



Colombia Productiva Trade Capacity Building Support Project



QUARTERLY REPORT
January 2006 – March 2006

Mobis Contract No.
GS-10F-0277P



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I. GENERAL INFORMATION

Project Name: Trade Capacity Building Support Project Colombia

Project Objective: To enhance the trade Capacity of the Government of Colombia to better respond to increased openness and the opportunities created by the newly negotiated Free Trade Agreement with the United States of America. The project includes capacity building (and its related analytical underpinnings) of all major government Ministries including but not limited to the Ministry of Finance, Ministry of Trade, Industry and Tourism (including Proexport), Ministry of Labor, Ministry of Education, Ministry of Energy, Ministry of Education, Ministry of Social Protection, The Central Bank of Colombia, the Congress and the Senate.

Contract No.: GS-10F-0277P

Project Start Date: December 15, 2004

Project End Date: December 15, 2006

Project Principals: Dr. Jaime Andres Niño
Dr. Stephen Lewarne
Dr. David Snelbecker

On-Site Leadership: Jaime Andres Nino (Chief of Party)
Miguel Camacho (Deputy Chief of Party)

On-Site Project Staff: 61 (see Appendix 1 for details)

Off-Site Project Staff: 4 (See Appendix 1)

Technical Deliverables: (See Appendix 3)

II. EXECUTIVE SUMMARY

The fifth quarter of project execution continued to increase project implementation, both long and short-term, following the priorities set forth by the Government of Colombia (GOC) and USAID. Thus, QV once again was marked by a significant increase in the number of authorization requests for technical staff over QIV and in the level of labor expended during the quarter. Due to the level of activities, the project expenditure rate was much higher than originally anticipated.

The fifth quarter saw the inception of two new long term projects, the first addressing intellectual property and the second providing support to the energy sector, following the priorities established by the Government of Colombia and USAID. Both these projects reinforce the situation of having the deliverables from one project act as key inputs for other projects; both use reports and recommendations from the Senate Seminars and the Investment reports, as well as other projects in the case of the Competitiveness Institutional Reform Agenda project, as a key input to carry out their activity. This fosters a strategic articulation of all deliverables generated under the TCBS project, and facilitates the adoption of the recommended regulatory, legal and institutional reforms.

In Section IV of each Quarterly there is a Contract Deliverables Tracker. Here we provide results and/or comments on progress towards the specific contract deliverables. This is to be used as a tool to update our operations and act as a warning system to the Project Management to insure timely delivery.

Some activities have been concluded or postponed and accordingly, are no longer addressed. The Investment Project was concluded with the delivery of a report which is now being used by Pro-Export as its strategy. A short project, Technical Cooperation Project, to assist with a draft strategy aimed at strengthening capacity in the Ministry of Trade, Industry and Tourism, was also successfully completed in Quarter III. The Tax Policy Project which was to have fostered the development of a tax policy unit in the Ministry of Finance (MOF) was postponed at the request of the GoC.

III. QUARTERLY UPDATE

Introduction

The Trade Capacity Building Project in the fifth quarter continued delivering results for on-going projects and starting new projects requested by the Government of Colombia and USAID. This meant an increase in the level of labor expended and the number of ARs submitted over QIV, which already presented significantly high levels of expenditure and activity.

The TCB Project in the fifth Quarter is currently composed of a total of fourteen projects that are directly related to one or more of the Trade Table Notes. Each project is followed by either the related Trade Table Note that led to its introduction as technical assistance, or a remark that it is at the request of USAID and the GOC). As of the end of the fifth Quarter we are implementing the following projects:

- Competitiveness Regulatory Reform Agenda (USAID and GOC)
- Labor Project (Trade Table Notes 9, 10, 11, and 43)
- Customs Reform Project (Trade Note 15)
- Technical Barriers to Trade Project (Trade Table Notes 14 and 34)
- Tax Benchmarking Project (Trade Table Note 16)
- Securities Market Project (Trade Table Notes 3, 18, 21,)
- Modeling of Demand for Transportation Infrastructure (Trade Table Note 25)
- Sanitary and Phyto-Sanitary Project (Trade Table Notes 22, 27, 41, 44, 45, and 46)
- Telecommunications (Trade Table Notes 23 and 25)
- Services Statistics (Trade Table Note 24)
- Professional Services Standards (USAID and GOC)
- Arbitration (Trade Table Note 29)
- Intellectual Property Rights (Trade Table Notes 28 and 39)
- Energy Regulatory Reform (Trade table Notes 25, 26, and 36, and MOU 38)

Each of these is summarized below and any deliverables from these projects are offered in full in Appendix D.

Fourth, Section IV reports the contract deliverables the project is generating and the level of advance in each of these areas.

Section V reports on the TCB project Budget, its Burn Rate and Obligated Amounts.

Finally, every technical assistance delivery is accompanied with an Approval Request (AR) and a Terms of Reference (TOR). Each of the ARs is summarized and tasks and deliverables of the TORs are provided in Appendix B. Appendix A provides a list of on and off-site staff over the entire quarter.

Projects as of End Q-V

1. Competitiveness Regulatory Reform Agenda

Introduction

The implementation of the FTA is but one, albeit probably the most important, reason why developing and implementing a comprehensive regulatory reform aimed at increasing the systemic competitiveness in the country is a key and urgent activity. Enhancing the regulatory environment to ensure a business-friendly, competitive and stable situation for private sector operation and development requires the coordination of several different institutional reform initiatives and the establishment of an integrated agenda of reforms that provide a prioritized road map of activities to ensure the effective and successful implementation of the proposed reforms. This calls for an intensive consensus-building effort, a permanent coordination between the different components of the Trade Capacity Building Support program and with the different governmental agencies in charge of institutional reforms, including but not limited to the President's Senior Advisor on Competitiveness and the National Planning Department. This also includes a significant effort in carrying out public outreach activities and liaising permanently with Congress, aimed at generating the necessary consensus to approve and implement the institutional reform agenda. (Note: deliverables listed in the 4th Quarterly Report for the 5th quarter have been rescheduled due to elections which impacted relationships with local counterparts.)

Ongoing Tasks/Activities

- Provide support to the GoC agencies, specifically the National Planning Department and the President's Senior Advisor on Competitiveness, on developing an integrated institutional reform agenda, including a prioritized series of CONPES documents on institutional reform and strengthening, to promote systemic competitiveness in Colombia.
- Coordinate with Congress and the President's Senior Advisor on Competitiveness a series of regional fora to discuss institutional reform activities and needs, aimed at raising awareness and building consensus on the need to carry out institutional and regulatory reforms in order to improve systemic competitiveness and enhance the enabling environment for private sector economic activity.
- Collaborate with the private sector organizations, especially the Consejo Gremial and other associations of business people as well as with think tanks and other relevant organizations, to coordinate the identification, prioritization and implementation of an institutional reform agenda that will increase systemic competitiveness and enhance the enabling environment for private sector economic activity.

- Develop and put in place a set of mechanisms to follow up on the advance of the design and implementation of the institutional reform agenda, so as to ensure the timely and effective completion of the activities and the realization of the desired results.

Deliverables/Milestones/Events

- Action plan and timeline for the Institutional Agenda for Competitiveness project including a specific strategy to ensure adequate participation from the executive and legislative branches and the private sector and a work plan to support the issuing of the CONPES documents agreed with the GoC.
- Reached an agreement with the Center for Strategy and Competitiveness at the University of the Andes to have them coordinate the preparation of the Institutional Agenda for Competitiveness, compiling efforts from different branches of the GoC and with the results derived from projects and activities carried out by the TCBS project.
- Reached an agreement with DNP to a) allow the TCBS / Colombia Productiva team to participate in developing a document to lay out the competitiveness framework; b) to include the topic of the Institutional Agenda within the agenda of state reforms under the Reform of Public Administration Program (Programa para la Reforma de la Administración Pública); c) to carry out a joint strategy for work with the private sector.
- Reached an agreement with the Director of the Public Administration Reform Program –PRAP– to draft an outline for the Institutional Agenda suggested by the TCBS program staff for the PRAP program.
- Organized, in coordination with the DNP and OAS, a forum on Civil Society and FTA: “Elements for Structural Tax Reform for Competitiveness” with participation from around 30 members of academia, unions, and various GoC agencies.
- Developed an outreach strategy, in cooperation with DNP, to build consensus around the need to put in place an agenda of institutional reforms to increase systemic competitiveness in Colombia.
- Carried out consensus building activities with key private sector leaders to ensure adequate support and ownership of the institutional reforms to increase systemic competitiveness in Colombia.

Issues for USAID Attention

This project had no issues for immediate attention from USAID in this period.

Notable Activities and Deliverables for Next Quarter

- Eight (8) regional fora on institutional reform requirements, priorities and implications, in which members of Congress, local public sector and authorities

participate and reach consensus. (Rescheduled from 5th to 6th quarter because of elections)

- Effective consensus building with the relevant GoC agencies, including but not limited to the National Planning Department and the President's High Advisor on Competitiveness, to develop and approve the first CONPES document on institutional reform and the internal agenda effort. (Rescheduled from 5th to 6th quarter because of elections)

2. Labor Project

Introduction

One of the key areas of adjustment for the implementation of the FTA with the US is the labor market which requires important reforms aimed at ensuring Colombia reaps the full benefits from the FTA with the US. Therefore, this long term project aims at: a) providing assistance aimed at improving the analysis and information capabilities of the Ministry of Social Protection to improve the policymaking process, entailing the development of a strengthened analytical and operational framework and the corollary development of improved occupational training strategies and labor market information sharing and dissemination strategies; and b) providing advice aimed at increasing compliance with international labor standards through improving labor policies where needed, public outreach and information activities and provide recommendations aimed at redesigning current enforcement practices. All deliverables listed for previous quarters have been completed on time unless otherwise noted under the section on *Deliverables for Future Quarters*.

Ongoing Tasks/Activities

- Provide detailed recommendations for the design and implementation of a system of labor market indicators.
- Analyze labor market data to identify trends in labor demand.
- Carry out an analysis of current labor training policies and labor market information systems.
- Evaluate the ability of SENA to provide adequate training and meet changing training demands.
- Carry out a study on the nature of unemployment.
- Assist in the design of a risk-based supervision program and develop labor inspections system.
- Organize public outreach and training activities aimed at increasing knowledge of core labor rights and prevention of child labor practices.

- Produce a critical review of recent studies (last 15 years), both of an academic and non-academic nature, on child labor determinants, causes, and forms of child labor as well as on its prevention and eradication in Colombia.
- Review recent international literature on child labor determinants, types and forms of child labor and its prevention and eradication. This will also include a detailed review of successful international experiences on treating the subject.
- Process the available data to be used in the project. There is a need to process the: Survey on Economic activities of children by DANE (1997), Survey on the characteristics of the population age 5 to 17 (DANE 2001), Module on labor activities of children in rural areas (DANE, first quarter of each year since 2002), Quality of Life surveys (DANE, 2003), Evaluation of the “Familias en Acción” program (DNP, 2001, 2002). Prepare Stata programs that will easily process the available information and generate datasets that are user-friendly. These programs might then be used by the MPS, ICBF and other relevant institutions.
- Use the processed data to generate all tables and graphs that will be part of the descriptive sections.
- Use the data from the evaluation of “Familias en Acción” program to estimate the effect of a conditional cash transfer on children’s school attainment and child labor. This will be achieved by comparing the three different measures of the treatment effect discussed in the proposal.
- Prepare the complete first draft of the project final report. Organize a half-day seminar in which the results of the study will be presented. Present the document. Prepare a brief document in which the main outcomes of the meeting are summarized particularly in terms of specific goals and recommendations for further investigation or needs for data that could be addressed in the future.
- Compile a Household Survey data base for Urban Areas, covering the period 2001 a 2005.

Deliverables/Milestones/Events 5th Quarter

- Monthly updates on technical assistance progress. These updates are due at the end of each month

(J. Tenjo)

- Completed system of labor market indicators covering the period January 2001 – December 2005. In addition to the usual the labor market indicators, the system includes variables measuring enrolment in pension plans and health coverage of the working population. February 2006.
- Met with representatives of the Banco de la República (Central Bank), Department of Planning, Department of Statistics (DANE), Ministry of Social Protection, and National Training Services (SENA) to discuss the need to produce systematic labor

demand information. Tentative TOR for a consultant were developed and discussed. At this point we are searching for a consultant. February – March 2006

- Extensive discussion with officials of the Ministry of Social Protection regarding the content of the final report on labor inspection project. Final report of this project is under revision. February 2006.
- Met with consultants and officials of the Ministry of Social Protection regarding the final report on Child labor. The technical report was accepted but it was requested that the consultants complemented the report with a policy document. January 2006.
- Met with officials of the ministry of Social Protection and developed the content of the project of Fundamental Labor Rights. March 2006.
- Reached agreement with SENA on Work plan. This will include three types of projects: Labor intermediation, training needs forecasting, and methodology for definition of labor competencies. January – February, 2006
- Provided organized databases from household surveys for rural areas of the country covering the period 2001-2001. January – February, 2006
- Provided organized databases from manufacturing industry surveys, covering the period 1993-2003. January – February, 2006.
- Provided a report that disaggregates the labor vector and adapts the input-output matrix to carry out labor market analysis with the Ministry of Social Protection.
- Made presentations to official of the Ministry of Social Protection on the functioning of the data bases containing household surveys. March 2006

(A. Uribe)

- Completed the third hands-on course on STATA for 15 participants from MPS and SENA between January 16 and February 10, 2006. (Although STATA courses required in deliverables have been carried out, more training may be provided)
- Completed household surveys data base for Urban and rural areas, covering the period 2001 – 2005. February 2006.
- Completed user manuals for household surveys including metropolitan areas, urban areas and rural areas. January – February 2006.
- Completed STATA programs for setting DANE's household surveys, and developed programmer manuals. February – March 2006
- Completed Annual Manufacturing Survey data bases (in Excel format) covering the period 1993 – 2003 (more recent information is not available). This includes also user manuals. February March 2006.

(M. Cárdenas, R. Bernal)

- Delivered the final and revised draft of the study on the determinants of child labor in Colombia for revision by the Labor Project Leader on January 2006. Pending policy document. March 2006

(J. L. Padilla, J. I. Osorio)

- Delivered a final report of the inspection process in Colombia, including recommendations for reforming the system. This preliminary report was submitted February 28, 2006. Comments were made to this report and the final version including these comments is pending.

(C. Karl)

- Delivered the Input-Output and Social Accounting Matrices for the estimation of impacts of exogenous shocks on labor demand and offer in Colombia, including disaggregated labor vector on March 31.

Deliverables/Milestones/Events Completed in Previous Quarters¹

(J. Tenjo)

- Meetings with the Ministry of Social Protection to discuss selection of labor project director. 4th Quarter
- Technical assistance and a detailed manual to ensure that the Ministry of Social Protection adopts the general equilibrium models available in the National Planning Department. 4th Quarter

(A. Uribe)

- A document which includes and explains the necessary STATA programs (do-files) for the production of a system of labor market indicators. 4th Quarter

(L. Higuera)

- Estimates of two independent profiles, one for labor participation and one for schooling choices. 4th Quarter
- Edits of a report dealing with child labor in Colombia. 4th Quarter
- Datasets required to estimate the models of determinants of choice of economic sector and occupational choice for children who actually work. 4th Quarter
- A set of additional variables not available in surveys (i.e. construct measures of “informalization” of different sectors of the economy) to be used in the models to

¹ These completed deliverables were not explicitly noted in earlier quarterly reports.

determine choice of economic sector and occupational choice for children who work. 4th Quarter

- Edited version of chapter (5) which includes results of estimates and edited version of chapter (6) which includes results of evaluation of the Familias en Acción Program. 4th Quarter
- New datasets or variables as determined by feedback. 4th Quarter
- Comments on early draft reports dealing with child labor and collaboration on later drafts. 4th Quarter

Issues for USAID Attention

This project had no issues for immediate attention from USAID in this period.

Notable Activities and Deliverables for Future Quarters

(J. Tenjo)

- Provide organized databases from the household surveys for the rural areas of the country covering the period 1990-2000.
- Provide a report containing a detailed analysis of the recent labor market performance. The report will review employment, unemployment, and underemployment trends by sector, different labor categories and different workforce skills.
- Provide a report that disaggregates the labor vector and adapts the input-output matrix to carry out labor market analysis with the Ministry of Social Protection.
- Definition of TOR and selection of consultant for the labor demand statistics project, the labor intermediation project, the training demand project and the competencies project. April - May 2006.
- Provide an analysis of the nature of unemployment in Colombia since 2000. This exercise will determine the length and incidence of unemployment by population group and present policy. (This deliverable, originally scheduled for the 4th quarter, has been rescheduled for the 7th quarter so that completed databases from household surveys could feed into the analysis).
- Produce a series of reports with estimates of labor market demands by occupation, skill levels, industry, and region, accounting for international trade effects as well as technological shocks. (These deliverables, originally scheduled for the 4th quarter had to be rescheduled to the 7th quarter due to the resignation of the consultant –Orlando Gracia– charged with the task).
- Provide an analysis of the effects of the FTA and determine the human resource needs to deal with those effects. More specifically. This analysis is expected to present a methodology to determine the sectors, occupations, skill levels and regions (to the extent that information is available) that will incur positive and negative

demand changes. (This deliverable, originally scheduled for the 4th quarter was rescheduled to the 7th quarter due to the resignation of the consultant – Orlando Gracia – charged with the task).

- Produce a report containing a detailed analysis that evaluates the ability of SENA to meet training demands, evaluating the current institutional and organizational structure and expected costs of carrying out training activities. (This activity, originally scheduled for the 4th quarter, was renegotiated with SENA and has been rescheduled for the 8th quarter).

(A. Uribe)

- Provide organized databases from the household surveys for the rural areas of the country covering the period 1990-2000. June 2006
- Provide organized databases from Quality of Life Surveys for 1997 and 2003. June 2006.
- Completion of the training of Ministry of Social Protection Officials in the use of household surveys and other data bases installed in the Ministry by June, 2006.
- A report with programs, tables and calculations for the estimation of the impact that the implementation of the Free Trade Agreement with the United States is likely to have on labor demand. (This report, originally scheduled for the 4th quarter was rescheduled for the 7th quarter due to the resignation of the consultant assigned with the task).

(M. Cárdenas, R. Bernal)

- Revised draft of the study on the determinants of child labor in Colombia for revision by the Labor Project Leader and a simplified policy document derived thereof, for public outreach activities, in April 2006.

(Gustavo Hernandez)

- Report on labor demand disaggregated by skill level and sector of economic activity. June 2006

3. Customs Reform Project

Introduction

Customs administration and operation is one of the key areas where technical assistance can deliver very tangible benefits in a short time frame. It is also one of the crucial areas where the full impact of increased trade flows will be concentrated and therefore a key area to improve in order to foster effective growth in trade flows stemming from the FTA with the US. This project aims at: a) promoting optimal and rapid adjustment of Colombian customs to FTA requirements; b) developing risk-based inspections and updating customs valuation methodologies and systems; c) training to international standards with some limited software support; and d) assisting the counterpart DIAN

(Tax and Customs Administration) in developing procedures, institutional re-engineering, IT systems, and training in order to help DIAN ensure security and enforcement of customs laws and rules and facilitate the efficient flow of imports and exports.

Ongoing Tasks/Activities

- Analyze existing DIAN customs institutions, procedures, staffing levels and capacity, and IT systems, and identify weaknesses and areas in need of improvement.
- Recommend comprehensive Risk Assessment and Management Strategies, including process and institutional re-engineering, as well as the integration and modernization of IT systems.
- Assist in developing an Anti-Fraud strategy.
- Recommend mechanisms for engaging in dialogue with the private sector, learning about their concerns, and developing a better client-oriented culture in order to better facilitate the flow of goods while at the same time pursuing the objectives of security and enforcement.
- Develop comprehensive risk indicators and indices, identifying the critical variables required to identify appropriate risk profiles which effectively measure the risk of fraud related to specific individual import and export operations, aimed at defining inspection strategy parameters.
- Develop statistical models to measure customs compliance risk; based upon an analysis of relevant risk analysis variables to be included in the evaluation/selection process.
- Coordinate with DIAN staff members on the implementation of the pilot program to test the Risk Management Module for Inspection Selection.
- Design and build the information system to implement the risk management model for customs inspections integrated with SYGA, including extensively test the designed and built components of the module.

Deliverables/Milestones/Events

- Model of a working prototype of the Risk Analysis Information System for evaluation and demonstration purposes.
- A full set of indices, indicators and variables to be incorporated in the final version of the comprehensive Risk Analysis Information System.
- A final version of the comprehensive model for Risk Analysis Information System implemented and effectively operating; and full system documentation (including all mathematical algorithms and relevant source code information)
- Effective strategy for the implementation of the pilot program to test the Risk-Based Import Selection Module for Imports.

- The database for information analysis with interfaces of automatic reading and scheduled from SYGA and other information sources.
- Integrated and tested Risk Management Module, including a set of reports for information analysis and graphic interfaces.
- A first draft of the Manual of Origin Verification under the FTA with the US, which includes a description of the auditing standards and procedures, and the methodology used to verify compliance with rules of origin under the FTA.
- A first workshop on FTA Rules of Origin to staff members of DIAN's Rules of Origin group.
- A second training workshop to DIAN staff members from the Origin Verification Unit to train them in the use and application of the Manual of Origin Verification under the FTA with the US.
- Drafts of decrees on advanced resolutions on origin and value, including procedure for request and approval.

Issues for USAID Attention

This project had no issues for immediate attention from USAID in this period.

Notable Activities and Deliverables for Next Quarter

- Extensive coordination with MUISCA to review and adjust as necessary the work plan to adequately reflect the priorities and interests of DIAN (as requested by the new director) in the new phase of assistance to MUISCA. This shall take place during April and May, 2006.
- Implementation of the pilot program of the Risk Analysis Module to select imports for inspection. This is expected to take place between May and June 2006.

4. Technical Barriers to Trade Project

Introduction

One of the key difficulties impeding effective market access is the existence of technical barriers to trade that are difficult to overcome due to lack of information or adequate technical capacity. This project aims at: a) defining and implementing technical standards so as to improve the process of trading with the US; b) applying those international standards to increase productivity and competitiveness of Colombian firms; c) providing sound technical advice and overseeing and organizing proper training for the project in the area of implementation and certification of international technical standards; d) providing support to the relevant governmental authorities, especially the Ministry of Trade, Industry and Tourism and the Superintendence of Industry and Trade, to strengthen their ability to adequately regulate the adoption, implementation and

certification of international standards: and e) delivering technical assistance at the industry as well as to firms jointly with the Ministry of Trade, Regulation Department.

The legal component focuses on the creation of a legal and institutional framework to create efficiencies and eliminate redundancies through the development and implementation of a Quality Law and corresponding regulations.

The project sponsors workshops, training and technical assistance to increase private and public sector understanding of the importance and use of standards, regulations, and conformity assessment measures in the market.

Certifying products, services and systems in accordance with international standards such as HACCP, Kosher, WRAP, TS16949 and CMMI (software industry) is expected to create better market access for Colombian companies. This is accomplished by building local capacity and improving quality in products, services and processes– through the training of local consultants, accreditation of testing and calibration laboratories in ISO/IEC 17025, and certification of products, services and processes in standards such as HACCP food safety systems.

Ongoing Tasks/Activities

(General)

- Carry out diagnostics to select company candidates for HACCP certification and implement HACCP standard and certification of 20 enterprises. (C. Ramirez)
- Begin working with SMEs on Kosher and WRAP certification programs. (M. Schultz)
- Work with the office of “Consejería Presidencial para la Equidad de la Mujer” carry out diagnostics of 20 enterprises in Medellín and Bogotá and develop action plans for 10 of them for the implementation and certification of GMPs. (L. Navarette)
- Set up speakers (international experts) and agenda for TBT apparel and textiles seminar in Medellín in May 2006. (M. Schultz)
- Identify and select companies for the BASC certification and implementation process. (BASC)
- Select and provide training to consultants in the TS16949 standard. (A. Low)
- Identify and select companies for the TS16949 certification and implementation process. (A. Low)
- Support the development of the Quality CONPES, Quality Law and related implementing regulations. (O. Montealegre)
- Support the development of a process to form a common regulation development process and cooperation within the Quality Committee. (M. Schultz)
- Develop a comparative study on the Colombian Accreditation system and systems in Mexico, Spain, Brazil and Argentina including recommendations and the feasibility of making changes to the current system. (J. Villamil/L. Arango)

- Periodically visit companies/laboratories in the certification/accreditation programs to assess progress. (M. Schultz)
- Prepare a series of videoconferences to provide training in the ISO17025 accreditation program. (O. Cedeno)
- Develop agenda and identify speakers for manufacturing workshop in Cali in June 2006. (M. Schultz)

Environment

- Present a seminar entitled “Experiencias internacionales de control e implementación de normas voluntarias.” (M. Schultz)
- Develop a National Marketing strategy to support local markets of organic and environmental products. (TBD)
- Develop a marketing campaign for consumers of organic and green market products. (TBD)
- Implement green products labeling and certification for two enterprises in two different sectors. (TBD)
- Prepare matchmaking conference and Trade Mission for July 2006. (M. Schultz)

Pharmaceuticals

- Develop diagnostics and action plans for two pharmaceuticals industry-related laboratories. (O. Cedeno)
- Carry out four workshops for the pharmaceutical sector. (E. Zamora)
- Produce a document that defines international best practices, standards and conformity assessment procedures in the generic drugs industry. (E. Zamora)
- Implement GMPs and prepare documentation for registration with the FDA of 6 enterprises in the pilot program. (E. Zamora)

Deliverables/Milestones/Events

- Action Plans for 20 laboratories for ISO 17025 certification submitted (O. Cedeno)
- Call to companies to participate in the Kosher and WRAP certification programs. (M. Schultz)
- Training seminars in Kosher (Medellín) and WRAP standards for companies interested in certification. (Medellín, Pereira and Bogotá) (Kosher and WRAP organizations)
- Four training video conferences in the ISO17025 program: the SIC perspective and procedures conducted in the accreditation process; an overview of laboratory accreditation; ISO 9001 quality management and management; and maintenance of metrology in the laboratory.

- Draft design of the Quality System Model proposed. (M. Schultz)
- Diagnostics of 20 enterprises completed in Medellín and Bogotá and 10 action plans developed for micro enterprises to implement and be certified in GMP. (L. Navarette)
- Training seminar for GMP program in Medellín and Bogotá presented. (INVIMA and L. Navarette)
- Companies selected for BASC program and implementation has begun. (BASC)
- TS1649 consultants selected and TORs developed for training and implementation; call to companies to participate in TS16949 training program. (M. Schultz)
- First draft of accreditation study completed. (J. Villamil/L. Arango)
- Call to companies to participate in Pharmaceuticals pilot implementation program. (ANDI/M. Schultz)
- Call to consultants to participate in the Pharmaceuticals training course in late May. (ANDI/M. Schultz)
- Supported the EPA Environmental principles workshop in Cartagena in March. (M. Schultz)

Issues for USAID Attention

This project had no issues for immediate attention from USAID in this period.

Notable Activities and Deliverables for Next Quarter

- Marketing campaign for consumers of organic and green market products. (TBD)
- Seminar “Good Textiles and Apparels Practices: Challenges for Accessing International Markets,” Medellín, May. (M. Schultz)
- Final draft of the Quality Law and CONPES document completed. (O. Montealegre)
- HACCP diagnostics and action plans for 37 companies. (C. Ramirez)
- HACCP program video conference with participating consultants and companies to support the implementation process with the support of SENA. (C. Ramirez)
- Accreditation system study completed. (J. Villamil/L. Arango)
- Certification programs to begin in Kosher, WRAP, TS16949 (Kosher/WRAP/A. Low)
- Private sector workshop for manufacturing sector in Cali. (M. Schultz)

5. Securities Market Project

Introduction

Due to the significant potential benefits and impact, one key area of required institutional strengthening and adjustment is the securities market. This is due to the fact that the securities market facilitates private sector financing diversification and increases the number of viable enterprises by reducing the average cost of capital. Nevertheless, the securities markets face the challenge of maintaining transparency and accountability and hence the large technical and investigative capacities required for the oversight institution. This project originally aimed at providing a targeted technical cooperation program to: a) support the establishment of a rigorous and sustainable securities market monitoring, surveillance, and enforcement system; b) build the capacity of the *Superintendencia de Valores* (SV) (Securities Superintendency) to implement core strategic elements of its capital markets development strategy through policy reform and institutional strengthening activities; c) support organizational and institutional reforms designed to strengthen the SV's monitoring, surveillance, and enforcement capacity; d) strengthen the monitoring and reporting capacity as well as risk management procedures of major market intermediaries; e) strengthen the accounting/audit enforcement capacities of the SV; f) support the adoption and further clarification of key financial reporting and performance regulations to be established in upcoming securities and accounting/audit reform legislations; and g) provide technical assistance aimed at supporting the merger process between the Securities Superintendency and the Banks and Financial Institutions Superintendency.

During the fifth quarter the new Financial Superintendency of Colombia (Superintendencia Financiera) created by the merger of the former banking and securities superintendencies, carried out all supervision activities—administrative, logistical and legal. As of January 2, 2006 new groups were organized by function in the Superfinanciera according to the approved organizational chart and employees of the former Securities Superintendency were transferred to the site of the old Bank Superintendency, operational site of the new Financial Superintendency. Although this process was successfully carried out, some related factors affected the progress of the project, especially because some of the staff in the former Securities Superintendency either left or were given new responsibilities unrelated to work they had been doing until December 2005. Accordingly, project personnel had new counterparts. In other cases it was necessary to approach topics with a broader vision given the market and institutional responsibilities of the new entity.

Ongoing Tasks/Activities

(P. Potdevin, P. Afanador)

- 3-workday session with directors of the Superfinanciera, to formalize the Strategic Plan, stressing the goals that should be achieved to strengthen market supervision.

This work included defining indicators to measure results on which quarterly monitoring will be based.

(J. Carlson. G. Camacho)

- The Stock Market of Colombia has contracted the international consultant, John Carlson, to carry out a study on the theme of installing a model to self-regulate markets and agents, complementing the initial recommendations of John Cerwinski. In a presentation to the financial community he confirmed recommendations made by the project consultant and, as a result, the Government pushed ahead its strategy to follow suggestions of Mr. Cerwinski. Accordingly, by July 2006 the self-regulatory model should be operational in Colombia as required by the Securities Market Law. Currently project personnel and the Superfinanciera are preparing a TOR to provide assistance from local lawyers in the preparation of regulatory decrees to support the Securities Market Law that will put in place the auto-regulatory model following the recommendations presented in John Cerwinski's document.

(I. Barroso, M. A. Herrero)

- Spanish consultants, Ignacio Barroso and Miguel Ángel Herrero were contracted again to carry out a complementary study on the use of privileged information. Their consultancy focused on the methodology or supervision and an investigation of abusive market practices, such as the manipulation of prices. Also included was a task aimed at systematizing supervisory tasks that should move ahead to anticipate, identify and confirm in specific operations that certain agents have acted in ways that threaten honest pricing.

(I. Barroso, M.A. Herrero)

- Recommendations on supervisory norms and practices and accordingly, the Financial Superintendency completed the work of a consultancy developed by the project and was satisfied with the products and the training provided to its staff.

(S. Fernandez)

- Four training programs were developed and delivered as anticipated for a group of 20 lawyers in the Superfinanciera, using cases previously developed on investigations and penalty procedures related to the securities market. The workshops were well-received and Directors of the Superfinanciera are studying the possibility of repeating this activity to make it available to more lawyers.

(G. Camacho)

- In collaboration with staff of the Superfinanciera the 2006 Plan of Activities was developed which lays out initial areas for needed support. This plan may be modified as supervisory activities are developed and as priorities and necessities change. (The initial plan is included with this quarterly report)

- As a result of the preceding activity appropriate terms of references have been developed to correspond to activities that hopefully will be developed over the next two quarters. To date ideal candidates have been identified who can guide the development of this technical support.

Deliverables/Milestones/Events

(P. Potdevin, P. Afanador)

- A document which defines indicators to be used to measure results.

(G. Camacho, Staff of Superfinanciera)

- TORs for the development of Securities Market Law with respect to the self-regulatory law for the Colombian market.

(G. Camacho)

- 2006 Plan of Activities with the Superfinanciera

(I.Barroso, M.A. Herrero)

- Final document of commentaries on supervisory tasks related to use of privileged information and abusive market practices.

Issues for USAID Attention

This project had no issues for immediate attention from USAID in this period.

Notable Activities and Deliverables for Next Quarter

- Conclude the theme of self-regulation

(G. Camacho)

- Monitor the Strategic Plan of the Superfinanciera to assure that it is carried out and that goals are met. (on-going)

G. Camacho, Staff of the Superfinanciera, S. Fernandez)

- Study the possibility of repeating training workshops for lawyers charged with penalty responsibilities related to activities developed by agents in the security market.

(G. Camacho)

- Develop assistance to the Supervisory anticipated in the 2006 Activities Plan (on-going)

6. Tax Benchmarking Project

Introduction

One key area identified by foreign investors in Colombia, and still requiring more research and a comparative panorama, is the tax regime faced by investors in the country. This project aims at: a) comparatively analyzing the levels of taxation in Colombia, and evaluating their impact on the competitiveness in the business activity set against the other Latin American countries; b) calculating the level of taxation to which the business sector in Colombia is subject to, both from a macroeconomic perspective and for each sector of economic activity. The counter part for this Project is the Colombian-American Chamber of Commerce.

Ongoing Tasks/Activities

- Establish the tax collection volume and its evolution over the last five (5) years of the main taxes in force in Colombia.
- Establish the taxation impact on investment and consumption decisions.
- Determine the tax collection volume by economic sector of the main taxes in force that apply for the enterprises (legal entities). Calculate the number of enterprises that pay taxes in Colombia.
- Compare Colombian taxation levels (rates) with those of the other Latin American countries, especially Venezuela, Ecuador, Peru, Chile, Argentina, Brazil, Costa Rica, El Salvador, Honduras, Nicaragua, Guatemala and Mexico.
- Determine the impact that taxes on financial operations, industry, and commerce play on private investment and competitiveness.
- Evaluate the fiscal impact of the current tax incentives, subsidies and other investment incentives.
- Provide detailed comments and undertake technical work to ensure that sections of a report on fiscal policy, tax incentives and the marginal effect of tax rates contain the corresponding data and analysis.
- Provide data and reports for the fiscal policy analysis component of the project. In particular, the study will include an assessment of Colombian competitors that are being developed by the project. The report will include a comparison of the Colombian fiscal policy and best practices around the world.
- Provide data and reports for the fiscal incentives analysis component of the project. This task will be coordinated with other members of the project. In particular, the report will include a comparison of the Colombian fiscal incentives policy to best practices around the world, as well as an assessment of Colombian competitors currently being developed by the project.

- Provide data and reports on the effect of tax marginal rates. The report will include a comparison of the effects of Colombian marginal tax rates and how they differ from world best practices.

Deliverables/Milestones/Events

- A document in plain language, containing the most salient conclusions and recommendations from the project, to be used in a public outreach effort to raise awareness on the importance of carrying out a structural tax reform in the country along the lines of the recommendations derived from the study.

Issues for USAID Attention

This project had no issues for immediate attention from USAID in this period.

Notable Activities and Deliverables for Next Quarter

No further activities for next quarter.

7. Modeling Project

Introduction

One key area of trade capacity building is the ability to develop a strategically oriented transportation infrastructure, which maximizes the benefits of investment in terms of reducing logistic costs and increasing efficiency in trade. Therefore, it is strategically important for the Government of Colombia to have a modeling tool that allows for the modeling of different combinations of logistic infrastructure developments, taking into account the impact of increased trade flows derived from FTA implementation, and thus maximizing the impact of each investment. Therefore, this project aims at: a) quantifying at the sectoral and regional levels the transportation costs and over-costs associated with the current infrastructure; b) developing a technical instrument that contains different scenarios of cargo infrastructure, demand and supply that allows for the identification of investment priorities in infrastructure for the regions and sectors identified jointly with the National Planning Department; c) developing a methodology to integrate the results on the subject of transportation costs in the estimations of a gravitational model of sub-regional commerce for Colombia; and d) seeking to incorporate the results in terms of transportation costs in a model of general calculable balance to derive welfare benefits from new investments in infrastructure at the regional level in Colombia.

The software component aims to: a) assist the Ministry of Planning (MOP) in the implementation of a model that simulates the allocation of transport flows. Particularly, the model will simulate a set of routes and cost of international trade flows for a range of configurations of the transport network and the amount of exports and imports. The consultants will advice economist and transport experts at the MOP in the execution of the model; and b) provide software training at the MOP that includes the operation of the demand and infrastructure elements of the model.

Ongoing Tasks/Activities

- Optimize the model given the platform capabilities and implement the required elements in order to comply with the needs of the DEE and any other user.

Deliverables/Milestones/Events

- An evaluation of the impact, feasibility and costs and benefits, in terms of mobilized traffic volume and cost structure, of each of the infrastructure development projects identified by the internal agenda process.

Issues for USAID Attention

This project had no issues for immediate attention from USAID in this period.

Notable Activities and Deliverables for Next Quarter

No further activities for next quarter.

8. SPS Project

Introduction

Agricultural trade is one of the key interests of the Government of Colombia in the FTA negotiations. The ability of Colombian producers to reach US SPS requirements and standards is of capital importance in order to effectively benefit from the opportunities put forth by the FTA for agricultural producers. The SPS component is composed of eight projects. 1) SPS Information System 2) Strengthening the Colombian meat and pork inspection and certification system; 3) Strengthening the trade capacity of the Colombian dairy sector; 4) Implement Good Agricultural Practices and responsible use of pesticides; 5) Achieving pesticide registration for minor crops; 6) System approach and low prevalence areas for pest control; 7) Strengthening the inspection and control system for processed foods; and 8) Strengthening the institutional capacity by using the CONPES 3375 and 3376 guidelines.

Ongoing Tasks/Activities

Information System Project

- Map out the U.S Government SPS norms and approval procedures, including the rulemaking, information flow chart and contact points for a set of Colombia's agricultural and processed products, including fresh fruits and vegetables, fresh meat and poultry and other animal products, low acid and acidified foods, infant formula, raw molluscan shellfish, food ingredients and additives
- Design and create an information tool for a computer – based tracking system for the requests for approval from Colombian procedures and processors to the U.S agencies as well as those requests from the U.S to the Colombian SPS regulatory system.

- Prepare operational manuals for all users of the system
- Propose alternatives for the future sustainability of the system
- Prepare the visit that a delegation of Colombian authorities will do to US agencies to validate and adjust the information system

Meat Project

- Contribute to design the institutional layout for the national meat safety program in cooperation with ICA, INVIMA, Ministry of Social Protection and other national authorities
- Provide support for drafting the meat legislation reform to ensure that Colombian sanitary standards are consistent with international standards and best practices
- Propose the set of regulations that complement the propose meat legislation and provide guidance to relevant official authorities and private organizations representatives for its implementation

Dairy Products Project

- Review the existing legislation by providing support for the drafting of the dairy legislation reform that ensures the Colombian Sanitary standards are consistent with international standards
- Propose a set of regulations that complement the proposed legislation and facilitate its implementation
- Provide an analysis of existing inspection system and propose a red redesign of the system and a redesign of the regulation supporting the system
- Asistencia técnica en el desarrollo de los protocolos de inspección, vigilancia y control
- Select producers and processors interesting in attaining the PMO certification
- Establish the requisites for selecting a group of cheese processors to receive technical and administrative support to enable them for export their products to the US
- Coordinate and interact with the U.S authorities and entities involved in the international dairy inspection and certification process with the aim of promoting at least one Colombian firm to participate in the private party inspection

Good Agricultural Practices (GAP) Project

- Define the criteria and strategy for selecting one herb and one fruit to undergo the pilot Project
- Coordinate the process for selecting one herb and one fruit to be the focus of the pilot project
- Identify other national and regional capacity building projects on GAP and analyze possibilities for coordination with these projects

- Design the GAP training program for facilitators that will be executed in cooperation with Crop Life
- Establish the requisites for selecting a contracting firm to be in charge of the GAP pilot projects

Minor Crops project

- Perform a preliminary assessment of the current status of the Colombian pest management registration system, relevant laws, regulations and practices, as well as the key specialty crop growers
- Meet with growers, the crop protection industry, academic circles and government representatives in order to discuss their difficulties with the registration of pesticides, and a “modus operandi” for the new specialty crop pest management registration system based on international standards and experiences
- Contribute to the creation of the partnership of national organizations, similar to the US IR-4, aimed at providing pest management solutions for fruits, vegetable and other minor crop growers. Create, in conjunction with these players, a work plan for defining the programs and procedures this partnership shall develop

Low prevalence areas and Systems approach Project

- Define a methodology for selecting areas eligible to be declared pest free or of low prevalence of pests.
- Contribute to selecting the appropriate areas for developing two pilot projects of free or low prevalence areas (FLPA.)
- Define a work plan for areas of pest prevalence or pest free.
- Analyze the current legislation and institutions related to FLPA with a view towards adapting the current legislation according the new FLPA requirements.

Processed Foods Project

- Approve the work plan for this project
- Define terms of reference and length of effort for the consultants that will provide support to this project
- Identify possible consultants to be recruited for providing support in the areas of microbiological and chemical risk analysis

Institutional Strengthening Project

- Approve the work plan for this project
- Define terms of reference and length of effort for the consultants that will provide support to this project
- Identify possible consultants to be recruited for providing support in the areas of microbiological and chemical risk analysis

Deliverables/Milestones/Events

Information System Project

- A series of documents describing the step by step procedures and requirements for APHIS pre-approval of animal products, FSIS recognition of equivalence and EPA pesticide registration. March 7th, 2006 (This completes procedures for fresh fruits and vegetables, fresh meat and poultry and other animal products, low acid and acidified foods, infant formula, raw molluscan shellfish, food ingredients and additives.)
- A pilot pre-approval process tracking tool based on the phytosanitary requirements currently in use by USDA/APHIS. February 28, 2006.
- An executive summary of the system, delivered march 30th, 2006
- Workshop on FDA pre-approval procedures and regulations for Colombian public and private representatives. January 19th, 2006
- Workshop on Equivalence Recognition of foreign meat and poultry inspection systems for Colombian public and private representatives. February 23rd, 2006

Meat Project

- A document containing the proposed institutional layout for the national meat safety program in cooperation with ICA, INVIMA, Ministry of Social Protection and other national authorities, March 2006
- A document provide guidelines for drafting the meat legislation reform to ensure that Colombian sanitary standards are consistent with international standards and best practices; (corresponds to providing comments and directions for SPS legal reforms under CONPES 3375 and CONPES 3376) March 2006
- A document describing the set of regulations that complement the proposed meat legislation and provide guidance to relevant official authorities and private organizations representatives for its implementation; (corresponds to providing comments and directions for SPS legal and institutional reforms under CONPES 3375 and CONPES 3376) March 2006

Dairy Products Project

- Workshop to introduce the Pasteurized Milk Ordinance (PMO) to private and public sector representatives. February 14 and 15, 2006
- A document containing specific and detail recommendations for the GOC on reforming the Dairy Laws, another document listing and defining the regulatory reforms necessary for the adequate implementation of the law, and an informational brochure to be distributed to private and public sector representatives with the aim of increasing their understanding of the importance of having standards/regulations and conformity assessment measures in the market; (corresponds to providing

comments and directions for SPS legal and institutional reforms under CONPES 3375 and CONPES 3376) March 2006

- A draft document containing a proposal for the structural design of the existing official inspection body; (corresponds to providing comments and directions for SPS legal and institutional reforms under CONPES 3375 and CONPES 3376) March 2006
- A document containing the criteria for selecting and contracting and processors interested in attaining PMO certification. February 2006.

GAP Project

- A report with the criteria for selecting one herb and one fruit to undergo the pilot Project. March 7, 2006
- A report listing the national and regional initiatives building the capacity of GAP in Colombia. The list should describe in detail these initiatives (coverage, implementing agencies, etc) and identify possible areas for coordination with those initiatives. March 17, 2006
- A draft training curriculum describing in detail the intensity of each training session, the content of the training, the responsible parties and other relevant information. March 14, 2006

Minor Crops Project

- Half-day seminar for specialty crop growers to explain paths used to transition to newer reduced risk crop protection chemicals while maintaining or obtaining open access to export markets. March 9 2006
- A preliminary work plan for implementation of the new SCPMR system, including timeframes, specific tasks/phases, key participants and budget. The work plan will be based upon the results of the preliminary assessment highlighting the deficiencies and other particularities and meetings. March 24, 2006
- A presentation of the proposed program of implementation and maintenance of a Colombian SCPMR. To be delivered no later than March 24 2006
- A preliminary detailed work plan for the organization of an IR – 4 like project in Colombia. March 24 2006

Low Prevalence Areas Project

- A document describing in detail the technical criteria used to select areas eligible to be declared pest free or of low prevalence of pests. April 4, 2006
- A document describing in detail the structure and the work plan for establishing two pest free or low prevalence of pest pilot areas. April 4, 2006
- A document containing detailed and specific recommendations for reforming and changing the current legislation and institutions in charge of establishing and supervising pest free and low prevalence of pest areas. April 7, 2006

Processed Foods Project

- A document describing the approved work plan for this project

Institutional Strengthening Project

- A document describing the approved work plan for this project

Deliverables which were Modified or Postponed

- Implementation of the system platform for the information system and inclusion of the plant health pre-approval procedures – postponed to June so that plant health pre-approval procedures could be included.
- Workshop on animal health pre-approval procedures – cancelled because consultant could not come to Colombia. J. Romero traveled to Washington DC to work directly with consultant (Valerie Ragan) on pre-approval procedures.
- Workshop on EPA registration procedure – cancelled because consultant could not come to Colombia. J. Romero traveled to Rutgers University to work with consultant (Dan Kunkel) on EPA's pesticide registration procedure).

Notable Activities and Deliverables for Next Quarter

Information System Project

- A document with detailed analysis and description of the U.S SPS norms, procedures and processes related to products regulated by the FDA. By June, 2006.
- Visit of a group of representatives of Colombia's regulatory agencies, to the USDA, EPA and FDA relevant offices in Washington DC in order to obtain a deeper understanding of the procedures and confirm contact points information. May 2006.
- Train 5 official designated by TSG-Colombia Productiva to manage the system, May 2006
- Install the software in 5 computers selected by Colombia Productiva
- A fully functional and operational web portal with the information system on-line and fully accessible to the public. June, 2006.

Meat Project

- Guide a group of representatives of the Government of Colombia to have a meeting with relevant USDA officers related to the Equivalence recognition request Colombia presented in year 2004, April 2006
- A set of documents containing recommendations and background information for designing the institutional layout for the national meat safety program, for the Government of Colombia on reforming the Meat Law and regulations so that they meet with international standards, May 2006

- Recommendations and guidelines for designing and implementing the national meat pathogen reduction program and the national residues control program for meat and meat products. May, 2006
- Selection of the group of slaughterhouses and processing plants that will be part of the pilot implementation of the HACCP System

Dairy Products Project

- A set of selected dairy and processing firms financially and technically committed (letters of intention) to adopting necessary reforms. May 2006
- A work plan to be developed in conjunction with the selected companies, which details the activities and requirements necessary for achieving PMO certification. June 2006
- Develop technical materials to increase the understanding of public and private sectors on the importance of having standards/regulations and conformity assessment measures in the market, June 2006
- Identify technical profiles, abilities and capacity for selecting the inspectors in charge of supervising farms, laboratories, processing plants, milk transfer stations, as well as those inspectors supervising the inspection system, June 2006
- Perform initial PMO audits to determine the set of requirements the selected processing and producing firm will need to meet in order to receive PMO certification, June 2006
- Drafts of Manuals of Inspection, Surveillance and Control at all levels of the chain, June 2006.

GAP Project

- A document that analyzes the current regulations and requirements for registering and verifying pesticide procedures. It should propose the legislative and procedural reforms required to improve the pesticide registration system in Colombia, including possible training needs for improving the toxicological and environmental pesticide evaluation, registration and monitoring process. June 2006
- Coordinate the approval with the EPA and ICA of the training materials to be used at the Responsible Management of Pesticides and GAP training program, May 2006
- Coordinate the process for selecting the contracting firm that will be in charge of the two GAP pilot projects. June 2006
- Coordinate with Crop Life LA, Cámara Procultivos, SENA, and other relevant national and regional institutions to select a minimum of 150 training participants.
- Coordinate the visit of a minimum of one representative of Colombia Productiva and another one from Colombia's regulatory agencies through the EPA relevant officers in Washington D.C, in order to obtain a deeper understanding of the

pesticide registration procedure and regulations and to confirm the names and relevant contact point information. April 2006

- The complete training materials to be used in the training program, revised and approved by the EPA and ICA. By may 2006

Minor Crops Project

- A work plan planning the steps and process required to strengthen the pesticide registration process. April 21, 2006
- An agenda planning the on-site visits by the Colombian national authorities on pesticide control to the institutions involved in the registration and verification of pesticides in the U.S. April 28, 2006

Low prevalence areas and Systems approach Project

- Selection of the areas where the project is going to be developed. June 2006

Processed Foods Project

- Identification and recruitment of the international consultants that will provide support for the establishment of INVIMA's risk analysis unit . June 2006

Institutional Strengthening Project

- Identification and recruitment of the national consultants that will provide support for this project. June 2006

9. Telecommunications

Introduction

This project aims to: a) assess the current licensing regime in Colombia for Long-Distance Voice services, spectrum allocation policies, and broadband policies and regulations; b) provide a diagnosis of the current regulatory regime, evaluate existing policies, and propose alternatives for the Ministry and CRT to establish a new policy and regulatory framework consistent with a more competitive and vibrant telecommunications market; and c) review the Universal Service Plan adopted in 1999 and provide recommendations to the Colombian government regarding adjustments to the existing universal service, access policies, and programs in a way that meets current communications needs and future challenges in Colombia.

Ongoing Tasks/Activities

Activities under this project are finished as of end QV of project implementation, and therefore there are no ongoing tasks or activities.

Deliverables/Milestones/Events

(R. Bustillo and E. Benitez)

- A final report containing a review of best international practices in spectrum allocation, licensing policies and procedures with emphasis in use of spectrum to promote broadband access in Colombia and greater competition in other communication services. This report will also contain a detailed set of recommendations for reform. This report has been delayed due to the difficulty in obtaining international benchmarking data.

Issues for USAID Attention

This project had no issues for immediate attention from USAID in this period.

Notable Activities and Deliverables for Next Quarter

No further activities for next quarter.

10. Services Statistics

Introduction

The production and trade activity of the service sector, although extremely important as it generates around 67% of total employment and 65% of GDP in Colombia, has traditionally been measured by means of indirect approaches and calculations. This has generated a significant lack of precise and adequate information necessary for crucial activities such as defining the negotiating strategy of international trade agreements or the definition of sectoral policies. Therefore it is crucially important to provide technical support to the Government of Colombia to develop an integrated and technically solid service sector survey system that collects accurate and precise statistics on production and trade of services.

Ongoing Tasks/Activities

- Provide support to the relevant GoC agencies in the design of a questionnaire for the Quarterly Services Survey and the Annual Services Survey.
- Develop a unified register of service providers and companies in the service sector for the application of service sector surveys. This should include the review of the Confecamaras RUE register and other available sources, such as DIAN's RUT register, using either the IIUC rev. 3 classification or the CPC classification, whichever is deemed to be the best alternative.
- Help develop a sample for the quarterly and annual service sector surveys, which should be stratified by size, location and industry and should be statistically representative of the overall population.

Deliverables/Milestones/Events

- A preliminary analytical report on the progress of the project with detailed recommendations for future progress and implementation tactics, delivered on January 31st, 2006.
- A report on training surveyors to ensure adequate response from the surveyed and accuracy and completeness of the survey information obtained was delivered on March 10th, 2006.

Issues for USAID Attention

This project had no issues for immediate attention from USAID in this period.

Notable Activities and Deliverables for Next Quarter

No further activities for next quarter.

11. Professional Services Standards

Introduction

The potential for the export of professional services from Colombia to the United States once the FTA is implemented has been identified as high by both local and US professional services providers. Nevertheless, an important hurdle exists in the form of a lack of mutually recognized schemes for professional licenses and educational degrees, which hinders effective market access for Colombian professional services providers. Therefore it is of high importance to put in place a system which allows Colombian professional service providers, especially in the areas where larger potential for integration has been identified, to require international standards in the licensing process so as to meet the existing licensing requirements in various states of the US. Also, a mutual recognition scheme for professional licenses and educational degrees should be developed and put in place. Finally, the information on how to attain those standards and which procedures to follow to get a license in those states should be included in a publicly and readily available information system so as to ensure reaping full benefits of the FTA.

Ongoing Tasks/Activities

- Meeting with 6 Schools of Architecture and 6 Schools of Engineering, to identify the current practices in the education of these professions in Colombia.
- Meeting with Comisión Nacional de Aseguramiento de la Calidad de la Educación Superior at the Ministry of Education.
- Design a detailed action plan to carry out the regulatory and institutional adjustments necessary to implement the recommendations mentioned in the preceding task, to achieve the minimum licensing requirements in the United States and to strengthen the professional councils' functions.

- Provide detailed recommendations to strengthen the professional councils' capability to certify the professional competence and suitability of the licensed engineers and architects, to implement international professional standards for the licensing and oversight of engineering and architecture, and control practices against consumers' welfare and the reputation of the profession.
- Provide detailed comments on the research done by the local team in relation to the existing requirements in the US for the accreditation of academic programs in architecture and the minimum curricular standards required for licensing in the US.
- Provide detailed recommendations for the revision of the present curricular standards existing in Colombia to ensure the achievement of international standards, specifically United States standards where possible, in education and training of professional architects.
- Design a detailed action plan to carry out the regulatory and institutional adjustments necessary to implement the recommendations mentioned in the preceding task.
- Assist in the writing of the final report on professional services licensing, oversight standards and procedures, and mutual recognition procedures.

Deliverables/Milestones/Events

- A document containing a survey of regulatory requirements for the exercise of the engineering and architecture professions as well as licensing standards in the states of Florida, Texas, New Jersey, California and New York.
- A document containing a survey of regulatory requirements for the exercise of the engineering and architecture professions as well as licensing standards in the states of Connecticut, Illinois, Louisiana and the District of Columbia.
- A document describing Colombia's curricular standards for the engineering and architectural professions.
- A document containing detailed and specific recommendations for the adoption of US standards and oversight practices of the architecture profession in Colombia by the corresponding professional councils.
- A document containing detailed and specific recommendations concerning the strengthening of the Colombian professional councils' capability to adopt the best international standards in licensing and oversight of the architecture professional activity to guarantee consumer welfare and the maintenance of professional ethics.

Issues for USAID Attention

This project had no issues for immediate attention from USAID in this period.

Notable Activities and Deliverables for Next Quarter

- A document containing detailed recommendations to strengthen the professional councils' capability to certify the professional competence and suitability of the licensed engineers and architects, to implement international professional standards for the licensing and oversight of engineering and architecture, and control practices against consumers' welfare and the reputation of the profession.
- A detailed action plan to carry out the regulatory and institutional adjustments necessary to implement the recommendations mentioned in the preceding task, to achieve the minimum licensing requirements in the United States and to strengthen the professional councils' functions.
- A document containing comments on the research done by the local team in relation to the existing requirements in the US for the accreditation of academic programs in architecture and the minimum curricular standards required for licensing in the US.
- A document containing detailed recommendations for the revision of the present curricular standards existing in Colombia to ensure the achievement of international standards, specifically United States standards where possible, in education and training of professional architects.
- A detailed action plan to carry out the regulatory and institutional adjustments necessary to implement the recommendations mentioned in the preceding task.

12. Arbitration

Introduction

The Government of Colombia requires significant strengthening of its capacity to comply with core investor rights defined in the FTA and, thus, reduce the likelihood of investor-state disputes relating to public procurement contracts. In addition, the GoC requires technical support and assistance in designing and putting in place an independent unit with technical, financial and administrative sufficiency and independence that can effectively advise public institutions in the design and application of laws, regulations and administrative decisions that comply with core investor rights. This unit will be trained to track legislative, regulatory and administrative activity at the national, regional and local level to identify areas of potential risk of violation of investor rights. The unit will also receive technical guidance designed to expand its capacity to provide effective information and training to government agencies on investor rights, arbitration procedures, and international dispute settlement mechanisms on a regular basis. Hence, targeted on-site and seminar-based training will be provided to relevant government agencies on critical investor rights compliance issues and arbitration procedures.

Ongoing Tasks/Activities

- Review the existing Colombian regulation on arbitration to identify shortcomings and difficulties in its operation, and recommend regulatory reforms aimed at

increasing the effectiveness and appeal of arbitration process as an alternative to penal or civil legal actions.

- Review international best administrative and regulatory practices that comply with investor rights and prevent investor rights-related disputes.
- Provide a thorough review of Colombian administrative and regulatory practices which entail a high risk of not complying with investor rights, and identify the areas of the administration which are under greater risk of not complying with investor rights and generating investor-State disputes.

Deliverables/Milestones/Events

- A detailed work plan containing a specific and detailed description of tasks, activities, timeline, and deliverables to be implemented under this project.
- A document containing a comprehensive diagnostic and a set of detailed recommendations on modifying the existing regulation on arbitration in Colombia to overcome existing and potential shortcomings and hurdles in its operation and increasing the effectiveness of international arbitration in the country.
- A document containing a detailed review of current administrative and regulatory practices in Colombia that do not comply with investor rights and generate investor-State disputes. The analysis should identify the type of activities and sectors that carry a higher risk of not complying with investor rights.
- A draft of a new international arbitration law.
- A document containing the introduction to the new arbitration law
- A document detailing the process for the new arbitration law

Issues for USAID Attention

This project had no issues for immediate attention from USAID in this period.

Notable Activities and Deliverables for Next Quarter

- A preliminary report with a detailed review of international best administrative and regulatory practices that comply with investor rights and prevent investor-State disputes. The document should also contain an analysis of preventive actions implemented by other governments which are signatory to international trade and investment treaties that contain significant investor right protection disciplines to prevent investor-State disputes. Finally, the document should provide a preliminary diagnostic highlighting the type of legal, regulatory and administrative activities of the Colombian Government that contain a high risk of not complying with key investor rights.
- A document containing a detailed review of current administrative and regulatory practices in Colombia that do not comply with investor rights and generate

investor-State disputes. The analysis should identify the type of activities and sectors that carry higher risk of not complying with investor rights.

- A final report containing a proposal for the creation and implementation of a policy and oversight unit within the Ministry of Trade, Industry and Tourism that can identify sectors and administrative and regulatory procedures that carry a high risk of non-complying with investor rights and develop into investor-State disputes. The proposal should identify the institutional relationship between the unit and other governmental agencies, the type of resources required by the unit, and a financial scheme that can ensure its sustainability. In addition, the document should highlight the tasks and activities to be undertaken by the unit and define the periodical analysis and reports needed to be developed by the unit.
- Effective completion of the training, along with training material, PowerPoint presentations, hand-outs and all other relevant materials developed for the training of at least 60 members of the Ministry of Trade, Industry and Tourism, Ministry of Finance, Ministry of Transportation and other identified relevant governmental agencies.

13. Intellectual Property

Introduction

Strengthening Intellectual Property rights is key to implementing the FTA and this includes developing procedures with special focus on supporting the application of border enforcement measures to prevent the traffic of counterfeit merchandise and/or merchandise which infringes on copyrights. Colombian civil and criminal procedures are being significantly adjusted by both foreign and local entities to improve border enforcement, but the country lags behind in implementing these procedures.

A priority has been drawing up the legal framework that defines precisely the suspension or sanction procedures that apply to the Customs Import Operations, when by the request of the copyright holder or ex officio, there is sufficient evidence to indicate a violation of intellectual property rights.

An intellectual property rights' owners' data base (trademarks & patents) has been drawn up and is available for public consulting, but customs and judicial officers and agents will need to be trained in its use, consulting and interpretation. Therefore a manual will be drafted to permit its effective use at any customs post.

With respect to copyrights, there is an informative data base that needs to be updated with current information on rights holders, contracts, and additional relevant information that is needed for an effective border measures enforcement program. An assistance activity has been initiated providing the National Copyrights Directorate with four (4) desktop stations and temporary personnel to carry out the updating. The assistance began in

March and met expectations. It is estimated that within 6 months maximum information will be updated in accordance with the original schedule and budget.

Training and educational activities will began by the end of May, once appropriate supporting material have been provided.

Ongoing Tasks/Activities

- Meetings have been held with personnel and entities that have worked under the government project for regulating border enforcement measures, in particular the Superintendence of Industry and Commerce, the General Prosecutor's Office (National Unit for Crimes against Intellectual Property Rights and Telecommunications), National Directorate of Copyrights, and the Customs and Taxes Directorate (DIAN).
- The draft of Border Enforcement Measures Decree, has been received and comments provided. It has been under study for more than five (5) years, but it has not been officially accepted because of technical difficulties as well as political issues.
- Meetings have been held with owners of intellectual property rights to ascertain their expectations, opinions and current needs with respect to the regulation of border enforcement measures.
- Weekly oversight of updating the National Copyrights Directorate.

Deliverables/Milestones/Events

- The proposed Border Enforcement Measures Decree (ready for discussion by different interested sectors) with general observations on its justification, structure, and legal foundation in accordance with the commitments of the Colombian government in adherence to multilateral and bilateral agreements related to intellectual property rights.

Issues for USAID Attention

This project has no issues for immediate attention from USAID in this period.

Notable Activities and Deliverables for Next Quarter

- Drafting of the complete training agenda in coordination with the official entities and authorities that are in charge of judicial police, administrative, and /or investigative actions related to border enforcement measures.
- Collecting information on intellectual property rights owners and developing information requirements on risk profiles and warnings that are relevant for Customs authorities in order to apply and carry out border enforcement measures properly and effectively.
- Following up on the Border Measures Enforcement Decree draft, and when approved, providing necessary training for related authorities and official entities on

its contents and the proper use of data base information on intellectual property rights (trademarks, patents and copyrights).

14. Energy Regulatory Reform

Introduction

Attracting investment into the Colombian energy sector is expected to be a benefit resulting from the FTA and should make a significant contribution to economic growth. The purpose of this project is to provide competitive electric power following international best practices. This includes universal public access, fostering competition among producers and retailers, encouraging auctions of guaranteed electric power delivery (firm energy auctions), cross border energy trade and well defined Colombian regulatory partnerships.

Universal access includes providing affordable, subsidized electric power to low income users, including those in remote rural areas.

Retail competition will be encouraged through free access to power grids and the right of public utility users to freely choose their service providers.

Strengthening the technical capacity of the Comisión de Regulación de Energía y Gas (CREG) is expected to encourage the adoption of best practices to promote and preserve competition.

To encourage competition and attract investment into the energy sector CREG plans to auction blocks of electric power guaranteed to be delivered.

Strengthen the regulatory framework to encourage foreign investment and promote regulatory harmonization across Andean and Central American countries.

Ongoing Tasks/Activities

Universalizing Electric Power Service

- Review the way in which the electric power service has been provided and financed, with a view towards extending its coverage and ensuring the continuity of its provision, especially for those “non-profitable users.”
- Define the legal, technical and regulatory framework required to achieve universal access to electric power, based on international experiences in light of best international practices and how these might apply to Colombia.
- Propose the legal, technical and regulatory mechanisms required to promote universal access to the services as well as to incorporate an enhanced level of private participation. Specify the roles for industry, the Ministry of Mines and Energy, the regulatory agency, the control and supervision institution, and the users.
- Develop recommendations to implement proposed legal, regulatory and technical mechanisms.

Promoting Retail Competition in the Provision of Electric Power

- Assess commercialization activities in Colombia taking into account current legislation, information available at the CREG, previous studies on the subject, and contacts with the other participants involved with commercialization.
- Evaluate retail commercialization schemes for the Colombian electric sector, based on international experiences.
- Suggest alternatives for retail commercialization of electric power in Colombia
- Identify how components (eg. metering, balances, rates, customer service) of the proposed alternatives would be implemented.
- Suggest how to promote competition in the provision of services for low-level users (defined as those using less than 0.1MW or 55 MWh per month)
- Address other obstacles to retail competition

Promoting Electricity Market Competition and Structure Regulation

- Analyze the current Colombian regulatory structure and how effective it is at promoting competition.
- Identify internationally recommended practices that promote competition, including conduct and structure regulations. For this purpose, the consultant will evaluate how other regulatory bodies establish limits to vertical and horizontal integration, how they measure market shares, how they identify a dominant position, and what strategies are implemented to detect anti-competitive practices.
- Recommend the basic institutional structure to support the suggested regulatory approach. This study should consider the existing entities, their functions and their resources.
- Suggest a regulatory approach to: i) identify anti-competitive behavior, ii) prevent and control anti-competitive behavior. This task will consider the definition of a group of indicators that will allow the regulator to monitor the market to anticipate possible negative effects and implement the necessary measures.
- Provide a series of recommendations and an implementation plan of the recommended reforms to modify the existing legal, institutional and regulatory framework.

Colombian Regulatory Partnership

- There will be executive exchanges to Colombia and the U.S. to carry out activities and tasks.
- Assist CREG in identifying international best practices in regulation of retail market competition and how others regulators have resolved the main restrictions in the deregulation process. Obtain a series of recommendations and a critical path for

implementation of any recommended reforms to modify the existing legal and regulatory framework.

- Assist CREG in evaluating the options proposed on the Reliability Charge. Support CREG in identifying international best practices in regulation of capacity charges. Obtain a series of recommendations and a critical path for implementation of any recommended reforms to modify the existing legal and regulatory framework.
- Assist CREG in reviewing the existing regulatory frame that rules the vertical and horizontal integration in the electricity sector. To support CREG in identifying international best practices in regulation this matter. Obtain a series of recommendations and a critical path for implementation of any recommended reforms to modify the existing legal and regulatory framework.
- Assist CREG and SSPD in developing an easily accessible and comprehensive data supports effective market power monitoring and facilitates market design evaluation. To support SSPD in identifying international best practices in market surveillance mechanisms. Obtain a series of recommendations and a critical path for implementation of any recommended reforms.
- Assist CREG, XM, and others authorities to establish a market clearinghouse process. Obtain a series of recommendations and a critical path for implementation of any recommended reforms.

Deliverables/Milestones/Events

(E. Afandor)

- A draft report analyzing the current system for providing and financing the electric power service that identifies potential reforms to the system in order to maintain and extend the service's coverage.

(P. Sioshansi)

- A draft report analyzing international experiences of universal access programs, analyzing their advantages and disadvantages and focusing on the programs that may apply to Colombia.

(L. Betancur)

- A written analysis of the draft reports delivered by consultants. The review focuses on the legal aspects relevant to the assessment and restrictions in the Colombia legal framework.

(A. Ferreira)

- An initial report containing the diagnosis on the status of commercialization activities in Colombia.

(P. Sioshansi)

- A draft report analyzing international experiences in retail commercialization including their advantages and disadvantages.

(L. Betancur)

- A report analyzing the initial reports delivered by consultants. The review focuses on legal aspects relevant to the assessment and restrictions of the Colombia legal framework.
- Visit to USA to expose CREG and other Colombian power entities to the operation and regulation of capacity markets in the U.S. Meetings were arranged in Washington and Albany with high level officials from the Edison Electric Institute, Federal Energy Regulation Commission (FERC), U.S. Trade and Development Association, Potomac Electric Power Company, PJM Interconnection, Electric Power Supply Association, New York Independent System Operator and the New York Department of Public Service.

Participants:

Entity	Position	Name
Ministry of Mines and Energy	Vice Minister	Manuel Manguashca
	Advisor	Karen Schutt
	Advisor	Julio Villareal
CREG	Commissioner	Javier Diaz
	Commissioner	Juan Caicedo
XM (Colombian Market Operator)	Market Administrator	Luis Camargo
UPME (Unit of Energy Planning)	Sub director	Alberto Rodriguez
ACOLGEN (Colombian Energy Generators Association)	Director	Francisco Ochoa
ACEE (Colombian Energy Traders Association)	Principal Member	Luz Marina Gomez
ASOCODIS (Colombian Energy Distributors Association)	Director	Abraham Korman
Chivor S.A. (Hydraulic Generator)	Manager	Federico Echeverria
NERA	Thermal Generators Advisor	Fernando Barrera
USEA	Senior Program Coordinator	Gabrielle Mandel
Colombia Productiva	Coordinator	Carmenza Chahin

Issues for USAID Attention

Promoting Electricity Market Competition and Structure Regulation

The senior consultant who was carrying out this activity resigned for urgent family reasons and must be replaced.

Notable Activities and Deliverables for Next Quarter

Universalizing Electric Power Service

- A second report incorporating the CREG’s comments to the initial report, and proposing the legal, technical and regulatory mechanisms required to provide universal access to the service.

Promoting Retail Competition in the Provision of Electric Power

- A second report with the proposed alternatives for the retail commercialization in Colombia, and all the necessary aspects for the implementation of each alternative. The report will also incorporate the CREG's comments to the first report.
- A presentation of the results of the first and second reports to industry representatives and to any other interested parties, in order to collect their observations regarding the progress made with the study.

Promoting Electricity Market Competition and Structure Regulation

- A first draft report will be delivered within sixty (60) days following the start of the consultancy with a detailed analysis for each task described. This report should:
 - a) Analyze the current Colombian regulatory structure
 - b) Analyze and recommend international practices that promote competition
 - c) Make a recommendation for a regulatory approach that identifies and controls anti-competitive behavior
 - d) Recommend the institutional structure that supports the suggested regulatory approach.
 - e) Provide a series legal, institutional and regulatory recommendations and an action plan for the implementation of the recommended reforms.

Cross-Border Energy Trade

- None

Colombian Regulatory Partnership

- Visit to Colombia to support CREG on "Reliability Charge" proposal. It anticipated the visit of two executives from FERC and PJM.

IV. CONTRACT DELIVERABLES TRACKER

Deliverable	Results/Comments
At least five significant trade capacity building-related policy/regulatory reform actions effectively formulated and carried out in sectoral areas jointly agreed upon by USAID and the GOC. January 05 – Dec. 05	<ol style="list-style-type: none"> 1) Developed an Investment Strategy to attract FDI which ProExport and other ministries have adopted and an action plan for recommendations (3rd qtr 05) 2) Tax Benchmarking - report on tax collection by sector, impact on investment, comparison with regimes in other Lat. Amer. Countries being used to guide reforms in the MoF. 4th qtr-present 3) Securities - assisted with drafting decrees (4757, 4765, 4327, 4328, 4329, 4330, 4354, 4639) and building capacity to facilitate the merger of the Superintendency of Securities and Exchange with the Banking Superintendency into the new Financial Superintendency. 4th-5th qtrs. 4) SPS – Sanitary CONPES 3375 and Dairy and Meat CONPES 3376 formulated policy October 2005 by establishing national food safety policy based upon WTO directives and providing guidelines and implementation timeframe. 5) Telecommunication – Report on universal service delivered to the Ministry of Communication which is expected to lead to a reform. 4th qtr 6) Report on spectrum licensing and allocation policies expected to lead to new regulation in Wi-Max and spectrum allocation. 5th Quarter
At least two significant trade capacity building-related institutional strengthening initiatives effectively formulated and implementation initiated in sectoral areas jointly agreed upon by USAID and the GOC. Jan. 05 – Dec. 05	<ol style="list-style-type: none"> 1) Risk analysis system set up in Customs, improving system compliance with FTA requirements.(begun in 2nd qtr 05 – operating in 1st qtr 06 2) Labor - Strengthened Ministry of Social Protection to do market forecasting, monitor labor markets; 4th qtr 3) Investment Climate – ProExport strengthened with an investment strategy. 4th qtr 4) TBT – Metrology – strengthened the national legal entity within the Superintendency of Trade charged with maintaining primary standards and providing metrology services. 4th qtr 5) TBT – Accreditation – accreditation system supported and strengthened 6) SPS component has set guidance for institutional redesign and strengthening national meat and milk/dairy safety control systems at INVIMA., ICA and the National Planning Department. Pilot SPS information system is being tested. 7) Telecommunications – Report on broadband provided technical support to Ministry of Communication, but no policy changes.
At least five additional significant trade capacity building-related policy/regulatory reform actions effectively	<ol style="list-style-type: none"> 1) Securities - Assistance in the design of a CONPES document for a new policy, Banca de las

<p>formulated and carried out in sectoral areas jointly agreed upon by USAID and the GOC. Oct. 05-Sept. 06</p>	<p>Oportunidades, to support micro finance. 5th qtr. Assistance to guide the design of the self-regulatory agency and the decree that will create it. 5th qtr. Provided a manual for identifying practices contrary to the market.</p> <ol style="list-style-type: none"> 2) Intellectual Property - Provided a draft Manual of Origin Verification under FTA to Customs (DIAN) and trained Customs staff on Rules of Origin; 5th qtr Provided recommendations for new decree. 3) TBT – provided input to the Ministry of Trade and the National Planning Department to draft a new Quality CONPES document (scheduled for issuance in June 2006) and forms the basis for a Quality Law, which is expected in July 2006. 4) Dairy Decree 616 Feb. 28, 2006; Meat – unsatisfactory decree stopped – new decree expected later this year. 5) Arbitration – provided assistance to the Ministry of Trade on the draft of a new arbitration law including the introduction and process designed to use international dispute settlement mechanisms. 5th qtr.
<p>At least two additional significant trade capacity building-related institutional strengthening initiatives effectively formulated and implementation initiated in sectoral areas jointly agreed upon by USAID and the GOC. June 05-Dec. 06</p>	<ol style="list-style-type: none"> 1) The Services Statistics component supports Dept. Adm. Nac. de Estadísticas (DANE) by designing a register for service sector surveys, providing TA in design of surveys and is currently implementing a qtrly survey pilot. 4th qtr. – 6th qtr. 2) Professional Services Component supports the Comisión Nacional de Aseguramiento de la Calidad de la Educación Superior in the Ministry of Education and providing assistance in licensing and oversight to professional associations in architecture and engineering. 3rd qtr. – 6th qtr. 3) The National Copyrights Director is being strengthened to deal with intellectual property issues. 4) The Financial Services Component has been providing assistance to strengthen the capacity of the Financial Superintendency. 5) Modeling – National Planning Dept. provided with a model to measure the impact, feasibility, cost-benefit of infrastructure projects and this is used to guide its investment decisions. 5th Qtr 6) Competitiveness Component – collaboration with DNP to develop an outreach strategy to build consensus for an agenda of institutional reforms to increase competitiveness. 5th qtr.
<p>A minimum of 15 targeted seminars/training exercises for relevant public and private sector audiences related to core trade capacity building themes being addressed through technical support activities effectively designed and carried out. Jan 05-Dec.06</p>	<ol style="list-style-type: none"> 1) Tax Benchmarking – 2 workshops at request of Colombian AmCham & Confecamaras to discuss results of tax study 1st qtr 2) Senate FTA Seminars in 2 cities (2nd qtr) 3) Labor - Course in Labor Economics Theory (4th qtr) 4) Labor – Course on Household Surveys Content and

	<p>Methodology</p> <ol style="list-style-type: none"> 5) Labor – 2 STATA courses for Min. of Soc. Prot. & SENA 4th qtr. 1 STATA course 5th qtr 6) TBT – Seminar on construction materials, plastics & auto parts for public private sector completed 7) TBT – Seminar for food sectors: oils and fats, fruits and vegetables and dairy products completed. 8) TBT – Seminar for textiles and apparel sectors 9) TBT – training seminar in ISO 17025 standards 10) TBT – Training seminar for HACCP consultants 11) TBT 4 training seminars have been conducted in Kosher and WRAP standards, 5th qtr 12) TBT - 4 training video conferences on the ISO17025 program, 5th qtr 13) TBT - 2 seminars on GMP. 5th qtr 14) TBT – Seminar for consultants in the TS16949 standard 15) Competitiveness Program - a forum on Civil Society and FTA was carried out and on institutional reform requirements are in process. 16) Customs: 1 training to DIAN on risk assessment & mgmt strategy; 2 workshops on FTA Rules of Origin 17) SPS: 1 seminar on FDA regulations for Information System Project; 1 seminar on Equivalence Recognition regulations for the Information System Project; 1 seminar on PMO for the Dairy sector; 1 seminar on transitioning to reduced risk crop protection for specialty crop growers.
<p>Effective coordination on the design and implementation of trade capacity building policy/regulatory reform and institutional strengthening activities effectively carried out with relevant donor institutions, USAID implementing partners and USG Agencies. Jan 05 – Sept. 06</p>	<ol style="list-style-type: none"> 1) Labor – 3 representatives from Ministry of Social Protection trained at Bureau of Labor Statistics in Chicago in Projecting Tomorrow’s Work Force Needs and 1 person on Analyzing Labor Statistics 2) The SPS project has coordinated extensively with USDA, APHIS and other USG agencies on product approval requests process facilitation. 3) Customs project has coordinated with MUISCA, a IADB-financed institutional strengthening initiative. 4) High level CREG officials have met with officials from the Edison Electric Institute, Federal Energy Regulation Commission, US Trade and Development Commission, Potomac Electric Power, PJM Interconnection, NY Independent System Operator and NY Department of Public Service.5th qtr
<p>Development of a rolling quarterly work-plan to define policy/regulatory reform and institutional strengthening and training priorities on an ongoing basis. Jan. 05-Sept. 06</p>	<p>A work plan was developed and is updated weekly. It is included here.</p>

V. WORK PLAN PROJECTIONS AS OF END QIV FOR REST OF PROJECT

Table 1: Work Plan Projections as of End of Q-IV for Rest of Project

22-Dec-05			04												05												06												
Component/Tasks	Expert	Lab. cat.	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total LOE											
Management																																							
COP	Jaime Nino	4	2	7	14	20	10	20	20	20	20	20	20	20	15	10	10	10	10	10	10	10	10	10	10	10	10	328											
Deputy COP	Miguel Camacho	5											19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	304											
Engagement Manager	Steve Lewarne	7		7										5		5				5				5			5	32											
Engagement Manager	David Snelbecker	7		14												3	5				5		5			5	4	41											
Engagement Manager	Ben Muskovitz	7											6															6											
Project Assistant	Estefania Samper	17												7	20	20	20	20	20	20	20	20	20	20	20	20	19	246											
Operations Manager	Kristine Grillo	1		16	18	18	6																					58											
Senate Seminars and Competitiveness Agenda																																							
Team Leader	Miguel Camacho	16		1	20	9	10	10	10	5																		65											
Consensus Builder	Pedro Leal	16				10	15	15	15	5																		60											
Team Leader Competitiveness Agenda	Diego Bautista	16												15	21	21	21	21	16									115											
Consensus Builder Competitiveness Agenda	TBD	16												10	10	10	10	10	10									60											
Research Assistant Competitiveness Agenda	Diana Vargas	17												15	21	21	21	16										115											
Labor																																							
Team Leader	Jaime Tenjo	15					11	7	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	383											
Analysis - Labor Economist	Raquel Bernal	22													20	10												35											
Analysis Labor Economist	Mauricio Cardenas	22												10	10	15												35											
IO & SAM Specialist	Claudio Karl	16													7	15	15	15	15	11								78											
Standards Lawyer	TBD	9																										0											
Enforc. - Enf. Spec.	Luis Jose Padilla	9												9	8	11	16	16										60											
Enforc. -Spec Colombian	Jorge Osorio	15												9	8	11	16	16										60											
Enforc. - Info. Spec.	TBD	12														5	5	10	10	10								40											
Labor Market Expert	Felipe Barrera	15														10	10	10	10	10	10							60											
Labor Market Intermediation Expert	John James Mora	14														11	15	10	10	10	10							66											
Data / survey specialist	TBD	9														10	10	10	10									40											
Occupations Classification Expert	TBD	14														10	10	10										30											
Modelling Expert	TBD	14														10	20											30											
Research Assistant	Camilo Rivera	17														21	21	21	21									84											
Research Assistant	Angela Uribe	17													21	21	21	21	21	21	21	20						230											

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22-Dec-05			04		05												06												
Component/Tasks	Expert	Lab. cat.	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total LOE	
Research Assistant	Lucas Higuera	17										10	9															19	
Investment																													
Macroeconomist	Steve Lewarne	7				4	10	6	5	5	5	5	5	6														51	
Team Leader	Monica Cheng	15							15	15	15	15																60	
Assistant Leader	David Yanovich	16							15	15	15	15																60	
Admin Barriers/Report Leader	Sutherland Miller	11				5.5	11	10	3	2																		32	
Land Expert	Deborah Porte	9				4	10	7	5	4	7																	37	
Tax Policy/Incentives expert	Joel Bergsman	13				5	1	10	13	14																		43	
Investment Expert	Valerie Mercer	20						2	3	10																		15	
Promotion Expert	Bill Luttrell	8							15	10	10																	35	
Investment Lawyer	Patricia Arce	15					10	21	17	15	5																	68	
Investment Lawyer	Adrian Rodriguez	15								5	10																	15	
Investment Lawyer	Camilo Cortes	15								5	10																	15	
Investment Lawyer	Alvaro Forero	16								5	10																	15	
Investment Lawyer	Andres Palau	16								5	10																	15	
Assistant Lawyer	Natalia Gomez	16					10	21	17	8																		56	
Sector Selection Expert	Mauricio Cardenas	22							10	3																		13	
Sector Selection Expert	Mauricio Reina	22							8																			8	
Sector Selection Expert	Cristina Gamboa	23							3																			3	
Sector Selection Expert	Juan Camilo Chaparro	23							9	4																		13	
Customs																													
Team Leader	Alejandro García	2				14	12	13		19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	381
Customs Expert - ST Risk Analysis	David Santos	10												21	15	15	15	15	10									91	
Customs Expert - ST Risk Analysis	Hugo Oliveros	15														10	10	10	10	10								50	
Customs Expert - ST Customs Modernization	Bert Cuningham	9														15												15	
Customs Expert -ST Rules of Origin	TBD	9															15											15	
Intelligence Info Systems Developer ST	Juan Ernesto de Leon	12												8	20	22	10											60	
Customs Lawyer Colombian/ Prosecution	TBD	15													10	10	10											30	
Customs Lawyer Colombian	Ricardo Lopez	15													10	10												20	
Customs Expert – ST	TBD	9													10		10		10									30	
Modeling																													
Team Leader	Pablo Roda	15						10	15	10	5																	40	
Information Systems Expert	Jairo Diaz	16						15	15	10																		40	
Software Expert	Carolina Hoyos	16							10	10	10																	30	
Modeling Programming Expert	Edgar Andrade	17									15	15																30	
Transportation Expert	German Ospina	15						20	5																			25	

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22-Dec-05			04												05												06												
Component/Tasks	Expert	Lab. cat.	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total LOE											
Macroeconomist	Orlando Gracia	21				13	19	13	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	406											
TBT																																							
Team Leader	Melani Schultz	3				14	19	12	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	406											
TBT Legal Expert	Jose Montealegre	15												10	12	12	15	15										64											
TBT Workshop Presenters	TBD	11									15		4	5					15		15						69												
Certification Expert	TBD	15													15	21	21	21	21	21	21	21	21	21	21	21	246												
Industry Specific TBT Expert	TBD	16													15	21	21	21	21	21	21	21	21	21	21	21	246												
Industry Specific TBT Expert	TBD	11													15	21	21	21	21	21	21	21	21	21	21	21	246												
IT Expert	TBD	16													10	10	10	10	10								40												
Laboratory Expert	Orlando Cedeno	15										9	21	15	15	15	15										90												
Metrology Evaluation	Jairo Villamil	16								10	10	10	9														39												
Organic Foods Expert	Hugh Dufner	11									8																8												
TBT Assistant	Ana Rivera	17												21	21	21	21	21	21	21	21	21	21	21	21	21	294												
TBT HACCP Expert	Carolina Ramirez	15												15	15	6											36												
TBT HACCP Assistant	Liliana Navarrete	17												16	16	16											48												
Tax Policy																																							
Team Leader	James Wooster	13										11			10	5	10	10	15								61												
Tax Policy Advisor	Elizabeth Sumar	11							15	11																	26												
Tax Expert	TBD	11											10	10		10	10				10					50													
Economist	Christian Jaramillo	16											10	10	10	10	10	10	10	10	10	10	10			100													
Research Assistant	TBD	17											15	21	21	21	21	21	21	21						141													
Economist	Rafael Villareal	16											10	10	10	10	10	10	10	10						70													
Tax Lawyer	TBD	15													5	5	5									15													
Tax Benchmarking																																							
Team Leader	Valerie Mercer	20					10	10	10	10	7																47												
Fiscal Economist	Mauricio Cardenas	22					10	10	12																		32												
SPS																																							
SPS Expert	Willem Marsman	9						11	10																		21												
SPS Expert	Tony Whitehead	9						8	12	9	12	3															44												
SPS Expert LT	Jairo Romero	15						10	15	15	15	15	5	19	19	19	19	19	19	19	19	19	19	19	19	341													
SPS Expert Food	Manuel Mejia	10												5	12											17													
SPS Assistant	Ana Maria Velez	17													10	22	20	22	20	22	20	22	20	22	20	260													
Information Systems	TBD	15													15	10	10									35													
SPS Expert FDA	TBD	9													10		10	10								30													
SPS Dairy Expert	Gabriel Pascual	9										7	19		10	10	10	10	10	10		5	5	5	5	106													
SPS Dairy Expert	TBD	16													15	15	15	15	15	15		10	10	10	10	135													
SPS Meat Expert	Tom Hoffman	9													10		10		10			10				50													

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22-Dec-05			04		05												06												
Component/Tasks	Expert	Lab. cat.	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total LOE	
SPS Meat Expert	TBD	15														10	10	10	10	10	10	10	10	10	10	10	10	120	
SPS Meat Expert	TBD	16														15	15	15						5		5		55	
SPS Pesticide Expert	TBD	9														15	15	15										45	
SPS Pesticide Expert	TBD	9														15	20	15	15	15								80	
SPS Pesticide Expert	TBD	15														15	15	15	15	15								75	
Database Expert	TBD	16														10	10	10										30	
Agriculture																													
Team Leader	TBD	13														10	10	10	15	15	15							75	
Research Assistant	TBD	17														15	15	15	15	15	15							90	
Agriculture Statistics Expert	TBD	16														15	15	10	10	10	10							70	
Agriculture Market Intelligence Expert	TBD	9														10		10	15	15								50	
Agriculture Policy Expert	TBD	13														10	10	10	10	10	10							60	
Agriculture Policy Expert	TBD	15														15	10	10	10	10	10							65	
Agriculture Land Expert	TBD	13														10	10		10		10						40		
Agriculture Land Expert	TBD	16														15	10	10	10	10	10							65	
Agriculture Finance Expert	TBD	13														10	5	5	10									30	
Agriculture Finance Expert	TBD	15														10	10	10	10									40	
Telecommunications																													
Team Leader	Marcela Melendez	20								15	15	10	10															50	
Telecom Expert	Andres Gomez Lobo	13										14		5														19	
Telecom Assistant Researcher	Camila Casa	23								10	10		10															30	
Espectrum Expert	Rene Bustillo	9										10	10		10	15	10										55		
Espectrum Expert	Juan Carlos Gomez	15														15	15											30	
Telecom Lawyer	TBD	15														15	15	15	10									55	
Licensing Expert	Eduardo Benitez	10										12				15												27	
Securities Market																													
Team Leader	German Camacho	26								2	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	344	
ST Self Regulation Expert	John Cerwinsky	25								9	5	11	15															40	
ST Supervision Expert	Enrique Alonso	25														10	15	15	15	15								70	
Securities Lawyer	Ma Consuelo Rodriguez	16														21	21	21	21	21								105	
Securities Lawyer	TBD	15														15	15											30	
Enforcement/Sanctions Specialist	Miguel Herrero	25														7	8											15	
Enforcement/Sanctions Specialist	Ignacio Barroso	25														7	8											15	
Enforcement/Sanctions Specialist	Socorro Fernandez	26												10	10	10	10										30		
ST Securities Specialist	Juan Rivera	24			22	8																						30	
Services																													
Team Leader	Jaime Nino																											0	

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22-Dec-05			04			05												06												
Component/Tasks	Expert	Lab. cat.	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total LOE		
Services Statistics Expert	Thierry Coulet	13													10	5	5	10										30		
Services Statistics Expert	TBD	16														15	10	10										35		
Services Statistics IT Expert	TBD	16														10	10	10	10	10								50		
Services Statistics Data Analyst	Andres Vargas	17											20	20	10	10	10										70			
Services Professions Expert	TBD	9														10	20	15	15	15								75		
Services Professions Expert	Miguel Camacho	16								14	6																20			
Services Professions Expert	TBD	9														10	20	15	15									60		
Professional Services IT Expert	TBD	16														15	15	15	15									60		
Professional Services Analyst	Lilian Urueta	17											20	20	10	10											60			
Transport																														
Transport Regulatory expert	TBD	9														10	10	10	10	10									50	
Transport Regulatory expert	TBD	20														10	10	10	10	10									50	
Water Services Regulatory																														
Team Leader	Paul Cuminsky	9														15	15											\$30		
Water Services Regulatory Expert	TBD	22														10	10	10										\$30		
Energy Services Regulatory																														
Team Leader	Carmenza Chain	22														15	10	10	15	15									65	
Energy Regulatory Expert	Alfredo Garcia	9														10	15	15	15	15									70	
Energy Research Assistant	TBD	17														15	15	15	15	15										
Energy Antitrust Expert	TBD	9														10	10	10												
Energy Antitrust Expert	TBD	22														10	10	10	10											
Energy Universal Service Policy	Marcela Melendez	22														10	10	10	10											
Energy Universal Service Policy	Santiago Urbizondo	9														10	10	10	10											
Research Assistant	TBD	17														10	10	10	10											
Energy Cross Border Trade Expert	TBD	22														10	10	10	10											
Energy Cross Border Trade Expert	TBD	9														10	10	10	10											
IPR																														
IPR Enforcement Specialist	TBD	15														10	10	10	15										45	
IPR Research Assistant	TBD	17														21	21	21	21											
IPR Research Assistant	TBD	17														21	21	21	21											
IPR Expert	TBD	15														10	10	10	10											
IPR Expert	TBD	16														15	15	15	15										60	
Arbitration																														
Team Leader	Adriana Polania	15													5	10	10	10	10										45	
Legal Expert	Eduardo Zuleta	15														10	10	10	10	10									50	
Research Assistant	TBD	17														10	10	10	10	10										
Arbitration Expert	TBD	9														5	5	5	5	5									25	

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22-Dec-05			04												05												06												
Component/Tasks	Expert	Lab. cat.	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total LOE											
Procurement																																							
Procurement Expert	TBD	16														15	15	15	10									55											
Procurement Expert	TBD	11														10	15	15	10									50											
Environment																																							
Team Leader	Angela Andrade	15														15	15	15	15	15	15	15	15	15	15	15	15	150											
Regulatory Expert	TBD	9														10	15	15	15									55											
Regulatory Expert	TBD	15																10	10																				
Expert in Environment Incentives	TBD	9															10	10	10																				
Expert in Environment Incentives	TBD	9																10	10	10	10	10																	
Enforcement Expert	TBD	9														10		10	10	10	10	10																	
IT Expert	TBD	16																	10	10	10	10	10	10															
Organic Standards	TBD	11																15		15		15	15		15														
Environmental Standards	TBD	11														10		15		15		15	15		15			85											
Financial Services																																							
Financial Services Expert	Sergio Clavijo	15												15	10	10	10	10										55											
Financial Services Expert	Robert Vogel	13											10		6	15	4	15										50											
Pensions Expert	David Snelbecker	7								7	6						10	10										33											
Pensions STTA	TBD	9															15	15										30											
Pensions STTA	TBD	20															10	10	10									40											
Financial Services Expert	German Tabares	15												5	15	10												30											
Mergers Lawyer	Maria Consuelo Rodriguez	15											19	21		15	15	20	20	10								120											
Financial Services Expert	Natalia Salazar	15												15	10	10	15	10										60											
Financial Services Research Assistant	Camila Salamanca	17												20	15	15	10											60											
Financial Services	Maria Angelica Arbelaez	22												21	21	21	18	15										96											
Financial Services	Adriana Nieto	17												12	12	12	5											41											
Financial Services Expert	Christian Jaramillo	15												9	9			21	21	15	10						85												
Financial Services Expert	Jorge Tovar	16												21				21	21	15	10						88												
Financial Services Expert	Andres Clavijo	17												9	9													18											
Financial Services Expert	Carlos Hernandez	17												9	9													18											
Financial Services Expert	Juan Carlos Echeverry	15												9	9													18											
Financial Services Expert	TBD	21												21				21	21	21	21							105											

VII. APPENDICIES

On-Site and Off-Site Project Staff

On-Site:

Name	Position	Term	Contract
Jaime Andrés Niño	COP	Long Term	TSG
Miguel Camacho	DCOP	Long Term	TSG
Orlando Gracia	Technical DCOP	Long Term	Fedesarrollo
Ximena Nieto	Office Manager	Long Term	TSG
Ana María Hoyos	Senior Administrative Assistant	Long Term	TSG
Juana Inés Gómez	Administrative Assistant	Long Term	TSG
Estefanía Samper	Administrative Project Assistant	Long Term	TSG
Magnolia Hoyos	Receptionist	Long Term	TSG
Rocío Huerfano	Administrative Assistant	Long Term	TSG
Stella Serpa	Administrative Support	Long Term	TSG
Ana Inés Rivera	Research Assistant	Short Term	TSG
Diego Bautista	Competitiveness Institutional Reform Agenda Leader	Short Term	TSG
Diana Vargas	Competitiveness Institutional Reform Agenda Assistant	Short Term	TSG
Jaime Tenjo	Labor Leader	Long Term	TSG
Angela Uribe	Labor Assistant	Long Term	TSG
Mauricio Cárdenas	Labor Consultant	Short Term	Fedesarrollo
Raquel Bernal	Labor Consultant	Short Term	Fedesarrollo
Lilian Urueta	Professional Services Consultant	Short Term	TSG
Germán Camacho	Securities Market Leader	Long Term	Chemonics
M ^a Consuelo Rodríguez	Local Securities Merger Lawyer	Short Term	TSG
Andrés Vargas	Services Statistics Consultant	Short Term	TSG
Jairo Romero	SPS Consultant	Short Term	TSG
Melani Schultz	TBT Leader	Long Term	TSG
Orlando Cedeño	TBT Consultant	Short Term	TSG
Gabriel Pascual	TBT Workshop presenter and Consultant	Short Term	TSG
René Bustillo	Telecommunications consultant	Short Term	TSG
Eduardo Benitez	Telecommunications consultant	Short Term	TSG

Off-Site:

Name	Position	Term	Contract
Stephen Lewarne	Engagement Manager	Long Term	TSG
David Snelbecker	Engagement Manager	Long Term	TSG

Approval Requests and TORs for Quarter V

- AR#159 Procesix

Date approved: 3/1/06

Position: CMMI Expert for TBT Project

LOE: Fixed Price

POP: o/a January 15, 2006 – o/a December 15, 2006.

Deliverables:

- PHASE 4: Deliver no later than March 31, 2006, a document containing:
 - a. Specific and precise Organizational Policies associated with continuous improvement and strategic planning
 - b. A detailed Process map of the organization
 - c. A specific and detailed set of Organizational Metrics defined and documented
 - d. A set of specific approved and documented procedures, process elements and sub-processes.

- PHASE 5: Deliver no later than September 15, 2006, a document containing, for each of the 10 companies:
 - a. Specific and detailed training materials, including hand-outs, PowerPoint presentations and all other relevant material.
 - b. Specific and detailed implementation plan, including milestones and timelines.
 - c. Defined Processes implemented in a detailed and specific manner.
 - d. Approved, documented, and effectively implemented training plan

- PHASE 6:--by October 7, 2006
 - a. Mini-evaluation Plan for the 10 companies
 - b. Report on the state of each company
 - c. Analysis of results including the gaps needed to close to achieve desired certification level and plan of action to meet the goals

- PHASE 7:--by October 31, 2006
 - a. Processes redefined, improved or adjusted according to the required changes as defined in the evaluation report
 - b. Changes communicated throughout the organization and personnel is trained in the changes
 - c. Assurance that changes have taken place

- PHASE 8:--by December 15, 2006
 - a. Plan for SCAMPI Evaluation
 - b. Team trained
 - c. On-site evaluation completed for 10 companies
 - d. Final report and certification of 10 companies

- Monthly status report—end of each month through December 2006.

- AR#160 Philip Potdevin, Patricia Afanador
Date approved: 04/01/06

Position: Facilitator/Senior Associate

LOE: 6 days, 6 days

POP: o/a January 6, 2006 – o/a January 31, 2006

Deliverables:

- Design and effective completion of a 2.5 day facilitated workshop for 60 top management staff members of the new Superintendence by January 16, 2006.
- Preparation of a concise report summarizing workshop results and making concrete and detailed recommendations for required follow-up activities by January 31, 2006.

- AR#161 Gustavo Mosquera

Date approved: 04/01/06

Position: National GMP Expert

LOE: 25 days

POP: o/a January 4, 2006 – o/a February 15, 2006

Deliverables:

- A document containing a detailed schedule for the implementation of the company support diagnostics of each of the 20 companies involved in the project, of which only 10 will receive diagnostics and implementation support, to be delivered no later than January 10, 2006.
- A document containing a detailed diagnostic of GMP in the 20 identified companies, to be delivered no later than February 15, 2006.
- Detailed action plans, containing timelines, milestones and deliverables, for the implementation of GMP in the 10 selected companies that will be provided support in the implementation phase, to be delivered no later than February 15, 2006.

- AR#162 Liliana Navarrete

Date approved: 06/01/06

Position: GMP Expert

LOE: 30 days

POP: o/a January 6, 2006 – o/a July 15, 2006

Deliverables:

- A document containing a detailed schedule for the implementation of the

company support diagnostics of each of the 20 companies involved in the project, of which only 10 will receive diagnostics and implementation support, to be delivered no later than January 14, 2006

- A document containing a detailed diagnostic of GMP in the 20 identified companies, to be delivered no later than February 15, 2006
 - Detailed action plans, containing timelines, milestones and deliverables, for the implementation of GMP in the 10 selected companies that will be provided support in the implementation phase, to be delivered no later than February 15, 2006
 - A document containing detailed and specific Standard Sanitary Operational Procedures (plan de saneamiento) for each of the 10 companies by April 15, 2006
 - Design and implement other GMP programs and prerequisites including training and education, maintenance, calibration, sample planning, identification, and traceability, to be delivered no later than May 30, 2006.
 - Certification of the 10 selected food companies in GMPs no later than July 15, 2006.
 - Monthly status report to be delivered by close of business of the last working day of each month through July 2006.
-
- AR#174 Elkym Alexander Mesa
 - Date approved: 20/01/06
 - Position: Transportation Modeling Assistant
 - LOE: 80 days
 - POP: o/a January 20, 2006 – o/a May 19, 2006
 - Deliverables:

- A report with the list of projects to be evaluated using the MOP transportation model, to be delivered no later than January 31st, 2006.
 - A preliminary report comparing the traffic volume and cost structure for each project proposed by the internal agenda, to be delivered no later than February 28th, 2006.
 - A set of at least 5 maps made with Transcad to visualize the cargo volume flows and road network bottlenecks, to be delivered no later than March 15th, 2006.
 - A final report comparing the traffic volume and cost structure for each project proposed by the internal agenda, to be delivered no later than May 1st, 2006.
- AR#175 Ana Maria Buritica

Date approved: 20/01/06

Position: Professional Services Research Assistant

LOE: 93 days

POP: o/a January 30, 2006 – o/a June 4, 2006

Deliverables:

- A document containing a survey of regulatory requirements as well as licensing standards for the engineering and architecture professions in the states of Florida, Texas, New Jersey, California and New York to be delivered no later than January 30, 2006.
- A document containing a survey of regulatory requirements as well as licensing standards for the engineering and architecture professions in the states of Connecticut, Illinois, Louisiana and the District of Columbia to be delivered no later than March 3rd, 2006.
- A document containing a comparative analysis of licensing requirements and procedures as well as enforcement mechanisms implemented in the states of Florida, Texas, New Jersey, California, New York, Connecticut, Illinois and Louisiana to be delivered no later than March 17th, 2006.
- A document containing a precise identification of the international best practices in licensing and oversight of the architectural and engineering professions, both for companies and individuals to be delivered no later than March 31st, 2006.
- A document containing a description of Colombia's curricular standards for engineering and architectural professions and a comparative analysis between them and international standards to be delivered no later than April 28th, 2006.
- A final report on professional services licensing and oversight standards and procedures as well as mutual recognition procedures to be delivered no later than May 15th, 2006.

- AR#176 Arelis Gomez
 - Date approved: 02/02/06
 - Position: Financial Services Expert
 - LOE: 7 days
 - POP: o/a January 23, 2006 – o/a January 31, 2006
 - Deliverables:
 - A document containing a detailed assessment of the current state of bank lending to Small and Medium Enterprises (SMEs) in Colombia, emphasizing the situation in the main urban areas, including a set of initial recommendations to be delivered no later than January 31, 2006.

- AR#177 Lilian Urueta
 - Date approved: 02/02/06
 - Position: Professional Services Analyst

LOE: 98 additional days

POP: o/a October 4, 2005 – o/a June 30, 2006

Additional Deliverables:

- A document containing a survey of regulatory requirements as well as licensing standards for the engineering and architecture professions in the states of Connecticut, Illinois, Louisiana and the District of Columbia to be delivered no later than March 3rd, 2006. This document should provide information describing how to achieve reciprocity—so that these states recognize Colombia’s regulatory and licensing standards.
 - A document containing a comparative analysis of licensing requirements and procedures, as well as enforcement mechanisms implemented in the states of Florida, Texas, New Jersey, California, New York, Connecticut, Illinois and Louisiana, to be delivered no later than March 17th, 2006.
 - A document containing a precise identification of the international best practices in licensing and oversight of the architectural and engineering professions, both for companies and individuals, to be delivered no later than March 31st, 2006.
 - A document describing Colombia’s curricular standards for the engineering and architectural professions and a comparative analysis between them and international standards, to be delivered no later than April 28th, 2006.
 - A detailed action plan on how to achieve standards required by the above-mentioned states related to professional services licensing, oversight standards and procedures, and mutual recognition procedures, to be delivered no later than June 15th, 2006.
- AR#178 Christian Jaramillo, Jorge Tovar, Andres Clavjio, Carlos Hernández, Juan Carlos Echeverry

Date approved: 25/01/05

Position: Financial Market Experts

LOE: 21 days, 40 days, 49 days, 49 days, 20 days

POP: o/a January 24, 2006 – o/a April 1, 2006

Deliverables:

- Effective implementation of at least three workshops for at least 15 relevant industry, user and government representatives to gather the qualitative information needed for the analytical activities described previously. All of these workshops should be held before February 20, 2006.
 - A preliminary final report due March 15th, 2006 that will provide a detailed analysis of market power and concentration in the financial sector, including an analysis on the evolution of market power and concentration in the Colombian financial system and how this has been influenced by legal and regulatory changes during the past 15 years. This report will also provide evidence from applied econometric analysis designed to identify the determinants of market concentration and market power outcomes. This analysis will include an analysis of controls on relevant market and policy variables, including financial product orientation and relevant regulatory framework factors, and will include a detailed discussion of the main findings. The report will also include detailed recommendations for reform aimed at improving market entry, encouraging a level playing field, providing disincentives for anticompetitive practices, and promoting market contestability.
 - The final report will be due April 1, 2006. This report will evaluate and incorporate comments provided by the Colombian Government, stakeholders, and USAID. This document will contain a complete and detailed description of the analytical research agenda and findings. It will also include systematic recommendations designed to promote the development and implementation of a regulatory/incentives framework structure which would improve financial sector competitive performance. Finally, the report will define indicators designed to measure progress and impact of the recommended legal/regulatory reform measures.
- AR#179 Sandra Zuluaga, Carlos Prada, Carlos Sandoval
 - Date approved: 01/02/06
 - position: Financial Services Expert
 - LOE: 34 days, 60 days, 60 days
 - POP: o/a February 2, 2006 – o/a April 1, 2006
 - Deliverables:
 - A first draft by February 20, 2006 that provides preliminary data on ATM and internet usage as a payment means.
 - A final report to be delivered by April 1, 2006, containing a comprehensive analysis of the main obstacles to expanding ATM and internet as an electronic payment means, with detailed regulatory/institutional recommendations to

improve the system and a detailed action plan for implementing reforms. This report should include as an annex relevant draft legislative and regulatory amendments.

- AR#180 Gustavo Adolfo Palacio

Date approved: 02/02/06

Position: Intellectual Property Rights Enforcement Expert

LOE: 150 days

POP: o/a February 2, 2006 – o/a October 1, 2006

Deliverables:

- A document containing a detailed diagnosis and reform proposals regarding regulatory reforms needed to strengthen the institutional arrangement for a better protection of intellectual property rights. The document must contain specific recommendations for reform and must be delivered no later than February 28th, 2006.
- A document containing a detailed review and specific recommendations to the Decree Project on Border Measures, the Customs Statute and related regulations aimed at improving the protection of intellectual property rights, to be delivered no later than February 28th, 2006. Draft legislative and regulatory amendments shall be included.
- Provide effective support to the relevant institutions within the Colombian Government to implement copyrights information systems accessible by intellectual property rights owners and authorities in charge of protecting property rights. The system should include a mechanism for easily updating the information and should be in operation no later than August 31, 2006.
- Develop and put into effect a database containing detailed information on intellectual property rights owners by industry sector, at a national and international level. The information should have detailed descriptions of the of the property rights to ensure its adequate integration into the intellectual property rights risk analysis and information systems. This database should be in operation no later than July 31, 2006.
- A document containing detailed guidelines for the use of the information database on intellectual property rights owners and the use of the information system of the copyrights office, to be delivered no later than June 31, 2006.
- Train staff members of customs, judicial, and other relevant authorities on intellectual property rights, their protection and enforcement. This training should be delivered to no less than 100 officials in at least five cities and border

passages of Colombia and should be completed no later than June 31, 2006.

- Develop a training manual to be used in training intellectual property rights enforcement officials in the future, to be delivered no later than May 30, 2006.
- A document containing a detailed set of guidelines so that other institutions and authorities with the capacity to defend property rights can do so. The guidelines should include offender profiles and conduct, investigation procedures, proceedings in the case of violations, reporting guidelines, the protection of evidence integrity, etc., and should be delivered no later than August 30th 2006.
- AR#181 Mauricio Cardenas
 - Date approved: 22/02/06
 - Position: Fiscal Policy Expert
 - LOE: 35 days
 - POP: o/a February 3, 2006 – o/a May 19, 2006
 - Deliverables:
 - Work plan that identifies the needs for further decrees and executive orders associated with the merger process. The work plan should also identify key technical documents required during the merger process. All activities in the work plan should have associated a non-technical document that covers tasks 1 to 7 and that can be disseminated to the media, civil servants, open seminars, non-technical audiences and legislators. To be delivered no later than March 10th, 2006.
 - A set of non-technical power point presentations to be delivered no later than March 10th, 2006.
 - At least 10 seminars/presentations to disseminate the results and the conclusions of the tax benchmarking report. These seminars/presentations must be delivered to a minimum of 50 representatives of the private sector, legislators and relevant government officials no later than May 19th, 2006.
- AR#182 Abraham Tzemach Rosenfeld
 - Date approved: 02/02/06
 - Position: International TBT Expert
 - LOE: n/a
 - POP: o/a February 12, 2006 – February 17, 2006
 - Deliverables:

- A document containing a detailed training agenda and schedule to be delivered no later than February 13, 2006
 - Effective completion of a 2.5-day long training sessions to at least 2 consultants and 15 companies that will continue with the implementation phase of the kosher standard, to be delivered no later than February 13, 2006. This should include the delivery of all training materials, hand-outs, PowerPoint presentations and related training material to be used in that training session.
 - A document containing a final training report detailing training accomplishments, to be delivered no later than February 17, 2006.
- AR#183 Carmenza Chahin
 - Date approved: 02/02/06
 - Position: Energy Regulation Expert
 - LOE: 70 days
 - POP: o/a February 3, 2006 – o/a May 31, 2006
 - Deliverables:
 - Develop a detailed technical assistance and regulatory agenda that addresses key regulatory and institutional strengthening issues with CREG, the Superintendencia de Servicios Públicos (Public Utilities Superintendence), and the Ministry of Mines and Energy. This agenda will be implemented by USEA and is to be delivered no later than February 20, 2006.
 - Develop a detailed and specific Work Plan for the implementation of technical assistance and adoption of legal and regulatory reforms in the areas of: retail competition in electricity markets, promotion of competition, analysis and oversight of markets to prevent anti-competitive practices, cross border trade in energy services, adoption of efficient universal service policies and subsidization schemes, and reliability charges. The work plan should contain a detailed description of the activities to be carried out by the teams of experts hired for the project, as well as of the deliverables they are obliged to. Additionally, the work plan should describe the key institutional, legal and regulatory reforms that will be achieved as a result of the implementation of the recommendations and technical assistance provided by the project. This work Plan is due February 20, 2006.
 - Detailed TORs for each of the consultants hired to implement the technical assistance Work Plan, to be delivered no later than February 20, 2006.
 - Oversee the implementation of the technical assistance work plan and produce weekly reports describing the progress on the hiring process, the execution of

activities under the technical assistance work plan, the deliverables, and adoption of key legal and regulatory reforms and institutional transformations. Ongoing through May 31, 2006.

- Oversee and review each of the reports provided by the consultant teams and provide detailed comments to ensure the highest technical standards of all the deliverables. The comments to each of the reports should be given to the consultants no later than a week after the delivery of the technical assistance reports.
 - After the final delivery of the technical assistance reports, the consultant will work with key government counterparts and, if necessary, a lawyer, to draft needed legislative and regulatory amendments. These amendments will be accompanied by explanatory memoranda and a timeline for moving amendments through the Government and Congress. These documents are due no later than a month after the delivery of reports to USAID and the Government of Colombia.
 - The consultant will also provide direct technical assistance to the relevant Governmental authorities to develop an institutional framework that fosters international transactions of electricity. A report that identifies key institutional, legal and regulatory constraints limiting short term electricity transactions between Colombia and other countries in Latin America is due March 17, 2006, with an action plan for measures to eliminate these constraints.
 - A final document that proposes specific measures to harmonize the regulatory frameworks of the different members of the Andean Community and Central American countries to encourage short-term international transaction schemes. This document should be delivered no later than April 28, 2006.
- AR#184 Martha Lucia Meneses
 - Date approved: 26/01/06
 - Position: National TBT Assistant
 - LOE: 120 days
 - POP: o/a January 27, 2006 – o/a July 15, 2006
 - Deliverables:

- Standard Sanitary Operational Procedures (plan de saneamiento) for each company– by April 15, 2006
- Other GMP programs and prerequisites – by May 30, 2006
- Monthly status report—end of each month through June 2006

- AR#186 Alberto Zuleta
 - Date approved: 10/02/06
 - Position: Competition Lawyer
 - LOE: 65 days
 - POP: o/a February 8, 2006 – o/a May 5, 2006
 - Deliverables:
 - A document containing an in-depth analysis of the existing Colombian regulation on guarantees related to competition investigations, including a set of detailed recommendations to improve the regime in order to foster stronger competition and higher consumer benefit and protection. This document should also include a draft decree of the new guarantees regime in competition, and is to be delivered no later than March 8, 2006.
 - A manual containing detailed guidelines for examination and approval of mergers between Colombian companies to be used by SIC staff in charge of reviewing these issues, to be delivered no later than March 14, 2006.
 - Effective training of a minimum of 5 SIC staff members for at least 20 hours on the use of the manual described above, including the use of cases and other forms of simulation, to be delivered no later than March 24, 2006.
 - A document containing an in-depth analysis of the institutional weaknesses of the Superintendence of Commerce and Industry – SIC and a set of detailed and specific recommendations, including an action plan to promote institutional strengthening of the agency. Specifically, this effort entails the review of the orientation of the investigations on private competition issues with small impact on general interest issues and drafts of the administrative decisions necessary to modify this orientation, and is to be delivered no later than April 28, 2006.
 - A final report containing all recommendations and findings, incorporating the revisions agreed upon with Colombian government officials, and the drafts of the decrees and resolutions necessary to implement the recommended regulatory reforms to be delivered no later than May 5, 2006.

- AR#187 Andres Mauricio Vargas

Date approved: 02/02/06

Position: Data Analyst

LOE: 40 days

POP: o/a February 2, 2006 – o/a April 15, 2006

Deliverables:

- The database needed for the labor demand analysis based on the Annual Survey of Manufactures, to be delivered by February 16th, 2006.
 - The database needed for the labor demand analysis based on the National Household Survey, to be delivered on February 16th, 2006.
 - A preliminary report with a comprehensive analysis of the effects of an FTA on labor demand. This report will include the methodology used and the econometric results, to be delivered on February 28th, 2006. This report will present econometric results that show the likely impact of the FTA at the regional, occupational, and industrial level.
 - A refined analysis of labor demand using the National Household Survey. This report will include the methodology used and the econometric results and is to be delivered no later than March 20th, 2006.
- AR#189 Jairo Villamil

Date approved: 01/02/06

Position: Local TBT Expert

LOE: 33 days

POP: o/a February 1, 2006 –o/a March 17, 2006

Deliverables:

- A document, to be delivered no later than February 15th, 2006, containing a preliminary feasibility study on the recommended structure of the accreditation body, based on a 5 year timeframe and on a detailed financial structure of the accreditation system and its operational design.
- A document, to be delivered no later than March 3, 2006, containing a detailed report on the Colombian Accreditation System including:
 - An overview of the current structure and operation of the accreditation system in Colombia, including a detailed description of the legal and operational situation of each agency and body, emphasizing the limits of each body's responsibilities and authorities and the existing or potential overlaps in authorities.

- A detailed description of each body granting accreditation, specifying their formal and operational structure, staffing situation as well as their potential and actual operational capabilities.
 - A detailed benchmarking of the Colombian accreditation system, specifically comparing it to those of Spain, Mexico, Brazil and Argentina, both at the organizational and operational levels, identifying inter-agency relations and cooperation schemes as well as calculating or presenting a benchmarking of operational indicators, including pricing and financial issues.
 - A set of specific recommendations on needed administrative and legal changes to the present system, to improve efficiency, agility, and transparency and to eliminate all potential and actual conflicts of interest or authority.
 - A detailed design of a recommended structure for the new accreditation system for Colombia, including the decision of whether the ownership should be public or private or a combination of both. This design should define the responsibilities of the agencies and bodies involved, as well as the number of agencies and bodies needed, the organizational structure of those agencies or bodies, staffing and structural requirements and all other necessary provisions to ensure the efficient, effective and sustainable operation of the system
 - A detailed evaluation of the current pricing structures of the different Colombian agencies and bodies, and recommendations for changes aimed at increasing sustainability and ensuring efficiency. This analysis should incorporate growth provisions to ensure sustainability of the system.
 - Conduct a study assessing the feasibility of the recommended accreditation body structure, based on a 5 year timeframe and on a detailed financial structure of the accreditation system and its operational design.
- A presentation on findings and recommendations to be presented to the Ministry of Trade and USAID—by March 3, 2006
 - A revised and final document containing the specific and final recommendations for implementation of the new accreditation system agreed upon with the relevant Governmental officials. The document should also contain a detailed description of the legal and regulatory reforms the process entails—to be delivered no later than March 17, 2006.
- AR#190 David Snelbecker
 - Date approved: 01/02/06
 - Position: Project Manager and Fiscal Expert

LOE: 12 days

POP: o/a January 31, 2006 – o/a February 10, 2006

Deliverables:

- Work plans that will feed into the overall MIDAS and ADAM planning process, to be delivered no later than February 2006.

- AR#191 Rafael Ramirez

Date approved: 01/02/06

Position: National TBT Assistant

LOE: 120 days

POP: o/a February 1, 2006 – o/a July 15, 2006

Deliverables:

- A detailed and specific set of Standard Sanitary Operational Procedures (plan de saneamiento) for each of the selected companies, to be delivered no later than April 15, 2006
- A document containing a specific and detailed set of training, capacity building, identification, and traceability programs and prerequisites as well as a sampling plan for each of the participant companies, to be delivered no later than May 30, 2006.
- A monthly status report to the TBT Director, to be delivered at the end of each month up to, and including, June 2006.

- AR#194 David Santos

Date approved: 07/02/06

Position: Customs Expert

LOE: 40 additional days

POP: o/a October 26, 2005 – o/a March 31, 2006

Additional Deliverables:

- A document containing a detailed and specific set of recommendations, including an organizational chart, a description of the competencies, professional profiles and requirements for staff members along with a definition of the responsibilities and tasks for the new Risk Management Unit in Customs, to be delivered no later than March 15, 2006. This document should include drafts for the regulation necessary to implement the Unit.
- Effective oversight of the implementation of the pilot program to test the Risk-Based Import Selection Module for Imports, to be delivered no later than March 31st, 2006.
- A document containing a detailed workplan, with timelines and milestones, for the implementation of a Risk Management module within MUISCA that builds upon the strengths of the risk-based selection module currently being developed, and extends its scope to all other areas of Customs operation. This is due no later than March 31, 2006.
- AR#195 Gabriel Pascual
 - Date approved: 10/02/06
 - Position: Dairy Industry Expert
 - LOE: 28 days
 - POP: o/a February 10, 2006 – o/a April 1, 2006
 - Deliverables:
 - a. Review the existing legislation.**
 - A document containing specific and detailed recommendations for the GOC on reforming the Dairy Law so that it meets with international standards, specifically the PMO standard. To be delivered before March 31st, 2006.
 - A document listing and defining the regulatory reforms necessary for the adequate implementation of the law. This document should include drafts of the regulations to be issued and must be submitted no later than March 31st, 2006.
 - Informational brochure to be distributed to private sector and public sector representatives with the aim of increasing their understanding of the importance of having standards/regulations and conformity assessment measures in the market. To be delivered March 24th, 2006.
 - b. Assist in the creation and implementation of an official network of inspection and supervision to ensure compliance with the new legislation.**
 - Effective completion of the Pasteurized Milk Ordinance (PMO) Seminar

involving a minimum of 25 private and public representatives, to be carried out on February 14th and 15th, 2006. This includes delivering a PowerPoint presentation, handouts, and all other relevant training materials used as well as participant lists, on the PMO system, procedures and requirements no later than February 13th, 2006.

- A first draft document containing a proposal for the structural design of the existing official inspection body. The design should propose a system that ensures the effective compliance with international standards and best practices, and is to be delivered no later than April 1st.
 - A document containing specific and detailed technical profiles, including specific abilities, competencies and training requirements, for all dairy inspectors and operators to be delivered no later than March 23rd, 2006.
- c. Select the producers and processors interested in attaining the PMO certification.**
- A document containing the criteria for selecting and contracting producers and processors interested in attaining the PMO certification, to be delivered not later than February 13th, 2006.
 - A set of selected dairy producing and processing firms financially and technically committed (through letters of intent) to adopting the necessary reforms required by the PMO certification system. To be completed before February 24th, 2006.
 - A work plan that details the activities and requirements necessary for achieving PMO certification. This work plan should be developed in conjunction with the selected companies and should be delivered February 28th, 2006.
- d. Provide technical and logistic support to ensure the implementation of the PMO certification process.**
- A document describing and identifying the ideal and most convenient certifying firm to assume the official inspection process for the selected firm(s). To be delivered no later than March 30, 2006.
- e. Coordinate and interact with the US authorities and entities involved in the international dairy inspection and certification process.**
- A report describing the progress on the situation of the Private Party Inspection Pilot Program of the PMO, to be delivered March 31st.

- AR#197 Arelis Gomez

Date approved: 13/02/06

Position: Financial Services Expert

LOE: 100 days

POP: o/a February 13, 2006 – o/a August 31, 2006

Deliverables:

- A report containing a detailed assessment of the current SME lending practices (terms and conditions, documentation requirements, collateral requirements, loan analysis, approval, disbursement, collection. This practices should be summarized in a matrix) as well as administration and associated risk management practices on the part of commercial banking institutions. This report will analyze the extent to which current lending practices respond to the needs of the SMEs (e.g. low transaction costs, flexible/innovative collateral, fast disbursement, and minimum paperwork, among other). To be delivered no later than March 31st, 2006.
- A report with an analysis and proposal for enhancing micro-financing practices. This report will focus on the most suitable ways to reach traditionally excluded population form micro-credit. To be delivered no later than March 31st, 2006.
- At least 10 meetings with banks in order to analyze potential changes in current lending practices aimed at improving access to credit, reducing transaction costs to the client, improving quality of services, and reducing administrative costs and risks to the lender. To be delivered no later than April 30th, 2006.
- A report with recommendations to improve current lending practices aimed at improving access to credit, reducing transaction costs to the client, improving quality of services, and reducing administrative costs and risks to the lender. In particular, the report will address the potential for incorporating micro-lending techniques into SME lending. This report will analyze and evaluate the lender interest in expanding credit and other financial services to SME and implementing innovative lending techniques. To be delivered no later than May 15th, 2006.
- A report containing prospective opportunities for improving the cost-effectiveness and allocative efficiency characterizing SME lending through more effective incorporation of cash-flow analysis and character-based loan analysis and risk management practices; and nontraditional cost-effective loan administration strategies and practices. To be delivered no later than May 15th, 2006.
- A report with proposals for the provision of specific financial products to the SMEs. To be delivered no later than May 30th, 2006.
- A report with proposal for the most useful information necessary to analyze and evaluate potential SME loans. In particular, to propose the most suitable design of credit bureaus and credit scoring models. June 30th, 2006.
- A report with recommendations for innovative practices for SME lending. This report must present the design and implementation strategies for a pilot program with at least two leading financial institutions in Colombia in the

implementation of innovative financial practices related to SME lending. To be delivered no later than July 30th, 2006.

- To implement the pilot program proposed in deliverable 8. This program will be developed with at least two leading financial institutions in Colombia. To be delivered no later than August 30th, 2006.

- AR#198 Jerry Barron
 - Date approved: 13/02/06
 - Position: Special Crop Pest Management Registration Expert
 - LOE: 7 days
 - POP: o/a March 1, 2006 and o/a March 30, 2006
 - Deliverables:
 - A preliminary work plan for the implementation of the new SCPMR system, including timeframes, specific tasks/phases, key participants, and budget. This work plan will be based upon the results of the preliminary assessment highlighting the deficiencies and other particularities of the pesticide registration process, as well as on the results of the meetings with the growers, representatives of the crop protection industry, academia and government. The work plan is to be delivered no later than March 24, 2006.
 - A presentation of the proposed program of implementation and maintenance of a Colombian SCPMR system, to be delivered to USAID, government and industry officials no later than March 24th.
 - A preliminary detailed work plan for the organization of an IR-4 like project in Colombia, including timeline and milestones, to be delivered no later than March 24, 2006.
 - Effective completion of a half-day seminar for specialty crop growers (approximately 40 participants) to explain paths used to transition to newer reduced risk crop protection chemicals while maintaining or obtaining open access to export markets. Deliver the materials, handouts, etc, accompanying
 - this seminar, and deliver this seminar no later than March 9th, 2006.

- AR#199 Sandra Botero
 - Date approved: 13/02/06
 - Position: Computer Software Local Expert
 - LOE: 100 days

POP: o/a February 13, 2006 – o/a July 31, 2006

Deliverables:

- A work plan describing the step by step process needed for completing the information tool. The work plan should include a model or prototype of the system to be developed, and is to be delivered no later than February 20th, 2006.
 - A pilot pre-approval process tracking tool based on the phytosanitary requirements currently in use by USDA APHIS. The pilot software should be delivered no later than February 28th, 2006.
 - A complete information system tracking all the pre-approval processes currently in progress in the United States and Colombia. The system should be fully operational before April 5th, 2006.
 - A fully functional and operational web portal with the information system on-line and fully accessible to the public by June 28th 2006.
 - A document containing a detailed description of the design of the system, along with the source code, databases and all other components of the installed information system should be delivered by July 15th, 2006.
 - Monthly reports detailing progress updates on all the activities defined by this work plan, to be delivered on the last day of each month.
- AR#202 Sandra Zuluaga, Carlos Prada, Carlos Sandoval

Date approved: 01/03/06

Position: Financial Services Expert

LOE: 34 days, 42 days, 42 days

POP: o/a March 2, 2006 – o/a May 12, 2006

Deliverables:

- A draft report that provides a preliminary comparative analysis of ATM and Internet usage as a payment means. This first report is also expected to provide a preliminary diagnostic of key legal and regulatory obstacles that impede a wider use of ATMs and the Internet as payment methods. This first reports is due by March 20th, 2006.
- A final report to be delivered by May 5th, 2006, that provides a detailed and comprehensive analysis of the use of ATMs, the Internet and other key electronic payment schemes. The report is also expected to identify the key legal and regulatory obstacles that impede greater investments and access to infrastructures associated with electronic payments, the use of payment

settlement schemes, and wider availability and use of electronic payments schemes in Colombia. The report will also provide detailed policy and regulatory recommendations and an action plan for reform aimed at removing obstacles that impede wider use of electronic payments.

- AR#203 Valerie Ragan

Date approved: 17/02/06

Position: Expert on USDA's Animal Health Pre-Approval Procedures

LOE: 10 days

POP: o/a February 20, 2006 – o/a April 30, 2006

Deliverables:

- A document containing a detailed analysis and description of US SPS norms, procedures and consultation processes from all the relevant agencies including the Department of Agriculture, the Food and Drug Administration, and other relevant agencies related to animal health, to be delivered by March 3, 2006.
- A preliminary report, to be delivered no later than March 3rd, 2006, containing detailed flowcharts, procedures, contact points, relevant documents and web sites for admissibility of animal products including:
 - Process for Foreign Animal Disease Status Evaluations, Regionalization, Risk Analysis and Rulemaking
 - Animal health risk assessments
- A final report containing the necessary revisions to the previous two deliverables once they have been revised and validated during the visit to USDA by Colombian representatives, by April 28, 2006.

- AR#204 Daniel Kunkel

Date approved: 17/02/06

Position: Specialty Crop Pest Management Registration Expert

LOE: 7 days

POP: o/a February 20, 2006 – o/a April 30, 2006

Deliverables:

- A document containing a detailed analysis and description of US SPS norms, procedures and processes related to pesticide registration, no later than March 3, 2006.
 - A preliminary report containing detailed flowcharts, procedures, contact points, relevant documents and web sites for pesticide registration at US – EPA, no later than March 3, 2006.
 - A final report once flowcharts, procedures, contact points and other relevant issues have been reviewed and validated during the visit to the EPA by Colombian representatives, by April 28, 2006.
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- AR#206 Ignacio Jesús Barroso Prieto, Miguel Ángel Herrero Alvite
 - Date approved: 24/02/06
 - Position: Expert in Securities Market Supervision
 - LOE: 22 days, 22 days
 - POP: o/a March 9, 2006 – o/a April 6, 2006
 - Deliverables:
 - A draft report describing in detail the procedures for monitoring market operations to detect, determine, and discourage any kind of practices that constitute market abuse. The report should develop:
 - a. A prioritization of a range of market abuse behaviors;
 - b. Indicators for measuring capital market monitoring results;
 - c. Specific mechanisms that will discourage market abuses and improper sales practices;
 - d. Limits, parameters and/or methodologies to determine strategies to detect market manipulation; reasonable size of operations on which monitoring must be focused; illegitimate commercial purpose of operations; atypical position of an investor; prices outside market conditions; damage caused in the market. The preceding list is only illustrative.

This report should be delivered March 29th, 2006.

- A draft report making recommendations for implementing methodologies to detect and investigate different market manipulation practices that compromise market transparency and integrity. Considering typical conduct outlined in the previous deliverable submitted by the consultants, the report should make suggestions on appropriate technologies needed to implement detection and investigation procedures for manipulative practices (on prices and volumes.)

This includes the use of insider databases, gray lists, and other databases that provide access to information from entities related to strong economic groups, from other related entities, and from actual beneficiaries, for implementing the proposed investigation procedures. The report should propose additional (ancillary) tools to monitor other capital market practices that could damage market transparency or integrity such as 1) the artificial increase of operations in order to increase commissions or differential payments, 2) performing unnecessary liquidity operations for the purpose of generating a payment and 3) performing structured financial operations for clients that are executed under conditions outside the market. This report should be delivered March 29th, 2006.

- Effective training of approximately 20 representatives from the Superintendency's Office of Market Risk Supervision and Integrity (Market Behavior Directorate) developing and refining the skills of these representatives on the following topics:
 - a. Detection, prioritization, evaluation, and reporting of all suspect financial operations that could be a consequence of any market abuse practices.
 - b. Investigation of all capital market abuses, e.g., capital market manipulation and improper use of privileged financial information.
 - c. Planning and development of on-site inspections directly related to the above described behaviors.

The training and the training materials (Power Point presentations, list of participants, and all other materials used during the presentation), should be delivered by April 4th, 2006.

- A final report is to be delivered April 6th, 2006, containing:
 - a) The refined and detailed set of procedures for monitoring market operations to detect, determine, and discourage any kind of practices that constitute market abuse. This includes prioritizing a range of market abuse behaviors, defining indicators for measuring capital market monitoring results, developing and describing in detail mechanism that will discourage market abuse, and identifying limits, parameters, and methodologies to determine strategies to detect market manipulation.
 - b) The final recommendations for implementing methodologies to detect and investigate different market manipulation practices. The report should identify and describe in detail the technology (for example,

insider databases, gray lists and other databases) needed to implement detection and investigation procedures of manipulative practices. The report should design methodologies that supervise and prevent all manipulative practices existing in the securities market of Colombia.

- AR#207 Carolina Ramirez, Alexandra Calle, Liliana Navarrete

Date approved: 17/02/06

Position: National HACCP Experts

LOE: 113 days, 42 days, 94 days

POP: o/a February 22, 2006 – o/a December 15, 2006

Deliverables:

(C. Ramirez)

- The consultant is committed to the delivery of a document in each one of the following topics composing the HACCP program and for each one of the companies under her supervision:
 - Preliminary matters, *to be delivered by February 20th, 2006*
 - Water supply program, *by March 15, 2006*
 - Cleaning and sanitation program, *by March 15, 2006*
 - Pest Control program, *by March 30, 2006*
 - Solid and liquid waste programs, *by March 30, 2006*
 - The training program, *by April 30, 2006*
 - The maintenance program, *by April 30, 2006*
 - Good Manufacturing Practices, *by May 30, 2006*
 - Suppliers control program, *by June 30, 2006*
 - Identification and Traceability, *by June 30, 2006*
 - Sampling Plan, *by July 30, 2006*
 - Metrology, *by August 30, 2006*
 - Recall program, *to be delivered by August 30, 2006*
 - HACCP plan, *to be delivered by September 26, 2006*
 - Internal audits program, *by October 30, 2006*
 - Food safety Manual, *by October 30, 2006*

- A report summarizing the results of each of the three implementation and planning phase visits to each of the 8 assigned companies. The report should be submitted before November 1st, 2006.
- A final report on the results of the pre-audit of the HACCP/GMP system of each one of the 8 assigned companies. The report should be submitted before December 15th, 2006.
- A monthly status report to be delivered on the last day of each month, ongoing through December 2006.
- Eight food companies certified on the HACCP standard by December 15th, 2006.

(A. Calle)

- The consultant is committed to the delivery of a document in each one of the following topics composing the HACCP program and for each one of the companies under her supervision:
 - Preliminary matters, to be delivered by February 20th, 2006
 - Water supply program, by March 15, 2006
 - Cleaning and sanitation program, by March 15, 2006
 - Pest Control program, by March 30, 2006
 - Solid and liquid waste programs, by March 30, 2006
 - The training program, by April 30, 2006
 - The maintenance program, by April 30, 2006
 - Good Manufacturing Practices, by May 30, 2006
 - Suppliers control program, by June 30, 2006
 - Identification and Traceability, by June 30, 2006
 - Sampling Plan, by July 30, 2006
 - Metrology, by August 30, 2006
 - Recall program, to be delivered by August 30, 2006
 - HACCP plan, to be delivered by September 26, 2006
 - Internal audits program, by October 30, 2006
 - Food safety Manual, by October 30, 2006

- A report summarizing the results of each of the three implementation and planning phase visits to each of the 4 assigned companies. The report should be submitted before November 1st, 2006.
- A final report on the results of the pre-audit of the HACCP/GMP system of each one of the 4 assigned companies. The report should be submitted before December 15th, 2006.
- A monthly progress report to be delivered on the last day of each month, ongoing through December 2006.
- Four food companies certified on the HACCP standard by December 15th, 2006.

(L. Navarrete)

- The consultant is committed to the delivery of a document in each one of the following topics composing the HACCP program and for each one of the companies under her supervision:
 - Preliminary matters, to be delivered by February 20th, 2006
 - Water supply program, by March 15, 2006
 - Cleaning and sanitation program, by March 15, 2006
 - Pest Control program, by March 30, 2006
 - Solid and liquid waste programs, by March 30, 2006
 - The training program, by April 30, 2006
 - The maintenance program, by April 30, 2006
 - Good Manufacturing Practices, by May 30, 2006
 - Suppliers control program, by June 30, 2006
 - Identification and Traceability, by June 30, 2006
 - Sampling Plan, by July 30, 2006
 - Metrology, by August 30, 2006
 - Recall program, to be delivered by August 30, 2006
 - HACCP plan, to be delivered by September 26, 2006
 - Internal audits program, by October 30, 2006
 - Food safety Manual, by October 30, 2006
- A report summarizing the results of each of the three implementation and planning phase visits to each of the 9 assigned companies. The report should be submitted before November 1st, 2006.
- A final report on the results of the pre-audit of the HACCP/GMP system of each one of the 9 assigned companies. The report should be submitted before December 15th, 2006.
- A monthly status report to be delivered on the last day of each month, ongoing

through December 2006.

- Nine food companies certified on the HACCP standard by December 15th, 2006.
- AR#209 Lina Fulladosa
 - Date approved: 28/02/06
 - Position: Agroindustrial Sector and Pesticide Registration Expert
 - LOE: 80 days
 - POP: o/a February 23, 2006 – o/a December 15, 2006.
 - Deliverables:

The pilot program:

- A report with the criteria for selecting one herb and one fruit to undergo the pilot project, to be delivered March 7th, 2006.
- A map identifying the possible regions where the pilot project could be developed and the accompanying explanation for why those regions were chosen. This report should be delivered before April 30th 2006.
- A report listing the national and regional initiatives building the capacity of Good Agricultural Practices in Colombia. The list should describe in detail these initiatives (coverage, implementing agencies, etc.) and identify possible areas for coordination with those initiatives, to be delivered March 17th, 2006.
- A document that identifies the most convenient contractor in charge of implementing the two GAP pilot projects should be delivered April 1st, 2006.
- A document that describes and identifies the most convenient certification firm that will be in charge of the GAP certification/verification for the two pilot projects. This document should be delivered September 1st, 2006.
- Monthly reports and recommendations on the progress of the two pilot projects should be delivered on the last day of each month between April and November 2006.

The Responsible Use of Pesticides and GAP training program:

- A training curriculum describing in detail the intensity of each training session, the content of the training, the responsible parties, and other relevant information is to be delivered March 14th.
- The complete training materials revised and approved by the EPA and the ICA

are to be delivered March 23rd 2006.

- Effective training of a minimum of 150 local herb and fruit growers, trainers, representatives from the public sector, local consultants and trainers, on Responsible Use of Pesticides and GAP. All training activities should be completed before November 15th, 2006.
- A monthly report on the progress and results of each training session, including a training evaluation. These reports should be submitted at the end of each month for the months between April and November 2006.

A training program for official authorities in charge of pesticide control:

- A document that analyzes the current regulations and requirements for registering and verifying pesticide procedures. This report should identify the areas where the process is in need of reform. It should also propose the legislative and procedural reforms required to improve the pesticide registration system in Colombia, including possible training needs for improving the toxicological and environmental pesticide evaluation, registration and monitoring processes. This document should be delivered April 1st, 2006.
- A work plan planning the steps and processes required to strengthen the pesticide registration process, should be delivered April 21st, 2006.
- Bi-monthly reports describing progress on the reforms to the pesticide registration process, achieved as a result of the efforts of the international consultant. This report should be delivered May 31st, July 31st, September 29th, and November 30th, 2006.
- Effective completion of a training program for a minimum of 8 pesticide control officials on the needs identified by the analysis of the current pesticide registration/verification process. The training program should be completed October 9th, 2006.
- An agenda planning the on-site visits by the Colombian national authorities on pesticide control to the institutions involved in the registration and verification of pesticides in the United States. To be delivered April 28th, 2006.
- A report on the results of the visits is to be delivered five days after the completion of the visit programmed for June 2006.
- Monthly reports describing the progress of the “Good Agricultural Practices and Responsible Use of Pesticides Project.” These reports should be delivered on the last day of every month, between April and November 2006, to the

“Project Tracking Committee.”

- A document that consolidates the minutes of the “Project Tracking Committee” meetings, corresponding to the “Good Agricultural Practices and Responsible Management of Pesticides Project.” These should be delivered at the end of each month between April and November, 2006.

- AR#213 Luz Marina Arango
 - Date approved: 23/02/06
 - Position: Local TBT Expert
 - LOE: 15 days
 - POP: o/a February 24, 2006 – o/a March 17, 2006
 - Deliverables:
 - A document, to be delivered no later than March 3, 2006, containing a detailed report on the Colombian Accreditation System including:
 - An overview of the current structure and operation of the accreditation system in Colombia, including a detailed description of the legal and operational situation of each agency and body, emphasizing the limits of each body’s responsibilities and authorities and the existing or potential overlaps in authorities.
 - A detailed description of each body granting accreditation, specifying their formal and operational structure, staffing situation as well as their potential and actual operational capabilities.
 - A detailed benchmarking of the Colombian accreditation system, specifically comparing it to those of Spain, Mexico, Brazil and Argentina, both at the organizational and operational levels, identifying inter-agency relations and cooperation schemes as well as calculating or presenting a benchmarking of operational indicators, including pricing and financial issues.
 - A set of specific recommendations on needed administrative and legal changes to the present system, to improve efficiency, agility, and transparency and to eliminate all potential and actual conflicts of interest or authority.
 - A detailed design of a recommended structure for the new accreditation system for Colombia, including the decision of whether the ownership should be public or private or a combination of both. This design should define the responsibilities of the agencies and bodies involved, as well as the number of agencies and bodies needed, the organizational structure of those agencies or bodies, staffing and structural requirements and all

other necessary provisions to ensure the efficient, effective and sustainable operation of the system

- A detailed evaluation of the current pricing structures of the different Colombian agencies and bodies, and recommendations for changes aimed at increasing sustainability and ensuring efficiency. This analysis should incorporate growth provisions to ensure sustainability of the system.
- A presentation on findings and recommendations to be presented to the Ministry of Trade and USAID—by March 3, 2006.
- A revised and final document containing the specific and final recommendations for implementation of the new accreditation system agreed upon with the relevant Governmental officials. The document should also contain a detailed description of the legal and regulatory reforms the process entails—to be delivered no later than March 17, 2006.
- AR#214 Peter Steffian
 - Date approved: 24/02/06
 - Position: International Expert in Licensing and Oversight of Architecture
 - LOE: 20 days
 - POP: o/a March 1, 2006 – o/a May 17, 2006.
 - Deliverables:
 - A document containing specific comments to improve the research done by the local team on oversight and control practices and procedures in California, Connecticut, District of Columbia, Florida, Illinois, Louisiana, New Jersey, New York and Texas. This document must include specific recommendations to ensure the continuous updating and the completeness of the information and therefore on the sources of information used on the research, and shall be due no later than March 31st, 2006.
 - A document containing detailed and specific recommendations for the adoption of US standards and oversight practices of the architecture profession in Colombia by the corresponding professional councils. This document shall be delivered no later than March 31st, 2006 and shall include drafts of the decrees and other regulatory reform instruments.
 - A document containing detailed and specific recommendations concerning the strengthening of the Colombian professional councils' capability to adopt the best international standards in licensing and oversight of the architecture professional activity to guarantee consumer welfare and the maintenance of

professional ethics. This document shall be due no later than March 31st, 2006

- A document containing a detailed and specific action plan to implement the regulatory and institutional changes necessary to adopt international standards, specifically US standards, in licensing, oversight and control of the architecture professional. This document, including timelines and milestones, shall be due no later than March 31st, 2006.
 - A document containing specific comments to improve the research prepared by the local team on accreditation of architecture programs, including specific comments on the minimum curricular standards required for licensing in the 9 US States studied. The document should also include specific comments on the sources of information used and detailed recommendations to ensure the continuous updating and the completeness of the information, and is to be delivered no later than May 12th, 2006.
 - A detailed and specific action plan, containing detailed timelines and milestones, to implement US minimum curricular standards in architecture education to achieve mutual recognition of professional titles with the US states identified. This document shall be due no later than May 17th, 2006.
 - A specific and detailed action plan to achieve a mutual recognition scheme for professional licenses and education degrees between Colombia and the US at the level that ensures effective usage of the recognition scheme by professionals of both countries. This action plan, which must contain specific timelines and deliverables, is to be delivered no later than May 17th, 2006.
- AR#215 Arthur Schwartz

Date approved: 24/02/06

Position: International Expert in Licensing/Oversight of Engineering Professions

LOE: 20 days

POP: o/a March 12, 2006 – o/a May 16, 2006

Deliverables:

- A document containing specific comments to improve the research done by the local team on oversight and control practices and procedures in California, Connecticut, District of Columbia, Florida, Illinois, Louisiana, New Jersey, New York and Texas. This document must include specific recommendations to ensure the continuous updating and the completeness of the information and therefore on the sources of information used on the research, and shall be due no later than March 24th, 2006.
- A document containing detailed and specific recommendations for the adoption of US standards and oversight practices of the engineering profession in Colombia by the corresponding professional councils. This document shall be delivered no later than March 24th, 2006 and shall include drafts of the decrees and other regulatory reform instruments.
- A document containing detailed and specific recommendations concerning the strengthening of the Colombian professional councils' capability to adopt the best international standards in licensing and oversight of the engineering professional activity to guarantee consumer welfare and the maintenance of professional ethics. This document shall be due no later than March 29th, 2006
- A document containing a detailed and specific action plan to implement the regulatory and institutional changes necessary to adopt international standards, specifically US standards, in licensing, oversight and control of the engineering professional. This document, including timelines and milestones, shall be due no later than March 29th, 2006.
- A document containing specific comments to improve the research prepared by the local team on accreditation of engineering programs, including specific comments on the minimum curricular standards required for licensing in the 9 US States studied. The document should also include specific comments on the sources of information used and detailed recommendations to ensure the continuous updating and the completeness of the information, and is to be delivered no later than May 12th, 2006.
- A detailed and specific action plan, containing detailed timelines and milestones, to implement US minimum curricular standards in engineering education to achieve mutual recognition of professional titles with the US states identified. This document shall be due no later than May 17th, 2006.
- A specific and detailed action plan to achieve a mutual recognition scheme for professional licenses and education degrees between Colombia and the US at the level that ensures effective usage of the recognition scheme by professionals of both countries. This action plan, which must contain specific timelines and deliverables, is to be delivered no later than May 17th, 2006.

- AR#217 Marcela Melendez, Camila Casas
 - Date approved: 01/03/06
 - Position: Financial Services Experts
 - LOE: 15 days each
 - POP: o/a March 2, 2006 – o/a May 31, 2006
 - Deliverables:
 - An analysis of international experiences and the current state of the Colombian electronic payment system, as well as the main obstacles and recommendations for further development of the system (based on tasks 1 through 4 described above.) The first draft is due without survey results on March 20, 2006.
 - A final draft of this analysis is due with survey results on May 15, 2006. This report will provide a detailed and comprehensive analysis and description of the present development level of mobile telephone technology in Colombia as a key electronic payment scheme. The report is also expected to identify the key legal and regulatory obstacles that impede greater investments and access to infrastructures associated with mobile phones as an electronic payment. The report will also provide detailed policy and regulatory recommendations and an action plan for reform aimed at removing obstacles that impede wider use of mobile phones as an electronic payments instrument.
- AR#218 Teresita Beltrán
 - Date approved: 16/03/06
 - Position: Consultant SPS Projects
 - LOE: 170 days
 - POP: o/a March 13, 2006 – o/a December 15, 2006
 - Deliverables:
 - Executive reports on a monthly basis on the advance of each one of the activities under the SPS component dealing with strengthening inspection and control systems for processed foods, including a detailed description of the level of execution of the approved tasks and deliverables and their contribution to achieving the overall objectives of the component. These reports should be delivered on the last day of each month between the months of March and November 2006.
 - A final report on each of the activities when they are completed, describing achievements, implementation results and schedules, and annexing all relevant deliverables and documents. These reports should be delivered five days after

the completion of each activity.

- A work plan detailing all the needed activities to strengthen INVIMA's Food Safety Risk Analysis Unit, to be delivered no later than April 25th, 2006.
- A report on the outcomes of the training on internationally accepted microbiological and chemical food safety risk protocols, confirming that the training was carried out effectively. The report should include the slide presentations, as well as all other training materials used, including a list of participants, and should be delivered no later than June 20th, 2006.
- A report on the outcomes of the training on Control Systems and Processed Foods, confirming that the training was carried out effectively. The report should include the Power Point presentations and all other training materials used, including a list of participants, and is to be delivered before October 20th, 2006.
- A document with detailed recommendations to reform the national regulations on low acid and acidified canned foods is to be delivered no later than May 30th, 2006.
- Effective support to and consensus building between the relevant government agencies to incorporate the recommended regulations on low acid and acidified canned foods into the national regulations is to be delivered before July 30th, 2006.
- A document showing results from pilot applications at selected plants for LACF standards is due no later than November 5th, 2006.
- A report on the outcomes of the LACF training, confirming that the training was carried out effectively and including the power point presentations or any other materials used during the training. This report should be delivered no later than November 10th, 2006.
- A document detailing recommendations for the national regulations on additives, ingredients and packaging materials is to be delivered no later than September 15th, 2006.
- Effective support and consensus building given to INVIMA, the Ministry of Social Protection and other relevant government agencies to incorporate the recommended regulations on additives, ingredients and packaging materials into the national regulations is to be delivered no later than December 5th, 2006.
- A document detailing recommendations for reform to the national regulations on cleaning and sanitation compounds for use in the food industry is to be

delivered no later than December 10th, 2006.

- AR#219 Rafael Isunza

Date approved: 02/03/06

Position: Expert in Verification of Origin in Customs

LOE: 20 days

POP: o/a March 6, 20056 – o/a April 7, 2006

Deliverables:

- A set of well-structured and comprehensive training materials, including a workshop outline and PowerPoint presentations, hand-outs and all other relevant materials, for a ten-day workshop for DIAN officials from the Origin Group on FTA Value Verification Processes and Procedures, to be delivered no later than March 10th, 2006.
- Effective completion of a ten-day training workshop for a minimum of 15 DIAN staff members of the Origin Group to be achieved no later than March 27th, 2006. This workshop should include, but not be limited to, the following topics:
 - a. Rules of Origin: Primary goods, classification code leap, calculation of the Regional Content Value (RCV) (Transaction Value Method, Net Cost Method, etc.)
 - b. Situations where origin is granted: De minimis values and conditions, Intermediate goods, Regional accumulation and fungible goods and materials.
 - c. Other dispositions: Sets and assortments, Indirect materials, Accessories, repairs or spare parts and tools, Containers and packing materials for retail sale, Containers and packing materials for shipment, Transshipment and direct dispatch.
 - d. Rules of origin for specific sectors: Automotive industry (Basic concepts, Calculation of the RCV of light weight automotive goods, Calculation of the RCV of heavy weight automotive goods, Average selections).
 - e. Customs procedures: Declaration and certification of origin, Import and Export obligations, Exceptions.
 - f. Post-clearance verification of origin: Accounting records, Procedures to verify Origin (Written questionnaires, Verification visits), written notifications.
 - g. Verification of origin in Customs: Documentary and physical inspection, Sample taking, Coordination with other DIAN areas.
 - h. Planning and organizing origin audits: Import and risk analysis, Reports received, Requests to importers, Information exchange between customs and tax authorities.

- i. Revision, impugnation and sanctions.
 - j. Anticipated Resolutions: Scope, Requested Information, Validity.
- A document analyzing international experiences in the planning and implementation of Rules of Origin is to be delivered April 21st, 2006. The report should analyze the following topics: imports and risk analysis, requiring information from importers, information exchange with foreign customs and tax authorities.
- A document containing detailed and specific revisions to the FTA Implementation Manual and Guides to be used by Colombian Customs in the implementation of the FTA with the United States, including detailed recommendations on implementation of international best practices in Origin Verification Processes and Procedures, to be delivered no later than April 21st, 2006.
- Effective completion, along with the complete training materials used, of a ten-day workshop for a minimum of 15 DIAN staff members of the Origin Verification Unit on the implementation of the new origin regime brought forth by the implementation of the FTA with the U.S., to be achieved no later than May 8th, 2006. This workshop should be based in practical cases to provide the opportunity to practice the concepts viewed in the first workshop and to use the FTA implementation manuals and guides revised in the prior tasks. These exercises should include but not be limited to the following issues: import and risk analysis, requiring information from importers, information exchange with foreign customs and tax authorities, planning and implementation of international verification audits.
- AR#222 Perry Sioshansi
 - Date approved: 10/03/06
 - Position: Expert on Retail Electric Power Distribution and Universal Electric Services
 - LOE: 90 days
 - POP: o/a March 9, 2006 – o/a July 28, 2006
 - Deliverables:
(Retail Electric Power Distribution)
- A report containing the diagnosis on the current status of retail electricity distribution activities in Colombia, as well as an analysis of international experiences in retail distribution. The report will take into account current Colombian legislation, information available at the CREG, studies performed by the industry and meetings with retail electricity distributors. This report shall

be delivered no later than April 7, 2006

- A second report identifying and evaluating alternatives for retail distribution of electricity in Colombia, and incorporating CREG's comments to the first report, should be delivered no later than May 12th, 2006. The report should identify all the necessary steps for the implementation of each of the proposed alternatives and should therefore consider:
 - a. Metering: Responsibilities (who does the metering, AOM), ownership, measurement procedure, technologies, all applied to 1) regulated users, and 2) commercial boundaries.
 - b. Balances: Procedures and agents involved in 1) allocation of losses, and 2) calculation of invoices.
 - c. Rate Structure to End-Users: For each alternative, the consultant will present potential adjustments to the methodology followed for the compensation of distribution activities.
 - d. Customer Service: The consultant will define the agents' responsibilities, procedures, technology required and the agents involved in:
 - Billing
 - Education
 - PQR
 - Emergencies
 - Connection
 - Quality
 - Internal installation
 - Change of provider
 - e. Relationship between Agents: It is important to define the interaction between:
 - The provider and the distributor: the procedures regarding access to grids, expansion changes of marketer, guarantees, contractual commitments and relationships.
 - Between provider: the procedures regarding changes of provider.
 - The provider and the generator: guarantee types, review of mechanisms for the purchasing of electric power.
 - The provider and the transporter: guarantee types and procedures regarding access to networks.
 - Provider of Last Resort: establish whether there is a need for this agent, its responsibilities and economic compensation.
 - f. Administrative Actions: identify legal and regulatory reforms required for the implementation of each alternative.
- A presentation of the results of the combined first and second reports to industry agents and to any other interested parties, in order to collect their observations regarding the progress made with the study. This presentation

and the presentation materials (Power Point presentation, handouts, participant lists, etc.) should be delivered no later than May 24th, 2006.

- A third report incorporating the comments to the second report by CREG and third parties collected during the presentation, as well as the analysis of the advantages and disadvantages of each of the alternatives proposed for the distribution of electric power. This document should recommend the best option for distribution of electric power, describing in detail why this option was chosen and presenting an action plan for its implementation. The report is to be delivered no later than June 13th, 2006.
- A presentation of the results of the study. Once the third report has been delivered, the consultant will make a presentation to industry agents to collect their comments and impressions. This presentation and presentation materials (including Power Point presentations, handouts, participant lists, etc.) is to be delivered no later than July 17th, 2006.
- A final report incorporating CREG's comments and the responses to the observations made by agents and users regarding the third report is to be delivered no later than July 28th, 2006.

(Universal Electric Services)

- A report analyzing the current system for providing and financing electric power service should be delivered no later than April 18th, 2006. This analysis will identify potential reforms to the system in order to extend coverage. The report will also evaluate international experiences of universal access programs, identifying the best alternatives for adoption in Colombia.
- A second report incorporating CREG's comments to the first report, and adding the proposal for the legal, technical and regulatory mechanisms required to reach universal access to the service. This proposal will define the role each of the relevant actors (CREG, the Ministry of Mines and Energy, the users, and the control and supervisory agency) would need to play in order to reach the proposed objectives. As defined in the above tasks, the proposal should consider a Provider of Last Resort, a distribution code, a retribution methodology for distribution activities, a retribution methodology for commercialization activities, all the regulatory aspects concerning the commercialization of electric power, and all issues related to coverage and continuity of service for "non-profitable users." This report should be delivered no later than May 29th, 2006 and shall be presented to the industry for comments.
- A third report incorporating the comments made by CREG and the industry to the second report, and specific and detailed recommendations for implementing

the proposed legal, regulatory and technical mechanisms, should be delivered no later than June 13th, 2006. This report should include a work plan for implementing and introducing these mechanisms into the current regulatory system.

- A presentation to industry representatives and other stakeholders on the proposed findings and recommendations. The presentation and presentation materials (Power Point presentation, list of participants, handouts, and other materials used during the presentation) should be delivered no later than July 17th, 2006.
- A final report, containing a final compilation of all the previous reports and the final comments made by CREG, industry representatives, and users, should be delivered no later than July 28th, 2006.

- AR#223 Eduardo Afanador

Date approved: 10/03/06

Position: Expert in Universal Electric Power Services

LOE: 70 days

POP: o/a March 6, 2006 – o/a July 21, 2006

Deliverables:

- A report analyzing the current system for providing and financing electric power service should be delivered no later than April 18th, 2006. This analysis will identify potential reforms to the system in order to extend coverage. The report will also evaluate international experiences of universal access programs, identifying the best alternatives for adoption in Colombia.
 - A second report incorporating CREG’s comments to the first report, and adding the proposal for the legal, technical and regulatory mechanisms required to reach universal access to the service. This proposal will define the role each of the relevant actors (CREG, the Ministry of Mines and Energy, the users, and the control and supervisory agency) would need to play in order to reach the proposed objectives. As defined in the above tasks, the proposal should consider a Provider of Last Resort, a distribution code, a retribution methodology for distribution activities, a retribution methodology for commercialization activities, all the regulatory aspects concerning the commercialization of electric power, and all issues related to coverage and continuity of service for “non-profitable users.” This report should be delivered no later than May 29th, 2006 and shall be presented to the industry for comments.
 - A third report incorporating the comments made by CREG and the industry to the second report, and specific and detailed recommendations for implementing the proposed legal, regulatory and technical mechanisms, should be delivered no later than June 13th, 2006. This report should include a work plan for implementing and introducing these mechanisms into the current regulatory system.
 - A presentation to industry representatives and other stakeholders on the proposed findings and recommendations. The presentation and presentation materials (Power Point presentation, list of participants, handouts, and other materials used during the presentation) should be delivered no later than July 17th, 2006.
 - A final report, containing a final compilation of all the previous reports and the final comments made by CREG, industry representatives, and users, should be delivered no later than July 28th, 2006.
- AR#224 Orlando Cedeño
 - Date approved: 07/03/06
 - Position: Local TBT Expert
 - LOE: 98 days
 - POP: o/a March 6, 2006 – o/a September 5, 2006

Deliverables:

- Effective completion of one 3.5 –day training course composed of 7 teleconferences (four hours each) to at least 24 local consultants and laboratory personnel on the requirements for implementation of ISO 17025. The training course and presentation materials, including participant lists, training schedule, handouts, etc, should be delivered March 17th, 2005.
- Effective completion of one audit to each of the 24 laboratories to evaluate their ability to meet the ISO 17025 standard. The audits should be completed in three sections: April 7th, June 7th, and July 31st, 2006, respectively.
- Three periodic reports following audit visits on the state of the laboratories and their ability to meet the ISO 17025 standard. These reports should be delivered on April 7, June 7, and July 31, 2006 respectively.
- A final status report for each of the 24 laboratories describing the final status of the laboratory and its ability to meet the ISO 17025 standard should be delivered September 1st, 2006.
- Monthly status report on the progress of the project should be delivered to the TBT Director on the last day of each month between the months of March and August, 2006.
- AR#228 Additional LOE Juan Ernesto de Leon

Date approved: 09/03/06

Position: Intelligent Information Systems Developer

LOE: 35 additional days

POP: o/a December 18, 2006 – o/a May 5, 2006

Deliverables:

- Implementation of a pilot program of risk-based imports selection for Customs inspection in three Customs administrations selected in agreement with DIAN, to be completed no later than April 7th, 2006.
 - Adjustments and revisions, as necessary, implemented in the developed software module, to be finalized no later than May 5th, 2006.
 - Weekly reports containing detailed descriptions of results obtained every week during implementation of the Risk Management Module in the pilot project. These reports will be used to ensure adequate operation of the module and timely incorporation of the revisions and adjustments identified during the pilot program, to be delivered no later than the end of each week until May 5th, 2006.
 - A final report detailing project accomplishments and results should be delivered after the first month of implementation of the Risk Management Module. This report will contain detailed recommendations on further improvement of the risk-based import selection for the Customs inspection module and its incorporation into MUISCA in the future. This report should be delivered May 5th, 2006.
- AR#229 Ana Maria Ferreira
 - Date approved: 09/03/06
 - Position: Expert on Retail Power Distribution
 - LOE: 70 days
 - POP: o/a March 9, 2006 – o/a July 28, 2006
 - Deliverables:
 - A report containing the diagnosis on the current status of retail electricity distribution activities in Colombia, as well as an analysis of international experiences in retail distribution. The report will take into account current Colombian legislation, information available at the CREG, studies performed by the industry and meetings with retail electricity distributors. This report shall be delivered no later than April 7, 2006
 - A second report identifying and evaluating alternatives for retail distribution of electricity in Colombia, and incorporating CREG's comments to the first report, should be delivered no later than May 12th, 2006. The report should identify all the necessary steps for the implementation of each of the proposed alternatives and should therefore consider:
 - a. Metering: Responsibilities (who does the metering, AOM), ownership, measurement procedure, technologies, all applied to 1) regulated users, and 2) commercial boundaries.

- b. Balances: Procedures and agents involved in 1) allocation of losses, and 2) calculation of invoices.
- c. Rate Structure to End-Users: For each alternative, the consultant will present potential adjustments to the methodology followed for the compensation of distribution activities.
- d. Customer Service: The consultant will define the agents' responsibilities, procedures, technology required and the agents involved in:
 - Billing
 - Education
 - PQR
 - Emergencies
 - Connection
 - Quality
 - Internal installation
 - Change of provider
- e. Relationship between Agents: It is important to define the interaction between:
 - The provider and the distributor: the procedures regarding access to grids, expansion changes of marketer, guarantees, contractual commitments and relationships.
 - Between provider: the procedures regarding changes of provider.
 - The provider and the generator: guarantee types, review of mechanisms for the purchasing of electric power.
 - The provider and the transporter: guarantee types and procedures regarding access to networks.
 - Provider of Last Resort: establish whether there is a need for this agent, its responsibilities and economic compensation.
- f. Administrative Actions: identify legal and regulatory reforms required for the implementation of each alternative.

- A presentation of the results of the combined first and second reports to industry agents and to any other interested parties, in order to collect their observations regarding the progress made with the study. This presentation and the presentation materials (Power Point presentation, handouts, participant lists, etc.) should be delivered no later than May 24th, 2006.
- A third report incorporating the comments to the second report by CREG and third parties collected during the presentation, as well as the analysis of the advantages and disadvantages of each of the alternatives proposed for the distribution of electric power. This document should recommend the best option or set of options for distribution of electric power, describing in detail why this option was chosen and presenting an action plan for its implementation. The report is to be delivered no later than June 13th, 2006.
- A presentation of the results of the study. Once the third report has been delivered, the consultant will make a presentation to industry agents to collect their comments and impressions. This presentation and presentation materials (including Power Point presentations, handouts, participant lists, etc.) is to be delivered no later than July 17th, 2006.
- A final report incorporating CREG's comments and the responses to the observations made by agents and users regarding the third report and related implementation action plan is to be delivered no later than July 28th, 2006.
- AR#230 Thomas Hoffman
 - Date approved: 09/03/06
 - Position: Meat Safety Project Leader
 - LOE: 50 days
 - POP: o/a March 20, 2006 – o/a December 15, 2006
 - Deliverables:
 - A document providing detailed recommendations to design the institutional layout for the national meat safety program. To be delivered on April 7th, 2006.
 - A document containing specific and detailed recommendations for the Government of Colombia on reforming the Meat Law so that it meets with international standards, to be delivered no later than April 7th, 2006.
 - A document listing and defining the regulatory reforms necessary for the adequate implementation of the law. This document must be submitted no later than April 7th, 2006.
 - A document containing detailed recommendations and guidelines for designing

and implementing the national meat pathogen reduction program, by May 5th, 2006.

- A document containing detailed recommendations and guidelines for designing and implementing the national residues control program for meat and meat products, by June 12, 2006.
 - A document describing in detail recommendations for preparing the manuals for inspection, surveillance and control of meat and poultry slaughterhouses, processing plants and other establishments belonging to the meat and poultry food chain by July 10, 2006.
 - Effective completion of training on the new laws, regulations, pathogen reduction requirements, ante-mortem and post-mortem inspection and other manuals, procedures, and requirements involved in the national meat safety program for a group of minimum 25 inspectors assigned by the official inspection body. This deliverable should include the PowerPoint presentations, hand-outs, and all other relevant training materials used throughout the entire training process, as well as lists of the participants. The training will begin in September and should be completed no later than December 10th, 2006.
 - A document detailing recommendations for preparation and presentation of the FSIS questionnaires for Equivalence Recognition, including topics such as Program organization, Control of Additives, Control of packaging materials, Control of nonfood compounds, Processing requirements, Testing and monitoring programs, Laboratories, Control of noncompliant products, Generic E Coli testing and HACCP Plans and other topics covered in FSIS questionnaires. These recommendations should be delivered September 10th, 2006.
- AR#231 Philip Potdevin, Patricia Afanador
 - Date approved: 16/03/06
 - Position: Senior Associates in Management Facilitation
 - LOE: 17 days each
 - POP: o/a March 30, 2006 – o/a August 30, 2006
 - Deliverables:

- Effective design and completion of four seminars of 1.5 days each for approximately 60 management staff of the Superfinanciera between March 30 and August 30, 2006. The consultants should deliver all the materials used during the training, such as power point presentations, handouts, schedule, participant lists, and worksheets. The specific dates of delivery are as follows,

Seminar 1: Improving Supervisory Skills, March 30-31

Seminar 2: Advanced Communications Part I, June 2-3

Seminar 3: Advanced Communications Part II, July 14-15

Seminar 4: Promoting Professional Development, August 25-26

- A concise report summarizing the results of the seminar series should be delivered before August 30, 2006, including an update by thematic area of the reports submitted in Phase I of the management training completed in January 2006. The report should also include concrete recommendations and a schedule for additional follow-up activities to the training.

- AR#233 Jorge Enrique Loera

Date approved: 16/03/06

Position: Expert in Customs

LOE: 6 days

POP: o/a March 26, 2006 – o/a March 31, 2006

Deliverables:

- A comprehensive set of training materials, including a workshop outline and agenda, PowerPoint presentations, hand-outs, worksheets, and all other materials needed for a two-day workshop on Future Trends in Customs Control and Processes for 50 top-level DIAN officials. All training materials should be delivered March 27th, 2006.
- Effective completion, no later than March 31st, 2006, of a three-day training workshop for a minimum of 50 top-level DIAN officials on Future Trends in Customs Control and Processes which shall include, but not be limited to, the following issues:
 - a. The use of electronic systems for customs operations
 - b. Simplification of procedures
 - c. The use of non-intrusive inspection systems
 - d. Simultaneous inspection
 - e. Paper-less customs

- f. Building alliances and partnerships with the private sector
 - g. Defining the role of Customs in the Economy
 - h. Issues of national security
 - i. Overseeing compliance with technical standards
 - j. Protecting Intellectual Property Rights
 - k. Protecting of consumer welfare,
 - l. Statistical information
 - m. Revenue collection
- Effective completion of a one half-day training session for 8 top-level DIAN officials from the Value Validation Division on anticipated value resolutions, no later than March 31st, 2006. The consultant is expected to deliver all training materials, including presentation aids, presentation outline, handouts, and participant lists on this same day.
 - Effective completion of a one-day training session for 6 DIAN officials from the Trade Subdivision on control of trade in used and refurbished merchandise by means of controlling the technical norms and standards, no later than March 31st, 2006. The consultant is expected to deliver all training materials, including presentation aids, handouts, and participant lists on this same day.
- AR#235 Additional LOE Jairo Villamil, Luz Marina Arango
 - Date approved: 22/03/06
 - Position: Expert in Customs
 - LOE: 14 additional days, 14 additional days
 - POP: o/a February, 2006 – o/a April 6, 2006
 - Deliverables:

- A first draft of a document determining which government entities in the mines, energy, defense, and transport sectors could potentially assume accreditation, certification and metrology functions with the aim of completing the national quality system. This document is to be delivered for revision before March 31st, 2006, and should:
 - Analyze the organizational, operational and financial structure of the accreditation, certification and delegation functions of these entities. This includes a detailed description of the responsibilities and limitations of each of the entities analyzed.
 - Describe in detail the legal and regulatory framework under which these entities are performing the certification, standardization, and metrology functions.
 - Analyze the operational costs of performing the accreditation and certification functions within these entities.
- A final draft of the document described above, incorporating comments and revisions to the first draft is to be delivered April 6th, 2006.
- AR#236 Manuel Mejía
 - Date approved: 23/03/06
 - Position: Expert in Low Prevalence Areas
 - LOE: 10 days
 - POP: o/a March 28, 2006 – o/a April 8, 2006
 - Deliverables:

- A document describing in detail the technical criteria used to select areas eligible to be declared pest free or of low prevalence of pests should be delivered no later than April 4th, 2006.
- A document describing in detail the structure and the work plan for establishing two pest free or low prevalence of pest pilot areas. This document, containing the detailed timeline and milestones, should be delivered no later than April 4th, 2006.
- A document containing detailed and specific recommendations for reforming and changing the current legislation and institutions in charge of establishing and supervising pest free and low prevalence of pest areas. This document, containing drafts of the regulations to be modified should be delivered no later than April 7th, 2006.
- AR#237 David Snelbecker
 - Date approved: 23/03/06
 - Position: Project Manager
 - LOE: 8 days
 - POP: o/a March 27, 2006 – o/a April 19, 2006
 - Deliverables:
 - Personnel transition plan that includes timelines for staffing as well as the completion of terms of references that will properly transfer tasks and deliverables between the TCBS, MIDAS and ADAM projects. Due no later than April 19, 2006.
 - A document containing a proposed action plan to carry forward work on payroll taxes reform, to be delivered no later than April 19, 2006.

Relevant Technical Submissions by Project*Submission #1 – Competitiveness Regulatory Reform Agenda*

Work Plan	
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Submission #2 – Labor

Database for metropolitan areas	
Description of variables	
Guide to the Files and Database	

Submission #3 – Customs Reform

Work plan for the implementation of risk-based import selection	
Recommendations for the adoption of legal and administrative reforms	

Submission #4 – Technical Barriers to Trade

Metrology report	
ISO 17025 diagnostics	
CMMI diagnostics and action plans	

Submission #5 – Securities Market

Final Report from John Cerwinsky	
List of decrees issued with support from TCBS	

Submission #6 – Tax Benchmarking

Final report	
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Submission #7 – Modeling

Final report	
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Presentation of final report	
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Submission #8 – SPS

Dairy work plan	
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Submission #9 – Telecommunications

Final report by Fedesarrollo staff	
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Submission #10 – Services Statistics

Report on registers of services exporters	
Report by T. Coulet's on survey design	

Submission #11 – Professional Services

Report on Colombian requirements for licensing and oversight of engineering and architectural professions	
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