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Executive Summary

USAID/Nicaragua's country plan and strategic objectives emphasize the importance of assisting the country in its efforts to improve the social, economic and political environment through assistance with: Governance (SO1), including a more transparent and open GON; Economic Freedom (SO2), emphasizing more open, diverse and productive sectors; and Social Investment (SO3), resulting in a healthier and better educated populace. With approval of the DR-CAFTA free trade agreement by the National Assembly on October 10, 2005, the country's public and private sector were presented with a series of opportunities and challenges, which, if addressed correctly, would improve the prosperity and welfare of both current and future generations of Nicaraguans. In order to achieve this, Nicaragua had to implement a two-pronged strategy:

- ***Cumplimiento/Compliance*** – design and implement policies, laws, regulations and procedures which meet Nicaragua's treaty obligations to other DR-CAFTA members.
- ***Aprovechamiento/Benefits*** – practical steps which will insure that the country's businesses and citizens reap the benefits of DR-CAFTA through increased jobs, sustainable economic growth, and greater opportunity.

The USAID/Nicaragua Support to the Implementation of DR-CAFTA Project (Task Order 286, Contract No. FFP-I-00-04-00095-00) is designed to assist Nicaragua in achieving tangible and practical results in these areas, as well as other complementary sectors. Without progress on *both* levels, DR-CAFTA's promise will not be fulfilled. The Project is designed to deliver targeted technical assistance to key stakeholders in the private, public and non-governmental sector across these areas, implementing initiatives in institutional strengthening, legal/regulatory reform, training/capacity building and public awareness.

The Project is structured to serve as an Executive Secretariat to DR-CAFTA stakeholders in Nicaragua, a design which has helped establish it as an honest broker for critical policy, institutional reform and training issues (A copy of the WorkPlan is in Annex A). This role has also encouraged an open dialogue with partners across the public, private and NGO spheres resulting in collaborative efforts with Ministries (MIFIC, CNZF), chambers of commerce and industry groups (COSEP, CADIN, CACONIC, CANATUR), and other partners in the NGO sector (ProNicaragua, FUNIDES, CPC, INCAE). By acting as coordinator, consensus builder and technical adviser, the Project is able to both assist Nicaragua in achieving its DR-CAFTA goals and insure that local institutions champion the effort and grow stronger as a result.

During the first full quarter, significant progress was made in all activity areas, including updates to the Competition Law, an in-depth analysis of the Intellectual Property Rights (IPR) regime, completion of the Project's WorkPlan and cooperative agreements with key partners, and a high profile international conference in Managua. Selected highlights from Q1 include:

CAFTA COMPLIANCE

- ***Agricultural Sector*** – Given the prominence of agricultural goods in the Nicaraguan (and Central American) economy, international trade specialist and former GATT agricultural

sector negotiator and Senior Trade Specialist at the OAS Rosine Plank-Brumback was contracted to complete a comprehensive review of Nicaragua's legal/regulatory framework against Chapter 3 requirements. In particular, Ms. Plank-Brumback focused on compliance with market access requirements, while also extending her analysis to cover fisheries and coffee sectors given their prominence as local export products.

- *Intellectual Property Rights (IPR)* – During initial conversations with key decision-makers at MIFIC, IPR issues were highlighted as an area where Nicaragua needed assistance. In particular, there was an interest in further developing internal capacity for applying IPR policies, increasing public awareness of the importance and relevance of IPR for Nicaragua (e.g., not just a tool of the large multinational corporations), and enhancing systems for tracking local patents, trademarks and intellectual property. In order to facilitate efforts in this area, international legal expert Alfredo Suescum completed a comprehensive review of DR-CAFTA's Chapter 15 and Nicaragua's compliance and ability to comply with its requirements concerning intellectual property.

LEGAL/REGULATORY FRAMEWORK

- *Competition Law* – A key outcome of successful DR-CAFTA implementation in Nicaragua will be a more competitive and efficient private sector. In order to achieve this, the country's outdated antitrust and business competition legal/regulatory framework had to be improved. The Project early on identified this as an obstacle, but also noted an opportunity as the MIFIC and National Assembly had drafted a new Competition Law which had stalled in the legislative process. In order to assist the Project's Nicaraguan partners in the final push for passage, answer any pending questions from the Assembly, and insure the draft Law comported with international best practices the Project provided a detailed analysis by two leading international experts. The analysis and its recommendations were then used by the Project to facilitate discussions with a public-private working group who engaged the National Assembly in a dialogue during the final stages of the legislative process. Key recommendations from the Project and Working Group were incorporated into the final draft which was passed on September 28, 2006.
- *SME Law (Ley MIPYMES)* – Small and medium enterprises (SMEs) play a prominent role in Nicaragua's economy and insuring that this critical sector benefits from DR-CAFTA has been a goal of both the GON and USAID since passage of the free trade agreement. In order to establish the legal foundation for SME growth, which is part of the DR-CAFTA Complementary Agenda, the Project has established a private-public working group. The working group has focused its efforts on consensus building, work with leaders in the National Assembly to ensure prompt passage of the new Ley MIPYMES, and drafting of necessary implementing regulations for use upon passage of the new Law.

TRADE CAPACITY BUILDING (TCB)

- *Priorities and Tasks* – Given the broad scope of TCB needs in Nicaragua, the Project decided to establish priority tasks in collaboration with local stakeholders and to gain

their commitment to invest necessary time and human resources for this effort. During Q1, the Project prepared and executed Protocols on Cooperation with key partners which confirmed this working relationship, began developing scopes of work in critical areas, accelerated technical assistance in policy reform, and sought recommendations from partners for experts that could be utilized by the Project. As a result of this effort, initial TA in capacity building has been delivered to the MIFIC, CNZF, and FUNIDES. Plans are in place to expand this effort in Q2 and for the remainder of the Project.

- *Alternative Dispute Resolution & Mediation* – A key element of DR-CAFTA implementation is the establishment of best practices for dispute resolution, mediation and arbitration. In order to achieve this, FMI subcontractor the ABA-LALIC was assigned the task of developing a sustainable ADR and Mediation sector, including training, policy development, and institutional strengthening. During Q1, the initial capacity analysis was completed, a pilot group of Nicaraguan experts vetted and selected for intensive training, the legal framework reviewed, and plans established for international study tours and the next phase of in-country seminars. In addition, during Q1, a seminar on WTO dispute resolution issues was designed and implemented by international adviser Don Mackay.

PUBLIC EDUCATION AND OUTREACH

- *Pro-Cafta Conference* – During Q1 a major international conference was held featuring senior leaders from the GON, U.S. Government, business community and international donor organizations. The purpose was to reaffirm the country's commitment to DR-CAFTA, highlight key areas of investment opportunity, analyze constraints to taking advantage of the agreement, and formulate strategic recommendations for Nicaragua's public and private sector to utilize in DR-CAFTA implementation during 2007. After receiving commitments from all key players, including Ambassador Paul Trivelli, Minister of Industry and Commerce Alejandro Arguello, leading Nicaraguan entrepreneur Carlos Pellas, and the World Bank, the Project carried out a highly successful program October 4-5 in Managua.
- *Young Entrepreneurs and Intellectual Property Rights* – International legal expert Alfredo Suescum organized and implemented “*Los Derechos de Propiedad Intelectual de los Jóvenes y Nuevos Emprendedores Frente al CAFTA-DR*,” a targeted IPR workshop. This program was focused on the artesanal sector and young entrepreneurs, with an emphasis on their rights, how to protect them, and the ways they could ensure they received the full benefits of their intellectual property under DR-CAFTA.
- *ProCafta Web Site* – In order to raise public awareness of DR-CAFTA and the activities of the Project, a bilingual website was designed and launched during the first Quarter. The site, www.procafta.net, will serve as a permanent tool for outreach, publications, and event management during the remainder of the project.

SECOND QUARTER PLANS

During the upcoming Quarter, the Project expects to expand its work in legal/regulatory reform, training/capacity building and public awareness in order to both build on the accomplishments of Q1 and expand technical assistance into additional sectors. During Q2, selected specific activities are anticipated to include:

- *Pro-Cafta Conference Follow-up* – Publish and distribute the Conference Proceedings to all participants and a wider group of recipients responsible for DR-CAFTA implementation following the November elections. The distribution list will be coordinated with key Project partners and DR-CAFTA stakeholders in Nicaragua.
- *Intellectual Property Rights* – Establish and launch an IPR Working Group composed of leaders in business, government and the NGO community who will push an agenda of reform and public awareness on IPR issues throughout Nicaragua. Collaborate with partners at the MIFIC on a drafting exercise to update and or prepare important implementing regulations. Publish a compendium of Nicaragua’s IPR framework, and issue guidelines to businesses on how to take advantage of their IPR rights under DR-CAFTA.
- *Customs and Rules of Origin* – Implement a series of seminars and workshops on customs, rules of origin, and enforcement in conjunction with the DGA, MIFIC and private sector. Complete a review of the Customs Law and recommend modifications which would both improve efficiency and bring Nicaragua further into compliance with its DR-CAFTA obligations. Establish a working group among members of the Nicaraguan Exporters Association (APEN) to promote ratification of the Lisbon Agreement, improve the marketing capacity of Nicaraguan exporters in the region, and raise awareness of unique Nicaraguan products, such as the “pitahaya roja.”
- *SME Law* – Design and implement a seminar on best practices for SME exporters under the DR-CAFTA regime, emphasizing practical steps, forms and methods which can be used by Nicaraguan SMEs. Develop model implementing regulations in conjunction with the SME Working Group for application upon passage of the new SME Law.
- *MIFIC and the Legal/Regulatory Framework* – Work with the MIFIC to update and modify Law 219 which establishes Standards and Measures to insure it is in compliance with DR-CAFTA Requirements. Design and implement at least two workshops for the MIFIC Standards Division on Technical Barriers to Trade and Phyto-Sanitary Measures. Collaborate with the MIFIC on an intensified process of regulatory drafting focused on completing key portions of the DR-CAFTA Complementary Agenda.
- *Pro-Cafta Web Site* – Relaunch the DR-CAFTA Website with updated content, a complete library of information, and an interactive component designed to better serve DR-CAFTA stakeholders in Nicaragua.

I. INTRODUCTION AND OVERVIEW

USAID/Nicaragua's country plan and strategic objectives emphasize the importance of assisting the country in its efforts to improve the social, economic and political environment through assistance with: Governance (SO1), including a more transparent and open GON; Economic Freedom (SO2), emphasizing more open, diverse and productive sectors; and Social Investment (SO3), resulting in a healthier and better educated populace. With the approval of the DR-CAFTA free trade agreement by the Nicaraguan Parliament on October 10, 2005, the country's public and private sector were presented with a series of opportunities and challenges, which if addressed correctly, would improve the prosperity and welfare of its citizenry for both current and future generations. In order to achieve this, Nicaragua realized that it had to implement a strategy by which it addressed DR-CAFTA at two important and interrelated levels:

- **Cumplimiento/Compliance** – design and implement policies, laws, regulations and procedures which meet the country's treaty obligations and bring it in line with other DR-CAFTA members.
- **Aprovechamiento/Benefits** – practical steps which will insure that the country's businesses and citizens reap the benefits of DR-CAFTA through increased jobs, sustainable economic growth, and greater opportunity.

The USAID/Nicaragua Support to the Implementation of DR-CAFTA Project (Task Order 286, Contract No. FFP-I-00-04-00095-00) is designed to assist Nicaragua in achieving tangible and practical results in these areas, as well as other complementary sectors. Without progress on *both* levels, DR-CAFTA is no more than a paper agreement. The Project is designed to deliver targeted technical assistance to key stakeholders in the private, public and non-governmental sector across these areas, implementing initiatives in institutional strengthening, legal/regulatory reform, training/capacity building and public awareness.

II. Project Launch, Staffing and Organization

Within a week of signing the Task Order, FMI took steps to launch the Project, recruiting and employing necessary staff, and establishing the operational structure necessary to support a long term technical assistance initiative. Within a month, the core Project staff had been hired, permanent office space identified and construction authorized, financial and management systems put in place, and administrative procedures established. In addition, initial meetings with key technical partners in the GON and private sector were carried out, a briefing arranged for the Economic Section at the U.S. Embassy, and the initial elements of the Year I workplan established (see Annex A). Core staff hired during this period included the Chief of Party, Nicaraguan Legal Adviser, Training Coordinator/Office Manager, and Trade Policy Adviser. In addition, short term Nicaraguan experts in free zones, SME law, and NGO operations were also contracted to support project technical assistance initiatives.

III. CAFTA Compliance

As a signatory to DR-CAFTA, Nicaragua agreed to undertake a wide series of reforms in its trade and investment regime in order to bring the country's policies, procedures and practices in line with international and regional standards. Although the country had made significant headway in this effort since approval of DR-CAFTA by the National Assembly, considerable work remained to be done in key sectors, an effort to which the U.S. Government had pledged its cooperation and support. The scope of potential Project collaboration designed to assist Nicaragua with compliance includes completing analyses of the legal framework in key economic sectors, supporting the establishment of sustainable local institutions capable of advocating for free trade, and development of internal procedures for the Government on free trade agreement implementation and administration.

During the first Quarter, the Project engaged in an extensive dialogue with partners on priorities and began implementation of technical assistance in key economic areas impacted by DR-CAFTA. Specific initiatives during this period included:

- *Agricultural Sector Assessment* – in order to determine where Nicaragua stands in terms of the market access requirements of Chapter 3 in the DR-CAFTA Agreement which apply to the critical agricultural sector, a comprehensive analysis was carried out. The review was carried out by a leading international trade expert on loan to the Project from the OAS, Rosine Planck-Brumback, who concluded that Nicaragua had made substantial progress on Chapter 3 compliance and should focus its attention on further outreach to the business community involved in agricultural activities to insure they benefited from the new regime. A copy of the assessment is included in Annex B. The following recommendations for future activities were highlighted:
 - Focus on improving the quality, dissemination and timely updating of market access information by MIFIC and other sources to assist current and potential Nicaraguan exporters to benefit from market opportunities offered by DR-CAFTA;
 - Emphasize providing in-depth legal assistance to the GON and/or private stakeholders on the laws regulating seeds, sanitary registry and animal health;
 - Deliver in-depth legal assistance to the GON and/or private stakeholders on geographical indications for non-traditional (“pintahaya roja”) and traditional (coffee) export products;
 - Assist MIFIC and the DGA in streamlining/centralizing the processing of import transactions, particularly for inputs needed for production and exportation;
 - Train customs officials and brokers on customs enforcement, including rules of origin.

- *Intellectual Property Rights (IPR)* – IPR issues are traditionally among the least understood, but most contentious and important issues included in free trade agreements. Nicaragua is no exception, with key stakeholders in the MIFIC approaching the Project early on with requests to assist the country in improving its standards, regulations and awareness of IPR and how it impacts the economy. In order to advance the process of assistance in IPR and raise awareness, the Project contracted former Economic Counsel for the Embassy of Panama Alfredo Suescum to complete an analysis of this issue for Nicaragua and develop an implementation matrix/roadmap for future use (a copy of the IPR Study is included in Annex C). Mr. Suescum’s specific outputs in the IPR area included:
 - Development of a provision by provision comparison of the Nicaraguan policy and legal framework against DR-CAFTA’s requirements in IPR which revealed substantial shortcomings and areas for reform.
 - Design of a policy implementation matrix with estimated time and resource requirements, prioritization vis-à-vis DR-CAFTA, and potential partners for the delivery of technical assistance.
 - Implementation of a seminar on DR-CAFTA Opportunities for Small Entrepreneurs in Nicaragua with an emphasis on how to protect, assert and manage their intellectual property rights with trading partners under the new regime. Over 100 participants attended this program and a copy of the Agenda is included in Annex D.

- *FUNIDES and Institutional Support for Trade Reform* – In order to provide Nicaragua with a long term institutional base to promote trade reform and encourage public-private dialogue on DR-CAFTA/economic growth, the Project is to support the establishment of the Fundacion Nicaraguense para el Desarrollo Economico y Social (FUNIDES). Modeled after similar initiatives around the region, in particular El Salvador’s FUSADES, FUNIDES will provide a legacy for the Project in the form of an economic think-tank dedicated to market drive reforms and capable of being an advocate for and within Nicaragua. In order to support FUNIDES, the Project contracted an expert local economist to analyze the macroeconomic context in which DR-CAFTA is embedded. This analysis will be a key component of FUNIDES’ planned publication of an economic strategy for Nicaragua. The Project also supported FUNIDES’ initial series of policy “encuentros” and provided an opportunity for FUNIDES’s Executive Director Javier Arguello to address the ProCafta Conference on the institutions purposes and plans.

IV. Legal/Regulatory Reform

Final passage of the DR-CAFTA agreement by the Nicaraguan National Assembly and signing of the treaty required an intensive process of updating and passing new

legislation. During initial discussions with counterparts at the MIFIC and in the private sector, several key decision-makers (including the Deputy Minister) noted that there was an element of fatigue concerning new legislation as a result. In addition, several indicated that given the proximity of national elections, it was highly unlikely that significant economic legislation would be considered by the Assembly until at least December. Taking this into consideration, the Project developed a strategy for legal/regulatory reform which emphasized the following:

- Any legislative reform initiatives undertaken during the initial stages of the Project would be limited to areas where either substantial progress had already been made at the Assembly or where there was a visible consensus behind the effort.
- Drafting efforts would be focused on implementing regulations which were required to implement important legislation passed during the run-up to DR-CAFTA passage, as well as in preparing draft/model legislation in key areas which would be in place following the elections and appointment of the new government.
- Public-private cooperation on legal/regulatory reform would be the hallmark of any Project initiatives in this area so as to diminish the impact of elections and promote a long term process wherein the private sector is actively involved in the preparation of laws/regulations which predominantly impact their activity.

Specific initiatives undertaken during this Quarter were therefore deliberately chosen for their substance and ability to make an immediate impact. They included:

- *Competition Law* – Establishing a more competitive and productive private sector in Nicaragua is a goal shared by the GON, private sector and USAID. It is reflected in the DR-CAFTA Project's scope of work, priorities and technical assistance plans, with initiatives planned across the Project's components that address competition and competitiveness. Nicaragua's weak and outdated legislative framework is an obstacle to making the country and economy more competitive, with a 10-year old Competition Law among the principle flaws. During initial meetings with DR-CAFTA stakeholders however, it became clear that this was an issue where much work had been done but which had stalled at the Assembly. In order to assist the MIFIC and advocates in the private sector with finalizing the Law, pushing it through the Assembly, and insuring that it indeed met with international standards for competition legislation, the Project and its subcontractor ABA-LALIC implemented the following initiatives (with selected materials included in Annex E):
 - A desk study by leading international competition attorney Alan Van Fleet, in consultation with Miguel Rosillo, which included a provision-by-provision analysis of the draft Law, recommended

- changes, and a comparison with other regional/international legislation.
 - A constant and continuous dialogue was initiated with leaders in the private sector, Assembly and MIFIC on the status of the draft Law in the Assembly, meeting schedule for the key committee, and requirements of legislators advocating for passage of the new legislation.
 - Presentation of a series of recommended revisions to the Law to the Legal Department of the Economic Committee which after reviewing and discussing the suggested changes, incorporated the majority into the draft Law which was eventually passed by the Assembly.
- *SME Law* – Small and medium size enterprises represent an estimated __% of the Nicaraguan economy and should be well positioned to reap the benefits from increased regional trade which will result from DR-CAFTA implementation. Based on discussions with MIFIC and representatives of the private sector, the Project determined that updates to the legal/regulatory framework were required for this positive impact to be sustainable and significant. Dr. Eduardo Molina, a leading Nicaraguan legal expert was hired as a consultant in order to prepare revisions to the SME Law, engage leaders in the business community and national assembly in process of consensus building, and to provide guidance to a Working Group composed of leading public and private sector decision makers dedicated to passing the updated law. As a result of these efforts, the Assembly's Committee on DR-CAFTA Implementation matters has pledged to put forth the revised SME Law for consideration and support its passage during the next quarter.

V. Trade Capacity Building

From the initial stages of Project implementation, it was clear that although the MIFIC was a dedicated and engaged partner, it was also one that lacked resources and required support in order to continue to grow as the primary DR-CAFTA institution in Nicaragua. During discussions with Sonia Somarriba, Director of International Program Coordination and Mario Arana, Deputy Minister, it was agreed that during the first Quarter MIFIC and the Project would jointly develop an action plan and priority areas for capacity building, training and technical assistance.

In addition, given the political environment and resource constraints, the Project engaged the full range of private and non-governmental sector stakeholders in discussions on complementary initiatives which could be implemented independently or on a parallel track. This included work with the leading Chambers of Commerce on potential dispute resolution and sector specific training, design of activities for the Comision Nacional de Zonas Francas (CNZF) and ProNicaragua, and identification of areas for collaboration with the Comision Nacional de Competitividad (CPC).

This effort at design and prioritization will lay the groundwork for future activities, while at the same time the Project did move forward with selected initiatives, selecting those where partners were ready and willing to move quickly. During this Quarter, specific outputs included the following:

- *Priorities and Tasks* – Meetings were held with each key DR-CAFTA stakeholder and implementation partner to determine current requirements for capacity building, assess needs for outside technical assistance, establish priority areas and develop initial draft SOWs for each partner to work with. These conversations included:
 - Preparation of a detailed Matrix of activities, resource requirements and objectives for the MIFIC from which the Project will identify the most important and relevant areas, establish working groups and partners at the MIFIC Departmental level, and begin implementation of training and capacity building supporting Q2.
 - Review of current plans and requirements of ProNicaragua leading to a request that the Project support outside technical assistance from contractors in investment promotion, textiles and light manufacturing and marketing.
 - Discussions with the CNZF on institutional strengthening and a collaborative effort with ProNicaragua on a national mapping exercise for free zones in Nicaragua. The Project contracted local expert Enrique Zamora as a result of these discussions and during Q1 he began working with the CNZF on internal planning, regulatory drafting, and training.
 - Dialogue with a cross-section of complementary partners active in supporting the free trade agenda in Nicaragua to inform them of the Project's activities and invite them to participate in programs, support DR-CAFTA implementation and play a role in the growing private-public dialogue the Project was supporting. This included NICAEXPORT, INTUR, INAFOR, CACONIC, CADIN and others.

- *Alternative Dispute Resolution & Mediation* – Implementation of DR-CAFTA requires the establishment of efficient, transparent and effective methods for resolving business disputes that will operate alongside the often dysfunctional Nicaraguan judicial system. In addition, it requires that GON decisionmakers – particularly those at MIFIC – be well trained in the rules, regulations and practices for dispute resolution under the DR-CAFTA and WTO. In order to achieve this ambitious goal, FMI and its subcontractor ABA-LALIC, initiated a series of analyses and technical assistance programs during the Quarter which included:

- An in-depth analysis of current understanding, skills and resources in arbitration and mediation throughout the country. This included a detailed review of current and proposed programs/centers in Nicaragua such as those offered by DIRAC, CACONIC, the AmCham, and Barrios y Asociados.
- Establishment of a public-private advisory committee in the form of the Comision de Mediacion y Arbitraje Comercial which will serve as the forum for implementing future activities and an ongoing dialogue on commercial dispute resolution in Nicaragua.
- Identified priority areas of technical assistance and training which must be addressed for Nicaragua to achieve its goals and obligations in this area.
- Implemented a seminar on dispute resolution issues under the WTO, with a focus on current requirements under the international legal framework. This program was completed in conjunction with MIFIC, FUSADES and the Centre for Trade Policy and Law based in Canada.

VI. Public Education and Outreach

Although substantial outreach and public awareness work was completed in the run-up to passage of the DR-CAFTA agreement, the general public and business community remain relatively uninformed concerning its content or potential benefits for Nicaragua. In particular, the Project found during its preliminary work that many in the business community (SMEs especially) lacked information on how to take advantage of the country's increased regional market access, that certain myths persist concerning who benefits from DR-CAFTA (e.g., the IPR protections are only for the wealthy and multinationals), and that outreach beyond Managua has been limited. Based on this initial review, the Project launched several activities during the first Quarter and intends to expand its work during the second so as to both educate and enable the public. Selected activities to date include:

- *DR-CAFTA in Nicaragua Conference* – As the first in a series of high level programs to be implemented by the Project, a major international conference was held which featured senior leaders from the GON, U.S. Government, business community and international donor organizations. The purpose was to reaffirm the country's commitment to DR-CAFTA, highlight key areas of investment and export opportunity, analyze constraints to treaty implementation, and accumulate strategic recommendations which could guide the public and private sector forward in 2007. Key presentations and participants included (selected materials on the Conference can be found in Annex G):
 - Welcoming remarks and an outline of key issues in the DR-CAFTA Agreement by U.S. Ambassador to Nicaragua Paul

Trivelli and Minister of Industry and Commerce Alejandro Arguello.

- A discussion of business opportunities, constraints and options for Nicaragua by leading businessman Carlos Pellas and the World Bank’s Economist for Central America Daniel Lederman.
 - A review of the plans for free trade and platform on DR-CAFTA from the leading political parties in the run-up to the November elections.
 - A presentation by the IFC’s Stefka Slavova on Nicaragua’s climate for investments and the results of the most recent doing business survey.
 - Breakout sessions for key industries including textiles, tourism, agriculture and logistics services. These working groups developed specific recommendations to guide implementation of reforms critical to DR-CAFTA.
- *Young Entrepreneurs and Intellectual Property Rights* – In order to further the project’s outreach efforts to both SMEs, younger segments of the population and entrepreneurs, international legal expert Alfredo Suescum organized and implemented “*Los Derechos de Propiedad Intelectual de los Jóvenes y Nuevos Emprendedores Frente al CAFTA-DR,*” a targeted IPR workshop. This program was focused on the artesanal sector and young entrepreneurs, with an emphasis on what their rights were, how to protect them, and ways they could insure they received full benefits of their intellectual property under DR-CAFTA. Over 100 individual entrepreneurs and aspiring entrepreneurs attended the one-day session which was implemented in conjunction with the IPR Registry Office at the MIFIC and opened by USAID Mission Director Alex Dickie and the Director General for Competition and Transparency at the MIFIC.
 - *ProCafta Web Site* – In order to raise public awareness of DR-CAFTA and the activities of the Project, a bilingual website was designed and launched during the first Quarter. The site, www.procafta.net, will serve as a permanent tool for outreach, publications, and event management during the remainder of the project. This website will eventually be transferred to FUNIDES.

Annexes (Available Upon Request)

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