and Loss Statement

The "Simplified Activity and Financial Statement" and the "Profit and Loss Statement," show steady increases in the numbers of villages, clients and businesses served. They also show:

- Steady increase in units sold, with modest price increases.
- Good distribution of sales among six product categories.
- Steady progress toward breakeven without USAID funding in 2004.

We are concerned about the low figure of average earnings per producer, just over US\$30 per year (calculation on Page 25). This amount may not provide sufficient motivation for women to produce for MERCOMUJER. The earnings potential is most likely low for an experienced producer, since the total number of women also includes beginners with various levels of expertise. Similarly, while this figure is rather stagnant (it does not increase over time), the stagnation at least partially results from the efficiency gained over time being offset by the inefficiency of new producers. We hope and believe that in the year 2004 and beyond, earnings per producer will increase steadily.

We note that, that without USAID funding, MERCOMUJER would project substantial losses from 2001 through 2003 and a small profit in 2004. Thus, it would be difficult or impossible to spin off MERCOMUJER from MMR without seed funding from USAID.

Table 2. Proforma P&L Statement with Ratios

	US\$2001	%2001	US\$2002	%2002
INCOME				
Income from Sales	209 821	1,00	314 730	1,00
Less Cost of Good Sold	101 899	0,49	152 848	0,49
GROSS INCOME	107 922	0,51	161 882	0,51
OPERATING EXPENSES				
Salaries and Benefits	140 300	0,67	147 300	0,47
Research and Development	40 000	0,19	40 000	0,13
Other Relevant Costs	73 870	0,35	60 360	0,19
Indirect Costs (15%)	53 410	0,25	60 076	0,19
OPERATING INCOME	-199 658	-0,95	-145 854	-0,46
OTHER INCOME				
USAID Funding	254 170	1,21	173 362	0,55
Other Income	0	0,00	54 512	0,17
Total Other Income	254 170	1,21	227 874	0,72
Profit (Loss)	54 512	0,26	82 020	0,26
	US\$2003	%2003	US\$2004	%2004
INCOME				
Income from Sales	440 624	1,00	512 993	1,00
Less Cost of Good Sold	203 798	0,46	226 485	0,44
GROSS INCOME	236 826	0,54	286 508	0,56
OPERATING EXPENSES				
Salaries and Benefits	147 300	0,33	147 300	0,29
Research and Development	20 000	0,05	10 000	0,02
Other Relevant Costs	55 360	0,13	55 360	0,11
Indirect Costs (15%)	63 969	0,15	685 872	1,34
OPERATING INCOME	-49 803	-0,11	7 977	0,02
OTHER INCOME				

	US\$2001	%2001	US\$2002	%2002
USAID Funding	22 266	0,05	0	0,00
Other Income	27 508	0,06	0	0,00
Total Other Income	22 266	0,05	0	0,00
Profit (Loss)	-27 537	-0,06	7 977	0,02

G.2. Forecast for 2004

The most notable ratio is that, in the year 2004 in which there will no longer be assistance from USAID, profit will be only 2 percent of sales. Clearly, MERCOMUJER should seek ways of increasing this percentage.

Income from sales is expected to increase steadily as MERCOMUJER develops as a production and marketing company. The following is the projected sales figure for the year 2004, the first without USAID assistance, with a percentage allocation for major cost items:

Table 3. Projected Sales Figures and Major Cost Allocations, 2004

Sales	US\$512,993
Cost of goods sold	44%
Salaries and benefits	29%
Research and development	2%
Other direct costs	11%
Indirect costs	13%
Profit US\$7,997 or	1.6%
TOTAL (without rounding)	100%

Approximately half of the Cost of Goods Sold derives from the producers' labor, the other half the cost of materials, with a bit for miscellaneous expenses. That means that only about US\$113,000 will be paid for the labor of 3,500 producers. This works out to less than US\$3 per month per producer. The fees are based on tests and are about equal to the prevailing wage rate in remote areas of Peru, divided by the number of items an average woman can produce per day after training.

The sales figure surely seems attainable, given that 3,500 knitters are expected to be involved and that the U.S. market is very large. The percent allocations of the income seem reasonable for a company that, essentially, is using very small scale contract production in remote areas.

Selling prices used are for delivery to the non-profit exporting company in Lima/Callao. This company adds a fee of 10 percent, which is paid by the foreign buyer. This arrangement saves a considerable amount of money as other exporting companies would charge higher fees.

Research and development (R&D) costs are expected to decrease somewhat as USAID funding declines. This is worrisome, however, as funds will probably not be available to keep R&D at a high level.

Table 4 below shows a percentage breakdown of proposed operating expenses for the last year of USAID assistance. This breakdown shows that just over half of the US\$224,000 will go for salaries. This is a minimal budget, even in Peru, for an organization that will be working with 3,500 producers. The staff will probably be stretched to the limit, and any absences for vacation, illness etc. may have a negative impact on production or sales. Modest amounts are shown for other expense categories.

Table 4. Breakdown of Proposed Operating Expenses, 2003

Total	US\$223,823
Salaries	57%
Short-term TA	8%
Administrative expenses	6%
Travel expenses	12%
Training materials	3%
Indirect costs	14%
TOTAL	100%

There had been some concern that there were hidden costs not covered in the budget. Conversation with the CEO Director of MERCOMUJER clarified that these items are indeed covered in the budget. The clarifications included the following:

- The cooperative agreement would allow the hiring of a training coordinator, whose salary is in the budget, along with the salaries of the promoters. It was clarified that a good part of the US\$40,000 for short-term consultancies in each of 2001 and 2002 is for expert assistance with standardizing the training through development of modular sets of training materials. The cost of contracted trainers (*capacitadores volantes*) is also included.
- The US\$3,000 per year expense (US\$250 per month) listed for rent in the budget is intended for a small house in a modest neighborhood. MERCOMUJER will thus have its own space away from MMR offices. This will allow MERCOMUJER a sense of independence from MMR as well as for the consolidation of the office and warehouse in one place. When the business is fully profitable, it would be advisable to purchase a similar space, also one that has room for offices and warehouse.
- The business plan clearly states that auditing services (internal audit), MIS, and legal services will be obtained from MMR. It has been clarified that MMR requires MERCOMUJER to pay for these services; they will not be donated. It is not known whether the price MMR affixes to these services would cover the full cost of having to contract for them with an independent commercial provider.
- The budget for design services actually is not cut significantly in the third year, as only about US\$20,000 of the prior year short-term technical assistance line item was attached to this particular category. This item, for which there will almost certainly be an on-going need, is straight-lined. In fact, critical as this input is, there may need to be an increase over time of funding allocated to this line item.

H. Balance Sheet, Cash Flow Analysis, and Sensitivity Analysis

It is not possible to do balance sheet analysis because we do not have projected balance sheets for MERCOMUJER. They will clearly be weak because the organization will not have large amounts of assets, liabilities or equity. Its most important asset, inventories, will be low because goods will be produced to order. Its most important liability, payments to the workers, will be low because payments will be made when the goods are delivered.

Neither do we have cash flow projections. These would undoubtedly show that the organization will be perpetually tight on cash. It may have to borrow to finance the production of large orders, and this would involve an interest cost. One possible lender is MMR's microcredit program.

The bottom line of MERCOMUJER is highly sensitive to changes in sales, as follows (for the year 2004):

- A 10 percent decrease in sales would change the US\$7,977 profit to a loss of US\$5,393
- A 10 percent increase in sales would change the US\$7,977 profit to a profit of US\$33,627

Thus, a 10 percent increase in sales would lead to an increase in profits of 283 percent. This is a very high degree of sensitivity, caused by the fact that the organization plans to operate near the breakeven point in 2004 and to have fairly high operating expenses with regard to the value of sales.

I. Formal SWOT Analysis of MERCOMUJER

We were given a formal Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis of the MERCOMUJER part of MMR. A liberally translated summary of this analysis follows:

A. Strengths

- Widespread confidence in MMR
- MMR's infrastructure of offices and transportation
- Management and administrative independence from MMR
- Personnel experienced in training, production and marketing
- Field personnel who speak local languages
- Actual experience in product development and order fulfillment
- Rural promoters with entrepreneurial vision
- Twelve product lines ready to go and ten more in development
- A highly experienced foreign consultant who knows the U.S. market and already has potential clients

B. Weaknesses

- Possible difficulty in moving from a social-service orientation to a business orientation.
- Systems and procedures for the independent business not yet all in place.
- On-going training for producers to understand the market and its requirements.
- Product/area/producer coding system not yet fully in place.

C. Opportunities

- Market demand exists for the items being produced.
- MERCOMUJER has established clients, and a list of potential clients with whom contact has been made.
- The producers and regions for enlarging the product line have been identified.
- Peru has native materials found in few if any other countries.
- Thousands of rural women in the areas in which MERCOMUJER works are seeking income-generating activities.

D. Threats

- There is the possibility of theft and massive production of designs before the production cycle of MERCOMUJER has been completed.
- Producers are sometimes pulled away from production by the meetings of other organizations working with them on other activities.
- The price of raw materials may increase.
- There could be delays in adjusting the exchange rate which would force higher prices.
- There could be lower-cost competition from other countries.
- Political and economic uncertainties always exist.

This last point would include disruptions of supply due to weather, increased guerrilla activity, and government or consumer boycotts over political developments in Peru. The latter two seem unlikely, and it is, of course, impossible to predict earthquakes and the weather, particularly the *El Niño* effect.

By and large, we concur with the above analysis. From a conservative point of view, the last category (threats) is the most important. We would add two additional threats to the MERCOMUJER list. First, there is and will be competition for labor, especially during the planting and harvesting seasons. Second, there is the possibility of losing any of the key personnel. Any one person could be replaced, particularly with some advance notice, but momentum would be lost and growth slowed.

J. Comments on the Draft Plan of Operations

The current "Implementation Plan" has a very good explanation of the institutional background and the reasons for creating MERCOMUJER. It states a clear goal:

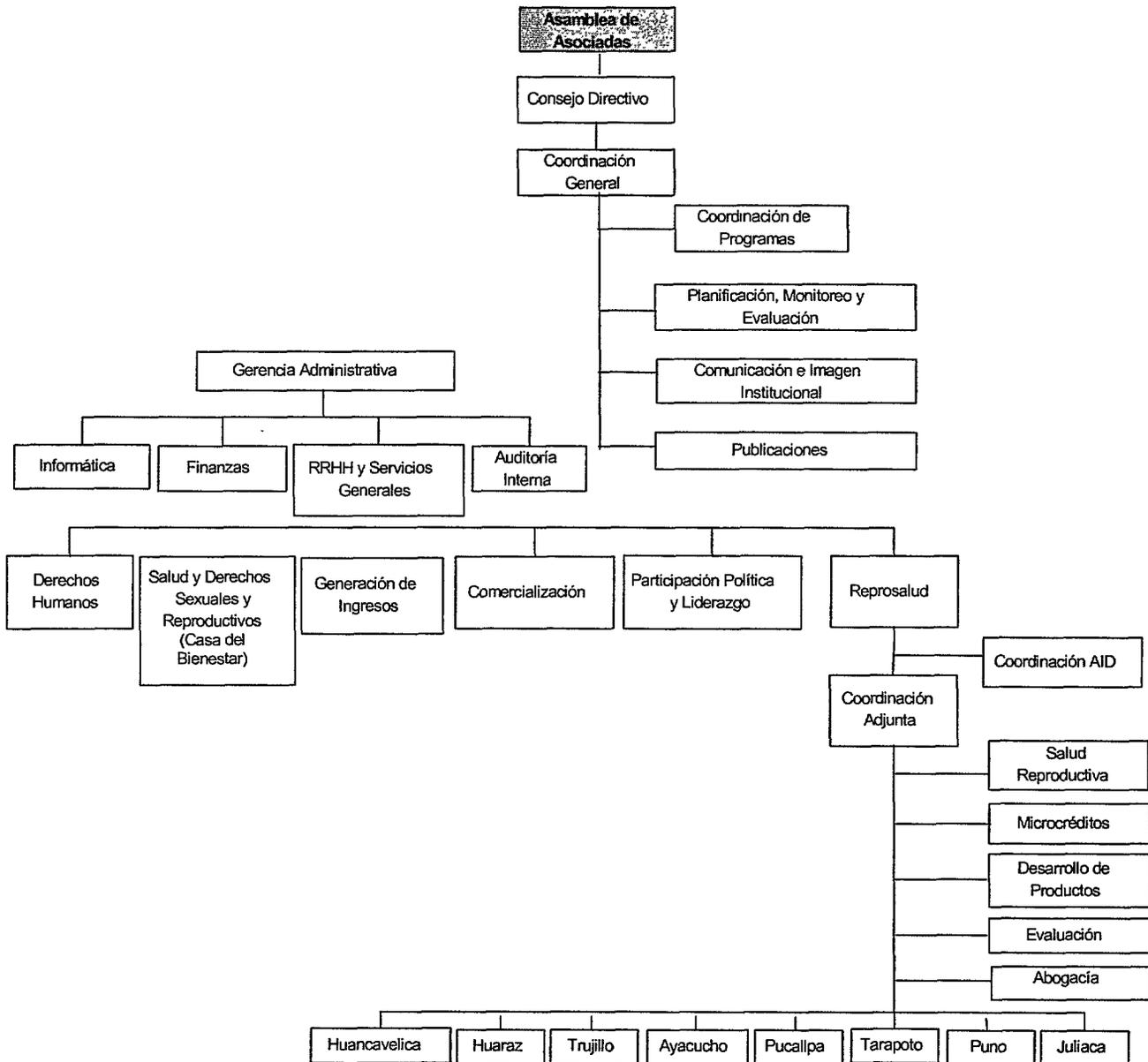
- To strengthen business and production skills of rural women in Peru and to increase family income by institutionalizing their relationship to external markets, all within the context of a profitable organization.

The following are other important aspects of the Implementation Plan:.

- The plan has a very good description of MERCOMUJER's products and how they are produced in rural areas of Peru. The focus is clearly on market-led product development and on training entrepreneurs to meet the needs of the buyers, which are in a very real sense partners with MERCOMUJER. There is also a good explanation of the costing/pricing process, which indicates that the organization can operate with an adequate gross margin.
- The section on marketing strategy lists the seven U.S. firms that are now MERCOMUJER's clients, with basic information on each. These are clients that any handcraft vendor would be pleased to have. The plan also has important information on the personnel who are making MERCOMUJER work.
- There is some concern in the area of the status of MERCOMUJER within MMR, which is described as follows, "By October 1, 2000 MERCOMUJER will be a semi-autonomous department of MMR." We believe the organization must be independent enough to operate truly as a profit-making company. The authors and some of the parties we consulted believe that breaking MERCOMUJER out as a separate NGO or corporation is critical. Whether NGO or corporation, MERCOMUJER could be incorporated as a subsidiary of MMR. However, it should have its own Board of Directors, composed of members from a solid business orientation and with sound business experience. If MERCOMUJER successfully continues its march toward profitability, a majority of the board members should represent some combination of MERCOMUJER and private individuals with strong business backgrounds. Clearly MERCOMUJER would want to select only those businesspersons for the Board who have an equally strong commitment to the social mission and to the financial objectives of MERCOMUJER.
- Finally, the Draft Plan of Operations includes a brief explanation of the financial plan (see explanation above) and 12 annexes. Aside from the financial data, the most interesting of these are: the identification of products and producers (Annex 5) and the flow chart of operations (Annex 12). Also, the explanation of quality control procedures for *piasaba* brooms (Annex 6) gives a clear idea of the product/market sophistication that has been developed.

ANNEX I

Organizational Chart of Movimiento Manuela Ramos



Recursos Humanos (Antes de separar a MERCOMUJER)

ÁREAS	Responsable	Profesio- nales	Técnicos	Servicio	Total
Coordinación General	Victoria Villanueva	1	3	0	4
Gerencia Administrativa	Rosa Espinoza	1	1	0	2
Finanzas y Auditoría Interna	Luis Alberto Mattos	3	11	0	14
Informática	Jorge Liendo	1	2	0	3
Recursos Humanos y Servicios Generales	Irene Bernabel	1	4	6	11
Planificación, Monitoreo y Evaluación	Flor de María Florez	1	1	0	2
Comunicación	Lucía Acuña	2	2	0	4
Publicaciones	Mariella Sala	1	1		2
Programas					
Derechos Humanos	Gina Yáñez	3	3	0	6
ReproSalud:	Susana Galdos	1	1	0	2
Salud Reproductiva	Susana Moscoso	17	125	8	150
Microcréditos	Gloria Díaz	2	13	0	15
Desarrollo de Productos	Josefa Nolte	2	5	0	7
Abogacía	Marcela Huayta	3	1	0	4
Evaluación	Nery Serrano	2	0	0	2
Generación de Ingresos	Alicia Villanueva	5	8	0	13
Salud - Casa del Bienestar	Rocío Gutiérrez	1	0	0	1
Comercialización	Silvia Bermúdez	1	2	2	5
Participación Política	Ana María Yáñez	3	1	0	4
Total Personal		51	184	16	251

Con Quiénes Trabajamos

Trabajamos, prioritariamente con mujeres pobres de Lima Metropolitana y de zonas rurales y urbanas en nueve regiones del país. Además, desarrollamos programas con niños, niñas y adolescentes.

Coordinamos acciones con organizaciones de mujeres, congresistas, ministerios, municipios, colegios profesionales, medios de comunicación y diversos organismos públicos y privados. Ejecutamos proyectos con alcance latinoamericano en coordinación con instituciones similares.

Grupo Objetivo a Nivel de Programas

Programas	Ámbito	Mujeres	Niños, niñas, adolescentes Jóvenes	Otros (*)	Total
Derechos Humanos	Lima urbano marginal	5,750	3,000	1,450	10,200
	Puno	240		220	460
ReproSalud	Lima (Este)	80	80	40	200
	Puno Aymara	6,400	5,200	3,200	14,800
	Puno Quechua	5,760	4,800	2,880	13,440
	Libertadores Wari (Huancavelica)	3,360	2,880	1,680	7,920
	San Martín (Tarapoto)	560	560	280	1,400
	Chavín (Huaraz)	2,320	2,240	1,160	5,720
	Libertadores Wari (Ayacucho)	3,760	3,360	1,880	9,000
	Trujillo	4,160	3,520	2,080	9,760
Generación de ingresos	Lima urbano marginal	1,800			1,800
Salud – Casa del Bienestar	Lima urbano marginal	7,000		900	7,900
Comercialización	Lima e interior del país. (producción artesanal)	300		600	900
Participación Política	Lima Metropolitana y cono sur. San Martín, Huancavelica, Huamanga	700		10,000	10,700
	Total	42,190	25,640	26,370	94,200

(*) Autoridades, profesionales del sector público, varones, familiares.

NOTA: No están incluidos los beneficiarios indirectos, ni el número de personas a las que se llega a través de los medios de comunicación masiva.

ANNEX II

Modules in the Financial System

Module 1, Bank Accounts

Module 1 consists of four categories including bank balances, money transfers, checks, reconciliations and reports.

Module 2, Cash Accounts

Module 2 consists of six categories, including cash balances, cash movements, and reports.

Module 3, Accounts Payable

Module 3 consists of 11 categories, including vendors and payment policies and procedures.

Module 4, Budgets

Module 4 consists of 20 categories including financial plans for projects, programs, and regions of the country.

Module 5, Interphase Accounts

Module 5 consists of 3 categories, including interim financial reports.

Module 6, Accounting

Module 6 consists of 13 categories including adjustment for inflation and rates of exchange and production of standard accounting reports.

Module 7, Connection with Regional Offices

All elements in the accounting system are set up to work together as a comprehensive administrative and financial control system.

Associations and Groups with which Movimiento Manuela Ramos is Associated

Associations and groups affiliated with MMR

- Orientadoras Legales de San Juan de Miraflores
- Orientadoras Legales de Villa El Salvador
- Promotoras de Salud de San Juan de Miraflores
- Taller “Mujeres Creativas”-Lima
- Programa Radial “Pásame la Voz” de Villa El Salvador

Associations and groups with which MMR is affiliated

- CLADEM – Comité de América Latina y el Caribe para la Defensa de los Derechos de la Mujer.
- REPEM – Red de Educación Popular entre Mujeres
- CEAAL – Consejo de Educación de Adultos de América Latina
- HERA – Health, Empowerment, Right & Accountability
- RSMLAC – Red de Salud de las Mujeres Latinoamericanas y del Caribe
- CRLP – Center for Reproductive Law and Policy
- ILSA – Instituto Latinoamericano de Servicios Legales Alternativos
- ANC – Asociación Nacional de Centros
- IPAE – Instituto Peruano de Administración de Empresas
- COPEME – Consorcio de ONG que apoyan a la pequeña y micro empresa
- GRUPO IMPULSOR NACIONAL – Mujeres por la Igualdad Real
- CONSORCIO MUJER
- CNR – Coordinadora Nacional de Radios
- Consorcio ESAN
- Colectivo Radial Feminista “Radio Milenia”

ANNEX VI

Information on the Microcredit Program

Annex VI, CUADRO 1
EVOLUCIÓN HISTÓRICA DE BANCOS COMUNALES

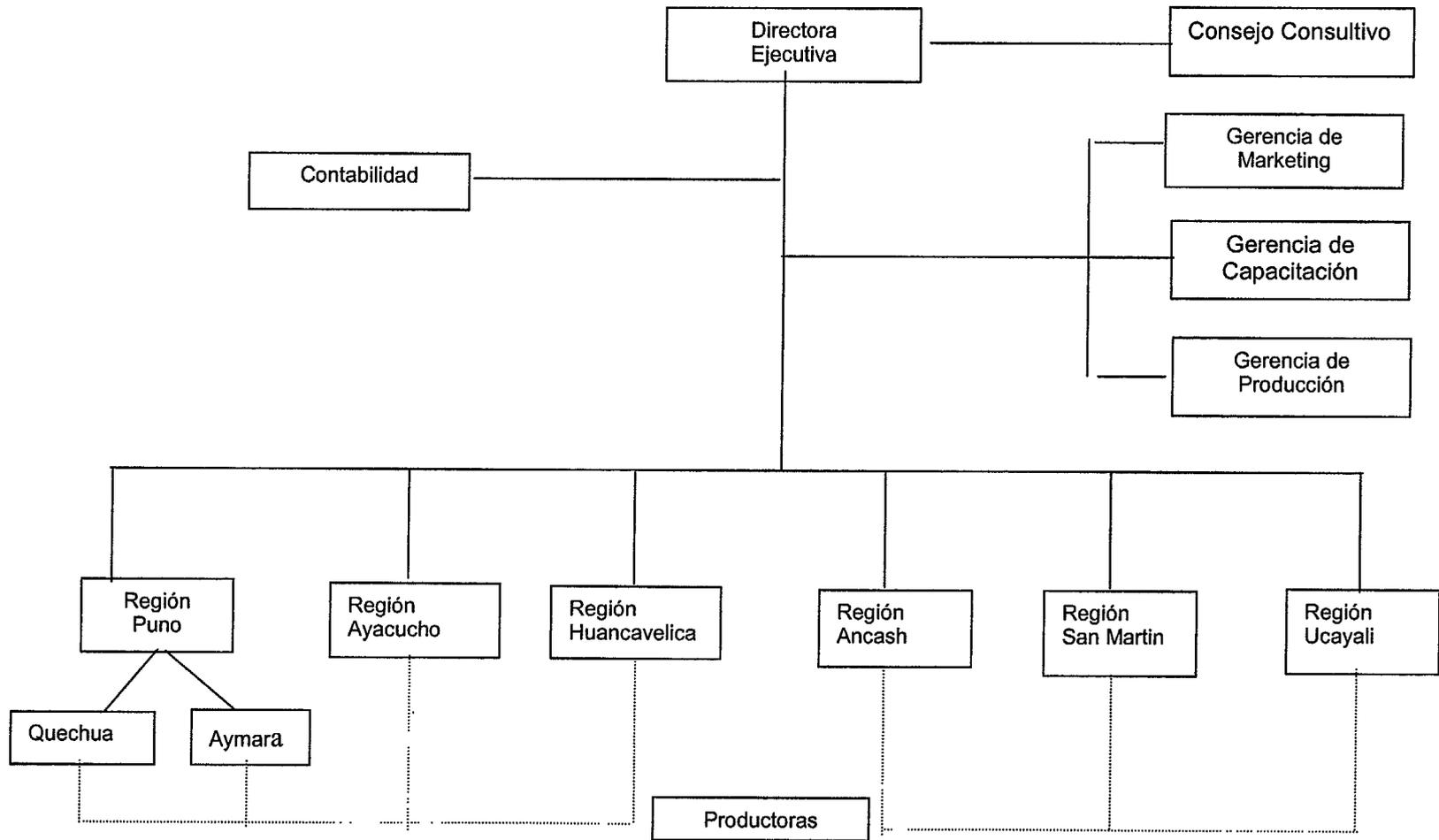
	1997	1998	1999	Total al 99	janv-00	févr-00	1er bimestre	Total a Febrero	Año 2000
No.Bancos Programados	9	21	74	104	11	24	35	139	200
No.de Bancos Nuevos	10	25	111	146	5	34	39	185	39
N° Bancos cerrados			2	2			0	2	
N° de Bancos funcionando				144				183	
Coloc.Progr. S/.					480 044	405 240	885 284		7 400 493
Colocac.Ejecutadas S/.	57 300	339 190	2 835 560	3 232 050	444 460	415 360	859 820	4 091 870	859 820
No.de préstamos del mes	220	1 041	6 642	7 903	804	1 110	1 914	9 817	
Tasa de recuperac. MMR %		98,9	97,0	97,8	97,9	97,5	97,8		
Tasa de recuperac. BC%	98,0	94,6	93,0	93,8	92,1	93,2	94,1		
Tasa de Morosidad MMR %	0,0%	0,6%	2,9%	1,8%	1,7%	2,1%	1,8%		
Tasa de Morosidad B.C.%	0,5%	4,3%	5,5%	4,9%	5,1%	5,1%	5,0%		
Tasa de Incobrables%			0,6%						
Intereses pagados S/.	3 776,0	43 846,0	305 052,7	352 674,7	51 361,0	63 365,8		467 401,5	
Ahorros de las socias S/.	5081,4	44 837,3	408 705,8	458 624,5	61 366,2	55 383,7		575 374,4	
Préstamos vigentes S/.	57 300	254 710	1 738 510		1 912 321	2 186 730			
No.Prestatarias activas	220	770	3 493		3 560	4 366			
Prést.prom.x socia S/.	260	331	498		537	501			
Capital movlizado	57 300,0	209 190,0	1 533 400,0	1 799 890,0	203 370,0	274 040,0		2 277 300,0	
Cartera Activa S/.	36 250,0	116 640,3	1 197 078,2		1 385 154,0	1 477 361,0			

1/ Estimado

Tipo de cambio S/ xUS\$
Total colocaciones US\$

3,45
1 186 049

Proposed Organizational Chart for MERCOMUJER



Curricula Vitae of MERCOMUJER Staff

Melva Meza Fashé
18-04-67

1. Formación Profesional

- 1.1 Instrucción Superior: Contabilidad Comercial, Universidad Privada "Los Andes" Huancayo, 1986-1988.
Secretariado Ejecutivo, Centro Ocupacional "Barrenechea", 1985.
Licenciatura en Contabilidad, Universidad Nacional "Federico Villareal", 1992-1995.
- 1.2 Especialización: CITIBAN, curso de contabilidad bancaria, Huancayo, 1989.
CURSOS, SUNAT, impuestos, Renta, IGV. Impuesto selectivo, 1990, 1995, 1996, 1997, 1998.
Seminario de comercio exterior, ADUANAS, 1994.
Cursos de computación, Excel, Word, Access, Microsoft, Contabilidad Computadorizada, Universidad La Católica, Setiembre de 1997.

2. Experiencia Laboral

Noviembre de 1996 a la fecha: Movimiento Manuela Ramos, Proyecto ReproSalud, Asistente Administrativo Contable de la Región Lima hasta 1999. A partir de enero del 2000, Asistente Administrativo Contable de "Desarrollo de Productos", Generación de ingresos para grupos de mujeres en zonas rurales y/o periurbanas,

Enero de 1994 a diciembre de 1995, Cajera de la Farmacia PROSALUD.

Setiembre de 1992 a marzo de 1995, Asesora contable y tributaria de pequeñas y medianas empresas.

Marzo 1997, Secretaria del Colegio Nacional Mixto "José Olaya", Huancayo

Carmen Gloria Rojas Minaya

1. Formación Profesional:

Formación Técnica: Centro de Educación Ocupacional (CEO) Teófilo Ramos Méndez Huaraz: Nivel básico de Confección de vestidos y nivel actualizado de confección de vestidos.

2. Experiencia Laboral:

- 5 años como promotora y capacitadora para organizaciones de mujeres urbano marginales y comunidades campesinas.
- 3 años como promotora y en trabajos de generación de ingresos con grupo de mujeres de las parroquias.
- Promotora en Proyectos de alfabetización bilingüe.
- Promotora de Desarrollo de productos- Movimiento Manuela Ramos, ReproSalud: Huaraz

3. Seminarios y Cursos

- Seminario Taller de Medicina Tradicional, 30 horas académicas, 1995 PROVIDA UNASAM
- “Taller de Educación Sexual”, 60 horas académicas, Oficina Diocesana de Educación Católica de Huaraz, 1995.
- Utilización de Cultivos Andinos con Base en su Valor Nutritivo, 22 horas académicas, UNASAM-Parroquia Belén, 1995.
- Trabajo en Promoción Humana, Parroquia Belén, 1991 a 1999.
- 11 Seminarios sobre el Problema del Analfabetismo, 20 horas académicas, Dirección Regional de Educación – Instituto de Cultura-Asociación Juventud Campesina, 1997.
- Curso de Medicina Tradicional relacionado al uso de plantas medicinales en enfermedades propias de la mujer, 15 horas académicas, 1996.
- Promotora de alfabetización en el barrio de Condorpampa-Toclla, Alcaldía del Consejo Municipal de Toclla, 1997.
- IV Seminario sobre el Problema del Analfabetismo, 20 horas académicas, Instituto Nacional de Cultura-CODISPAS, 1999.
- Organización del taller Calidad de la Atención en Salud, un Enfoque de Género, 10 horas académicas, Movimiento Manuela Ramos, Dirección Regional de Salud, Ancash, 1999.
- Taller de Evaluación del Plan de ACCIÓN 1999. Convenio entre la Dirección Regional de Salud y el Movimiento Manuela Ramos, Proyecto ReproSalud Huaraz, propuestas para el 2000.

4. Idiomas

Castellano, lengua materna y excelentes conocimientos del quechua.

Elsa Quintina Baylón Arí
05-12-59

- 1. Formación Profesional:** Técnica Instituto Nacional Industrial Femenino N° 32. Técnica en Corte y Confección, 1972 –1976.

2. Cursos y Seminarios

I Curso Taller de Capacitación Masiva en Confecciones de prendas de vestir. PROMUDEH, PRONAA, Oficina de Proyectos Especiales U.O PRONAA, PUNO, setiembre de 1997.
Participante en CLINICA EMPRESARIAL I. COFIDE –PROMOVIENDO, abril de 1997.
Participante en el Seminario Internacional “Diseño y Desarrollo de Productos para la Exportación de Chompas”, PROMPEX, Consejo Transitorio de Administración Regional – Región Moquegua-Tacna-Puno, noviembre de 1996.
Participación en el curso “Gestión Financiera para la Pequeña y Microempresa”. Consejo Transitorio de Administración Regional – Región Moquegua-Tacna-Puno, agosto de 1996.
Participación en el curso “Cómo Exportar Productos de Artesanía y Marketing de Productos Artesanales en el Mercado Nacional”, Consejo Transitorio de Administración Regional – Región Moquegua-Tacna-Puno, noviembre de 1992.
Expositora en la II Feria Industrial y Artesanal Perú – Bolivia, Dirección Subregional de Industria, Comercio, Artesanía, Turismo e Integración de Puno, noviembre de 1991.
Participación en el Primer Curso Taller de Comunicación Popular, Universidad Nacional del Altiplano, Dirección de Proyección Social, Subdirección de Educación de Puno, Subregión de Cultura – Puno, diciembre de 1990.
Participación en el Curso de Capacitación de Tejidos de Punto a Mano Artesanal, Ministerio de Educación, Unidad de Servicios Educativos de Puno.

3. Experiencia Laboral

- Junio de 1998 a la fecha. Promotora de Desarrollo de Productos, Movimiento Manuela Ramos, Proyecto ReproSalud, Oficina Regional Puno-Aymara. Fue responsable de la capacitación en tejidos, organización de la producción para la atención de pedidos por parte de 4 grupos con 73 productoras. Desarrollo y elaboración de muestras.
- Noviembre de 1993 – noviembre 1997. Instructora de tejido de punto para los niveles básico, intermedio y avanzado, CARE-PERU, Proyecto MUJER, C.M.Estrellas del Norte, 80 horas
- Mayo de 1996 – octubre 1996. Profesora de formación laboral, Presidencia de Salud Materno Infantil de Platería.
- Asistente técnica de tejido a punto para la Asociación de Artesanos “Tesoros de Cápac Kolla” del Distrito de Atuncolla del Proyecto FEAS.

4. Idiomas

Castellano, aymara y quechua.

Flora Polanco Quinteros
27-12-50

1. Formación Profesional

Superior: Secretariado Bilingüe, Academia Santa Rosa
-Sistema Brown, Chiclayo 1969 –1971.
Secretariado Ejecutivo, Universidad Inca
Garcilazo de la Vega, 1973.
Curso de Administración de Pequeños
Negocios, El Paso Community College, El
Paso, Texas, EUA.

2. Experiencia Profesional

1995 a 1998. Presidenta de la Asociación de Becarios de los Estados Unidos de Norteamérica de la Amazonía. USAID/PERÚ.

1990 a 1992, Secretaria de Pequeños Industriales de San Martín – APEMIPE San Martín.

1985, Industrial Maderera – Productora Agraria. Presidenta del Comité de Productores de Maíz del Distrito de San Martín Alao.-

01-08-78 al 31-07-79, Oficina Regional de Moyobamba.

01-01-74 al 31-07-78, Ministerio de Vivienda y Construcción

01-08-72 al 30-12-73, Secretaria de Asesoría Jurídica y Secretaria y asistente de presupuesto, ORAMS II – CHICLAYO (Ex SINAMOS),

3. Proyectos Realizados

- Obras Civiles: Formulación Gestión y Ejecución del Proyecto “Construcción de Aulas Jardín N° 305 Juan Guerra.- Convenio N° 148-92 FONCODES.
- Formulación y Gestión del Proyecto “Construcción de Aulas del C.E.P. San Pedro de Cumbaza. Asesoramiento y Gestión del Proyecto Canal de Riego Capironayco de Morales.
- Inversión Social: Formulación, Gestión y Ejecución del Proyecto “Mobiliario Escolar Multiprovincial San Martín”- Convenio 439-92 – FONCODES. Atención de 27 centros educativos.
- Formulación, Gestión y Ejecución del Proyecto “Mobiliario Escolar Lamas – San Martín”. Convenio N° 2181-92 – FONCODES. Atención de 70 centros educativos.
- Actividades Socioeconómicas: Promoción y organización de industriales de la confección de San Martín–Tarapoto.
- Promoción y organización de la Asociación de Industriales de la Madera de San Martín–Tarapoto.

Gertruis Magna Huamani Huamán
15-11-73

1. Formación Profesional

Superior: Instituto Superior Pedagógico “Jesús Nazareno”, CEO “La Libertad” Curso Básico de Corte y Confección.

2. Cursos de Capacitación

- CTAR: Curso de Punto a palitos y crochet
- PRONAA: Curso de Punto a palitos
- PRONAA: Curso Taller “ Motivación Empresarial”
- UNSCH: Curso – Taller de Literatura Quechua
- ESC. Hugo Echegaray: Curso de Formación de Dirigentes Populares
- SER: Curso Taller Formación de Capacitadoras
- CTAR: Curso Taller Organización de Ferias y Exposiciones
- CHIRAPAQ: Cursos Talleres: Mujer Indígena y Liderazgo. Cómo Planificar en Nuestras Comunidades.
- PROMUDEH: Curso Taller de Estrategias Metodológicas.
- INADE: Curso Taller Planificación Municipal para el Desarrollo Local (7 días).
- SI Y DYR: Cursos de SEM Y EDAN (7 días).
- PRONAA Y CIDRA: Curso Taller de Primeros Auxilios (7 días).
- A.C.S. Calandria: Seminario Mujer Poder Político (7 días).

3. Experiencia Laboral:

- Instituto Superior Pedagógico: Sección Secretaría (1 año)
- PRONAA: Promotora de Alfabetización (2 años)
- MMR – RS: Entrevistadora temporal (2 años)
- UTES HUAMANGA: Promotora de Salud y Nutrición (2 años)

Josefa Nolte
29-08-53

1. Formación Superior:

Licenciada en Antropología Social con la especialidad de Etnología, Universidad Autónoma Metropolitana (México) y Universidad Católica del Perú.
Bachillerato en Letras y Humanidades, Universidad Católica del Perú.
Estudios de Arquitectura en la Universidad Nacional de Ingeniería del Perú.

2. Experiencia Profesional:

Tres áreas de aplicación de la antropología: la artesanía ligada al desarrollo, la investigación de artesanía y el arte popular y la museología.

En artesanía ligada al desarrollo:

- Asesora del proyecto de Comercialización de las Comunidades del Río Cenepa con ODECOFROC, Amazonas, Perú.
- Consultora Experta en comercialización para el Proyecto BID – Perú Mujer.
- Directora Ejecutiva de la Asociación Civil Antisuyo – Fomento a la Producción y Comercialización de Artesanías, Lima, Perú.
- Consultora en la evaluación del proyecto de Comercialización Artesanal de la Comisión Episcopal de Acción Social, Lima, Perú.
- Gerente de La Floristería, tienda de artesanías, Lima, Perú.
- Asistente de la Dirección de la Galería Huamanqaqa, comercialización de artesanías y arte popular, Lima, Perú.
- Asesora de proyectos productivos artesanales en los albergues escolares y responsable del Proyecto de Fomento Artesanal del Programa Nacional de Productividad, Capacitación y Adiestramiento del Instituto Nacional Indigenista, México.
- Responsable del componente de Desarrollo de Productos-Generación de Ingresos en el Proyecto ReproSalud del Movimiento Manuela Ramos.

Como investigadora en artesanía y arte popular:

- En el Seminario de Historia Rural Andina de la Universidad Nacional Mayor de San Marcos, Lima, Perú.
- En el Museo Nacional de Antropología y Arqueología del Perú.
- En el Museo de Artes e Industrias Populares del Instituto Nacional Indigenista de México.

En museología:

- Responsable de museografía y relaciones públicas, Galería Huamanqaqa.
- Profesora en la Escuela Nacional de Turismo.
- Asesora del Proyecto didáctico “Tsamaren” de TERRA NUOVA/UNICEF
- Asistente de la dirección del Museo Nacional de Artes e Industrias Populares del Instituto Nacional Indigenista de México.

- Directora General del Sistema Nacional de Museos del Estado del Instituto Nacional de Cultura del Perú.

Publicaciones:

- Qellcay: Arte y Vida de la Comunidad de Sarhua.
- Artesanía Peruana: Orígenes y Evolución.
- Catálogos y artículos especializados.

Lucy Noriega Hidalgo
23-12-73

1. Formación Académica:

Ingeniera Agrónoma, Universidad Nacional de Ucayali, Pucallpa, Perú.
Constancia de Grado de Bachiller en Cs. Agropecuarias. Universidad Nacional de Ucayali

2. Experiencia Laboral:

- 1° de marzo de 1999 a la fecha. Promotora de Desarrollo de Productos. ONG: Movimiento Manuela Ramos. Oficina Regional de Ucayali.
- 1° de octubre de 1997 al 28 de febrero de 1998. Técnica en el Área de Proyectos y Programa de Comedores. (PRONAA) Programa Nacional de Asistencia Alimentaria – Unidad Operativa Pucallpa.
- 1° de setiembre de 1996 al 31 de agosto de 1997. Técnica del Programa Nacional de Investigación de Pastos y Forrajes – (INIA), Instituto Nacional de Investigación Agraria – Estación Experimental de Pucallpa.

3. Cursos de Capacitación

- Curso Windows 95: MS Office 97 (Microsoft Word; Excel), Pucallpa, del 1° de noviembre al 31 de diciembre de 1999.
- Taller Mapa de Competitividad Agroindustrial, Pucallpa del 30 de setiembre al 2 de octubre de 1999.
- Curso: Windows 95 – MS Office 97 (Word y Excel), Curso Básico. 52 horas, Pucallpa, 30 de abril de 1998.
- Curso de postgrado: Colección, Conservación y Caracterización de los Recursos Genéticos de la Amazonia Central, Pucallpa, del 3 al 5 de febrero de 1998.
- Curso Taller: Proyectos de Inversión, Desarrollo Empresarial y Líneas de Financiamiento, Pucallpa, del 5 al 7 de junio de 1996.
- III Día de campo 96. Frutales Nativos Amazónicos y Alternativas de Exportación y Sistemas de Crianza de Cerdos, Patos y Peces, Pucallpa, 4 de mayo de 1996.
- Curso: I Curso de Frutales Nativos, Pucallpa, del 26 al 28 de abril de 1996.
- Gira Agronómica I – 96: Técnicas de Establecimiento de Pasturas Mejoradas en Áreas Desboscadas de la Región Ucayali, Pucallpa, 27 de abril de 1996.
- Curso: Capacitación Rural para la Pequeña Agricultura, Pucallpa, del 28 al 29 de marzo de 1996.
- Curso: Manejo e Industrialización de los Frutales Nativos en la Amazonía Peruana, Pucallpa, del 22 al 25 de noviembre de 1994.
- Curso: Desarrollo Agrario y Ecológico en la Región Ucayali, Pucallpa del 10 al 11 de junio de 1994.
- Curso: Producción de Semillas de Forrajes Tropicales, Frutales Nativos y Árboles Maderables, Puerto Maldonado, del 31 de agosto al 3 de setiembre de 1993.

- XV Reunión Científica Anual de la Asociación Peruana de Producción Animal (APPA).
Curso: I Curso Nacional de Pastos Tropicales, Pucallpa, del 30 noviembre al 5 de diciembre de 1992.
- Panel Seminario Taller sobre: Política Agraria, dentro del marco del I Ciclo de Capacitación, Diagnóstico Agrario de Ucayali, del 26 al 28 de Noviembre de 1990.
- Secretariado Comercial, Centro de Educación Ocupacional Ricardo Palma, Pucallpa, 2 de julio de 1989.
- Mecanografía Básica, Centro de Educación Ocupacional Ricardo Palma, Pucallpa, 11 de julio de 1988.

María Raquel Oliarte Arllentar
25-07-46

1. Formación Superior:

Graduada en Zootecnia, Universidad Agraria de “La Molina”, Lima, Perú.
Especialización en Tecnología Agrícola y Alimentaria en la Universidad del Estado, Gembloux, Bélgica.
Especialización en Pedagogía Audiovisual para la Capacitación por el Centro de Producción Audiovisual para la Capacitación, (CESPAC) Lima, Perú.

2. Experiencia Laboral:

Dedicada a actividades de proyectos de desarrollo, con énfasis en capacitación (producción de materiales y su uso en el campo), principalmente en zonas rurales durante 17 años, en temas referidos al mejoramiento de actividades agrícolas y pecuarias y de condiciones de vida (CESPAC-Perú, ACARPA-Brasil, FERTISUELOS-Bolivia), el perfeccionamiento de prácticas artesanales (ANTISUYO) y la elaboración de metodología y el asesoramiento en la producción de materiales de capacitación en Gestión Empresarial para micro y pequeñas empresas en áreas urbanas (CASI).

Ha trabajado en la formación de personal para la capacitación en pedagogía audiovisual, a partir de la relación laboral con el CESPAC en el Perú. Ha realizado consultorías internacionales en Brasil, Paraguay y Costa Rica.

También se ha dedicado a la dirección institucional y la administración de personal y de proyectos de desarrollo, desempeñando cargos como la dirección de las oficinas regionales del CESPAC en Cuzco y Piura y la coordinación, en Cuzco, del proyecto de Promoción y Comercialización Artesanal del Fondo Contravalor Perú-Canadá (ANTISUYO).

Consultorías:

Las consultorías realizadas, además de la producción de materiales de capacitación y de la capacitación en pedagogía audiovisual citadas, comprenden la evaluación de proyectos de

desarrollo rural, la participación en la elaboración de una base de datos de artesanos en la sierra peruana, la asesoría en administración institucional y la corrección de textos para su publicación, sobre sistematización de experiencias en proyectos de desarrollo.

Rosa Matilde Copa Humpire
14-03-65

1. Formación Académica:

Formación Técnica: C.E.O Puno, I.S “Enrique Torres Belón”

2. Experiencia Laboral:

- 1999- a la fecha. Programa chompas CIRNMA, integrantes del grupo de 20 productoras de chompas.
- 1999, PRONAA, Ponente del curso Taller Tejidos de Punto a mano, acabado de exportación, 100 horas académicas.
- Selección de material de los propios participantes, (lana en vellón), Hilado, lavado de material, para producción. Organización de la producción: Capacitación de las tejedoras, técnica en medidas, acabados y control de calidad.
- 1996-1998. Empresa Artesanal “QUENQ”, en coordinación con el Proyecto FEAS, Técnica en tejidos de punto a mano. Responsable de la atención de pedidos de CIAP a la empresa.
- 1993-1994. Empresa Artesanal “QOLLASUYO”, Diseñadora de chompas y repuestos (gorros, chalinas, guantes y boínas) y elaboración de muestras para la Empresa RAYMISA LIMA.
- 1984 a 1992. Empresa Artesanal “SUMAC”, Instructora de grupos de productoras para la atención de pedidos. Desarrolló el modelo de acuerdo con la muestra y dio cursos a las tejedoras, supervisó el tejido, acabado y control de calidad.

3. Seminarios y Cursos:

- Taller Tendencia 99-2000, costos y exportación de prendas tejidas a mano y máquina, organizado por ADEX-AID/MSP – CIRNMA, 13 al 15 de mayo de 1999.
- Curso taller Resultado de Servicio de la Asistencia Técnica en apoyo a las actividades productivas de las mujeres campesinas, organizado por el proyecto FEAS, del 29 al 30 abril de 1999.
- Curso de Gestión Empresarial, organizado por el programa Nacional de Capacitación en el desarrollo Rural PROCASUR, del 08 al 20 de marzo de 1999.
- Curso Taller de tejido de punto, niveles intermedio y avanzado, organizado por el MITINCI del 6 al 9 de julio de 1998.

- Primera Feria Internacional, XXVII Feria Nacional de Artesanos Folklore Agropecuaria de la Mujer Campesina, Museo de la Nación, Lima, Perú, 25 de mayo de 1997.
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- Mercado: Orientación Tecnología Directa, organizado por la Región Moquegua-Tacna-Puno, setiembre de 1996.

4. Exposiciones:

- III Premio Inti Raymi de Artesanía, Especialidad Textiles, Lima Perú, 28 de octubre de 1999.
- Expositora de la Primera Feria Regional de Artesanía de la Región, del 22 al 30 de junio de 1999.

ANNEX IX

Export Orders Received and Shipped**Atención de Pedidos para Exportación**

REGIÓN	DISTRITO/COMUNIDAD	PRODUCTO		FECHA	CLIENTE
		CANTIDAD	MONTO (US\$)		
Ucayali	San Fernando	470 escobas	635.00		SERRV
	San Fernando	522 escobas	780.00	Oct.98	Assian S.
	San Fernando	650 escobas	1002.37	Feb. 99	Assian S.
TOTAL		1642 escobas	2417.37		
	Papel tarjetas Navidad	750 tarjetas Navidad	1012.50	Dic.98	WEI
	Papel tarjetas Navidad	700 tarjetas Navidad	1050.00	Dic. 99	WEI
TOTAL		1450 TARJETAS	2062.5		
Puno Quechua		7 chompas perro	S/valor		George
	C. Central, Chaupi Compuyo, Kunurana	330 chompas para perro	2729.45	Sept. 99	George
TOTAL			2729.45		
Puno Aymara	Mazocruz	1000 ratones	700.00	Nov.98	George
		1250 ratones	800.00	May. 99	George
		1750 ratones	1250.00	Agos. 99	George
	Mazocruz, Collini, Conduriri, Juli	4050 ratones	2790.00	Feb. 2000	George
TOTAL		8050 RATONES	5540.00		
		Muestras juguetes para mascota		Mar. 2000	George
	Mazocruz	250 osos con chompa	1225.00	Oct.99	SERRV
	Mazocruz, Collini, Conduriri, Juli	500 osos con chompa	2450.00	Dic.99	SERRV
		750 osos con chompa	(3675.00)		
	Juli	12 Chompas muñeco	69.84	Mar.2000	Little Souls
TOTAL			3744.84		
Chavin	Huripampa bajo	350 Osos con chompa	1715.00	Feb. 2000	SERRV
	Huaripamapa Bajo	60 piezas ropa para muñeco	260.00	Mar. 2000	Little Souls
TOTAL			1975.00		

Cuadro 2
Pedidos por Atender

REGIÓN	DISTRITO/COMUNIDAD	PRODUCTO		FECHA	CLIENTE
		CANTIDAD	MONTO (US\$)		
Puno: Aymara Puno Quechua	Conduriri, Collini, Juli, Mazocruz., Calla C., Chaupi C	650 Osos con chompa	3295.50	05.2000	SERRV
Ucayali	San Fernando	650 escobas	1012.50	04.2000	Wild Ginger
Ucayali	San Fernando	1000 escobas Navidad	1650.00	05.2000	SERRV
TOTAL			5978.00		

ANNEX X

Quality Control Sheet for Piasaba Brooms

Control de Calidad de Escobas de Piasaba San Fernando

(Copia del documento que ha quedado pegado en el local de la OCB María Parado de Bellido de San Fernando)

Puntos que deben revisarse al hacer el control de calidad de una escoba de las siguientes características:

Tamaño : 24 cm

Diámetro: 13 cm (medido debajo de la sogá)

Tamaño de la sogá con la semilla: 8 cm.

Medida del centro de la sogá al inicio del amarrado de yute: 6 cm.

SEMILLA:

1. Acabado de los huecos
2. Que el hueco esté limpio
3. Que las semillas sean del mismo tamaño
4. Que las semillas tengan el mismo color
5. Que sean uniformes
6. Que la semilla no corra por la sogá
7. Que no tenga barniz
8. Que el hueco sea del mismo grosor

SOGA/ASA

9. Grosor de la sogá
10. Tamaño de la sogá (largo)
11. Que esté colocada al centro
12. Que no se monten los empalmes
13. Que esté bien presionada (fuerte)
14. Color natural
15. Limpia

AMARRE

16. Que tenga la misma dimensión: 3 cm
17. Que esté derecho
18. Que el grosor de la sogá sea uniforme
19. Que el color y la limpieza del yute sean uniformes
20. Que la sogá no tenga pelitos ni se vean los empalmes
21. Que no se vea el amarre inferior
22. Que no se vea el nudo de abajo
23. Que todas las escobas tengan la misma distancia de la parte superior: 6 cm

24. Que el engomado sea parejo
25. Que el acabado de las puntas esté escondido y plano
26. El amarre inferior debe ser marrón de nylon (no con rafia)
27. Que esté bien seco
28. Que no huela

PIASABA

29. 24 cm de largo
30. 13 cm de grosor medido debajo del amarre con yute
31. Limpia de polvo y goma
32. Corte parejo
33. Que no tenga fibras de piasaba más cortas

ACABADOS

34. Liga a 8 cm de distancia de abajo
35. Sujetar la etiqueta con la liga, embolsar.

Socioeconomic Indicators Used by MERCOMUJER

Percentage of Women Who Do Not Speak Spanish, by Region

Department	Area		
	Urban	Rural	Total
	%	%	%
Ancash	5.8	34.2	25.6
Ayacucho	27.3	46.7	35.5
Huancavelica	18	54.9	35.1
Puno-Aymara	1.8	27.7	20.4
Puno-Quechua	8.3	25.9	19.3
San Martín	0	0	0
Ucayali	0.5	0.5	0.5
Total	9.2	31.9	20.5

Percentage of Women without Schooling (Illiterate), by Region

Department	Area		
	Urban	Rural	Total
	%	%	%
Ancash	14.7	32.6	27.2
Ayacucho	20.1	26.6	22.9
Huancavelica	20.7	36.2	27.9
Puno-Aymara	6	10	8.8
Puno-Quechua	6.2	19.2	14.3
San Martín	6.4	9.6	7
Ucayali	2.4	6.2	3.6
Total	11.2	22.8	17

Percentage of Communities without Electricity, by Region

Department	Area		
	Urban	Rural	Total
	%	%	%
Ancash	0	69.6	55.2
Ayacucho	14.3	82.6	66.7
Huancavelica	0	68.0	54.8
Puno-Aymara	0	80.0	60.0
Puno-Quechua	16.7	93.3	71.4
San Martín	66.7	100.0	71.4
Ucayali	25.0	71.4	46.7
Total	24.0	77.3	60.6

Percentage of Communities without a Potable Water Supply, by Region

Department	Area		
	Urban	Rural	Total
	%	%	%
Ancash	0	8.7	6.9
Ayacucho	0	47.8	36.7
Huancavelica	0	36.0	29.0
Puno-Aymara	0	53.3	40.0
Puno-Quechua	16.7	85.7	65.0
San Martín	27.3	50.0	30.8
Ucayali	0	100.0	46.7
Total	8.2	45.9	34.2

Percentage of Communities without Sewage System, by Region

Department	Area		
	Urban	Rural	Total
	%	%	%
Ancash	6.7	95.7	79.3
Ayacucho	14.3	100.0	80.0
Huancavelica	33.3	92.0	80.6
Puno-Aymara	0	100.0	75.0
Puno-Quechua	16.7	100.0	76.2
San Martín	58.3	100.0	64.3
Ucayali	25.0	100.0	60.0
Total	28.0	97.3	75.6

Percentage of Homes with at Least One Basic Need Unsatisfied, by Region

Department	Homes
	%
Ancash	84.5
Ayacucho	81.9
Huancavelica	90.7
Puno-Aymara	77.8
Puno-Quechua	68.7
San Martín	50.5
Ucayali	66.8
Total	74.7

- Están identificadas las productoras y tenemos identificados los lugares con los que podríamos trabajar para ampliar nuestra cobertura de beneficiarias.
- Acceso a materias primas únicas: alpaca, llama, algodón nativo y pima, piasaba, etc.
- Este programa contribuye a generar ingresos estratégicos para mujeres pobres en zonas rurales, lo que garantiza su aceptación y demanda.

Riesgos

- La copia de nuestros diseños y su masificación por los comerciantes antes que el ciclo del producto haya terminado.
- Debido a la cantidad de organizaciones que trabajan con las mujeres en otras actividades en algunos casos, estas reuniones perjudican la dinámica de producción.
- El alza de los precios de la materia prima.
- El retraso cambiario que nos obliga a precios más altos.
- La competencia con los productos de otros países que tienen mejores precios (sea por la tasa cambiaria o porque los niveles de vida son más bajos).
- La incertidumbre del futuro político-económico del país debido al próximo proceso electoral.

Análisis FODA (SWOT Analysis)

Josefa Nolte

Fortalezas

- El Movimiento Manuela Ramos, a través del Proyecto ReproSalud, ha trabajado y está trabajando con la población de las regiones en las que opera MERCOMUJER, lo que permite un espacio ganado por la confianza que las mujeres tienen en la institución.
- La institución cuenta con una infraestructura que brinda las facilidades necesarias para el buen desarrollo de las actividades: oficinas regionales y equipos de cómputo y comunicaciones sofisticados así como vehículos de transporte (motos y camionetas) que crean condiciones óptimas para trabajar en áreas rurales tan distantes.
- El Movimiento Manuela Ramos y ReproSalud brindan el respaldo a la propuesta de este programa y han establecido la independencia administrativa y gerencial para agilizar la toma de decisiones y crear las condiciones para un trabajo con visión empresarial, sin excluir el aspecto social.
- Ya existe un equipo de trabajo con la experiencia en el desarrollo de actividades de capacitación, producción y comercialización con mujeres de áreas rurales.
- El personal de provincias conoce el idioma local y puede comunicarse de manera eficaz con las productoras.
- Se han desarrollado productos y atendido pedidos lo que nos permite conocer todo el proceso en las condiciones en las que trabajaremos, la sostenibilidad a través de la comercialización.
- Las promotoras de campo han aprendido que los procesos comienzan a asumir una visión empresarial del proyecto por lo que tienen mejores posibilidades de transmitirlo a las productoras.
- Existen 12 grupos de productoras listas para atender pedidos y 10 más que alcanzarán el nivel requerido en los próximos 6 meses.
- Se cuenta con una consultora externa especialista en diseño, que comprende las diferencias culturales, lo que ha permitido potencializar las capacidades de las productoras.
- La consultora externa en diseño conoce el mercado de los Estados Unidos y tiene los clientes potenciales para los productos con los que trabajamos.

Debilidades

- La transición de una visión social hacia una empresarial se encuentra en proceso, esto ha generado que algunas veces surjan confusiones con respecto a las exigencias en cuanto a la calidad de los productos, las condiciones de pago y los plazos de entrega.
- Todavía no se han sistematizado todos los procesos.
- El proceso de internalización de nuevas conductas de disciplina en la producción requiere que la actividad se desarrolle en forma permanente para que cada productora y todo el grupo en su conjunto interiorice la dinámica.
- No se ha concluido la codificación de productos por líneas de producción/lugares de producción.

Oportunidades

- Se ha identificado una demanda potencial de venta para las líneas de producción que estamos trabajando.
- Existe una cartera de clientes con los que ya se ha trabajado y una lista de empresas que podrían trabajar con nosotros, con las que ya se ha tenido contacto

Persons and Documents Consulted

Persons Consulted in Movimiento Manuela Ramos

- Victoria Villanueva, General Coordinator
- Susan Galdós, Technical Coordinator, REPROSALUD
- Susana Moscoso, Deputy Coordinator, REPROSALUD
- Josefa Nolte, Coordinator, MERCOMUJER
- Raquel Olear, Production Manager, MERCOMUJER
- Melva Meza, Secretary, MERCOMUJER
- Gloria Diaz, Microcredit Coordinator
- Elsa Baylón, MERCOMUJER *Promotor*, Puno Aymara
- Obdulia Polar, REPROSALUD Coordinator, Puno Aymara
- Flora Polanco, MERCOMUJER *Promotor*, Tarapoto
- Flor Angulo, REPROSALUD Coordinator, Tarapoto

Persons Consulted in USAID/Peru

- Mike Kaiser and Eduardo Albareda, Microenterprise Office
- Cristina Aramczyk and Barbara Feringa, Health and Population Office
- Allen Eisenberg, Contracts Office

Documents Consulted

- MMR's monthly magazine, *De Retamas y Orquídeas*, 3 issues
- *Desarrollo de Productos, Avances y Retos*, Josefa Nolte
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- *Business Planning Report*, Weidemann Associates, 12-99
- *Peru '97, Anuario Estadístico*
- REPROSALUD Annual Report, 1-00
- MERCOMUJER Annual Report, 1-00
- MERCOMUJER, draft operations Plans and Solutions
- Request for Applications from USAID
- Proposal from MMR to USAID
- Various additional MMR and MERCOMUJER documents