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Implementation Roadmap  
"Customs and Business Environment that Promotes Trade and Investment - CBE (USAID  
Trade Policy Program)"

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San Salvador, El Salvador, C.A.  
September 22<sup>nd</sup>, 2006

Booz | Allen | Hamilton

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delivering results that endure

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## 1. INTRODUCTION.

The objective of the project, entitled “Customs and Business Environment that Promotes Trade and Investment” is to provide technical assistance for the relevant Government of El Salvador (GOES) and Private Sector’s entities to improve the trade and business environment. To accomplish this goal, the project will assist in strengthening the country’s legislative, administrative, and commercial capabilities by targeting actions at critical barriers to trade within the contract’s period of performance and in consistent with the authorized budget (see Appendix 5.1.5).

The assistance solicited under the present Task Order, awarded on July 6, 2006 will enable the following:

- (a) the GOES implementation of CAFTA Customs requirements to include Rules of Origin, Risk Management and Clearance/Release of Goods in accord with International best practices;*
- (b) an effective and efficient GOES implementation of the new Competition Law via an independent Superintendency of Competition by providing technical assistance on professional Competition Law administration, economic analysis, investigation, adjudication, and enforcement;*
- (c) simplified procedures, and reduced time (days) and cost of doing business in El Salvador.*

In July 2006, the Booz Allen Team, led by Andrew Mayock (Project Manager), and composed of Abelardo García Badilla (Chief of Party and Customs Lead), Armando Rodríguez (Competition Lead) and Omar García Boivar (Doing Business Lead) deployed to San Salvador. The objective of this initial one-week visit was to meet with the USAID Mission as well as with the three Component counterparts: Gustavo Villatoro (Component 1: Customs), Celina Escolán (Component 2: Competition) and Mayra de Morán (Component 3: Doing Business). The team was assisted by Russell Brott, one of the team’s principal contacts for project management related issues in McLean, VA and who also serves an important role within the Competition Component.

During that week, the Booz Allen Team held a full-staff meeting with each of the principal counterparts. Then, each component lead conducted individual meetings with the counterpart’s staff to clarify specific aspects of the work to be done, focusing in meeting the project’s first deliverable: the workplan for the first 12 months.

It was agreed with the USAID CTO, Mario Martinez, that Abelardo García, as the Chief of Party, would be deployed in El Salvador in a permanent position starting August 14<sup>th</sup>. As of this date, Mr. García has been in charge of the project’s start-up, and has focused his time and attention to following up with the diverse counterparts to refine the first year work plan to align its objectives with current conditions. As of today, the project’s office is set up in the Customs facilities.

**2. GENERAL LEVEL OF EFFORT (LOE) AVAILABLE FOR THE PERIOD**

The planned LOE has been defined according to Booz Allen’s technical proposal to achieve the expected results among the various components. The first year’s LOE distribution is primarily focused on attending the components per their scope of work requirements to ensure the accomplishment of each and every solicited result. The overall design is provide significant levels of effort in the first year in order to make significant progress in the three areas, and thus the trade and business environment. (See Table 1: Life of Project LOE Distribution.) Therefore, Year One reflects the higher levels of LOE, due to the fact that it includes an important part of the programmed training efforts as well as the components’ assessments and the imminent need to impact the project’s direct and indirect indicators for each component. Regarding the specific components, the Customs component is the major piece of the overall project and receives 50% of the whole LOE allocation. The remaining components, Competition and Doing Business, receive an approximate LOE average of 30% and 20%, respectively.

**Table 1: Life of Project LOE Distribution**

	<b>Year One</b> Sept. 06 – Aug. 07	<b>Year Two</b> Sept. 07 – Aug. 08	<b>Year Three</b> Sept. 08 – Jun. 09
<b>COMPONENT 1 : Customs</b>	495 days	284 days / TBD	257 days / TBD
<b>COMPONENT 2 : Competition</b>	286 days	164 days / TBD	124 days / TBD
<b>COMPONENT 3 : Doing Business</b>	398 days	216 days / TBD	121 days / TBD

We will monitor the efficient use of the project’s LOE and budget by using a clear performance measurement tool. Our approach to monitoring performance uses benchmarking that considers our task order performance and delivery capabilities; interaction with subcontractors; interaction with USAID Missions, and interaction with the end users of our advisory services. We will develop benchmarks for the following, among others: CTO satisfaction with deliverables, variances on all work plan elements (e.g., budgeted costs, Level of Effort (LOE) days, schedule), number of days taken to deploy Team, subcontractor utilization rate, and end-user acceptance of recommendations.

Additionally, the Chief of Party will prepare monthly and bi-weekly progress reports. These reports will document progress, coordinate needs, and provide a clear account of the resources used in accomplishing task orders. Oral, written, and e-reporting on progress will be provided to the CTO detailing activities conducted during the previous month, activities to be conducted during the next reporting period, any problems that have arisen or are foreseen, recommended actions, and any changes in project personnel. The monthly progress reports will serve as the record of the work performed under each task order.

**COMPONENT 1: CUSTOMS**

According to the Task Order, the Team will seek to soundly establish the Rules of Origin (ROO) and Risk Management (RM) Units by developing well trained core staff, well designed guidelines and processes for RO and RM implementation, and clear blueprints for integrating RO and RM electronically. The Team will also have identified the gaps between the current Customs legal framework and the remaining CAFTA legal implementation issues and solutions. Additionally, the Team will have identified one or two key customs procedures to streamline.

In order to accomplish the expected results and with the presence of the Chief of Party and Customs Lead in El Salvador, there has been a permanent contact with the Counterpart and its staff regarding the work expected to be developed within the reported period of time. This work plan has been drafted with the participation of each of the Counterpart’s staff in charge of the different specific areas of interest: Legal Reform, Rules of Origin, Risk Management, Field Operations. The work plan has also been reviewed and accepted by the Customs Deputy Director, Mr. William García.

The expected results consistent with the Task Order are detailed in each of the sub-components sections and can be identified in the following **Table 2: Customs Component Indicators and Targets**<sup>1</sup>:

**Table 2: Customs Component Indicators and Targets**

<b>C1: Customs</b>	
<b>INDICATOR</b>	<b>TARGET</b>
<b>Cases selected for inspection</b>	15% to 5%
<b>Average time for clearance</b>	Less than 48hrs.
<b>Documents required / export</b>	7 to 5
<b>Documents required / import</b>	15 to 6
<b>Signatures for export</b>	10 to 3
<b>Signatures for import</b>	11 to 3
<b>Time for exports</b>	40 to 12 days
<b>Time for imports</b>	54 to 14 days

<sup>1</sup> Targets are set for the final Year of the project implementation: 2009

## CUSTOMS - LEGAL REFORM

### 2.1.1 Original and Final Scope of Work

According to meetings held with Mrs. Patricia de Soriano, Chief of International Trade Studies, designated by the Counterpart to overview the Legal Reform related work in the present project, the scope of work for year one will be primarily focused on attending the fulfillment of the CAFTA's legal requirements based on the revision of the already completed legal reforms, and the support of the staff through specialized legal reform training and, procedures and IT support.

The major noticeable change from the original technical proposal, is the fact that the agency has developed a number of legal and regulatory reforms programs oriented towards CAFTA's application in the previous months. According to Mrs. De Soriano, Booz Allen's efforts should focus on evaluating such programs and confirming their fulfillment with CAFTA's requirements, rather than proceeding with an intense legal review. Nevertheless, Booz Allen will proceed with the revision of the in-house developed work, per the Customs Agency's request.

The Legal Reform work will be developed in six Tasks during the first year (see Appendix 5.1.1):

- Task 1: **Undertake a brief legal review to identify the disparities between the trade agreement and the current law.** In coordination with the DGRA Unit of International Trade Studies, Booz Allen will assist in the revision of the current trade laws (internal and external to the agency); will ensure that the recent legal reforms comply with the CAFTA requirements; and will propose and develop regulatory actions to correct any gaps.
- Task 2: **Identify the relevant people, processes, and technology to determine the GOES' current capacity and system for producing the necessary legal reform.** Booz Allen will prepare, in accordance with Customs Unit of International Trade Studies and other relevant units within the agency, an implementation plan to ensure that the proposed actions can be technically accomplished within the established operations' capacity.
- Task 3: **Develop a technical assistance and training schedule that will fill legal gaps through legislation and regulation and transfer this knowledge to the legal staff.** Booz Allen will define in coordination with Customs counterparts the specific training subjects; will prepare the training programs; and will recruit the best experts to implement the training activities.
- Task 4: **Develop the processes employed by DGRA's attorneys to move legal reform from draft to legislation or regulation.** Booz Allen will bring the required resources to review and improve the current processes.
- Task 5: **Assess existing technology systems that support the work of DGRA's attorneys and the policy makers.** As a cross cutting issue in the proposed work plan, Booz Allen will evaluate all current IT resources available to the legal staff and recommend optimal hardware, software and/or communications tools to optimize work conditions.
- Task 6: **Technical assistance in the process to draft modern provisions.** Booz Allen will develop the required manuals for Customs to accomplish new provisions within an established framework and without the need for external support.

**Table 3: Tasks, Outcomes and Team Personnel for Customs – Legal Reform Component**

	<b>Task</b>	<b>Outcome</b>	<b>Team</b>
1	Undertake a brief legal review to identify the disparities between the trade agreement and the current law. Booz Allen will produce an outline of the main reforms required	Report: - Identification of Gaps between current laws and CAFTA. - Legislative and regulatory actions for implementation.	Abelardo Garcia Carol Osmond
2	Identify the relevant people, processes, and technology to determine the GOES' current capacity and system for producing the necessary legal reform. Booz Allen will prepare an implementation plan from the information gathered.		
3	Develop a technical assistance and training schedule that will fill legal gaps through legislation and regulation and transfer this knowledge to the legal staff.	Develop a technical assistance and training schedule.	Abelardo Garcia Development Associates
		Training	Abelardo Garcia Luis Carlos Moreno Carol Osmond Maria Rodriguez
4	Develop the processes employed by DGRA's attorneys to move legal reform from draft to legislation or regulation.	Design of processes for legislative and regulatory review and implementation.	Abelardo Garcia Carol Osmond
5	Assess existing technology systems that support the work of DGRA's attorneys and the policy makers.	Report: IT diagnosis – production of a list of recommended software and hardware solutions to support progress toward enacting modern laws.	Abelardo Garcia Miguel Angel Jauregui
6	Technical assistance in the process to draft modern provisions.	Manual.	Abelardo Garcia Carol Osmond

These tasks will be accomplished with the participation of Carol Osmond and Maria Rodriguez, highly qualified Customs experts that will work on-site and off-site to understand the current Customs legal framework and its compliance with the CAFTA’s requirements and on specialized training sessions. Luis Carlos Moreno Durazo, a former Mexico Customs Director General and Mexico’s lead in drafting its Customs Law to the fulfillment of NAFTA’s requirements will be supporting our staff in the legal reform training sessions. Miguel Angel Járgui, a Customs IT expert with vast experience in government and private trade-related IT matters will participate in supporting the team in the IT evaluation to determine recommendations to enhance a better technological scenario for the agency.

**2.1.2 Expected Results**

- ✓ Enable GOES to comply with CAFTA Chapter 3, including development of legal and regulatory reforms/requirements, manuals, guidebooks and publications of these products.

**2.1.3 Implementation Indicators**

These charts enables the reader to clearly identify those indicators than can guide us through the evolution of the project though out the year. These indicator fully match the programmed tasks and meet the expected results within the Task Order and Booz Allen’s proposed methodology.

**Table 4: Indicators Achievement and Time Table for Customs-Legal reform Component**

*Please Refer to Appendix 5.1.6*

**CUSTOMS - RISK MANAGEMENT****2.1.4 Original and Final Scope of Work**

A number of meetings have been held with Mr. Gino López, Chief of the Risk Management Unit (RMU) and his staff To finalize the Agency's needs and requirements and its incorporation into the present work plan.

The present scope of work has not been affected in any way from its original version presented in the proposal.

The Risk Management Unit activities in this workplan is presented in four tasks to be accomplished during the first year of work. These tasks are the following:

- Task 1: **Work with current Risk Management staff to determine their level of specialization vis-à-vis high-risk sectors and international bestpractices for customs risk management relating to classification, valuation, ROO, and other customs functions.** In this case, Booz Allen will assess the staff capacities through a personal interview process in order to identify the staff training requirements to be considered over the life of the project.
- Task 2: **Design training programs to enhance the capabilities of the Risk Management Unit based on CAFTA requirements and international best practices.** Booz Allen will train RMU staff on RM techniques and applications to the Customs Environment. Such training will enable RMU staff to comply with CAFTA's requirements and international best practices as they relate to RM tools.
- Task 3: **Evaluate current processes applied by the Risk Management Unit and recommend innovative approaches adapted to CAFTA requirements.** Booz Allen will conduct a deep evaluation of the current processes used in the RMU and will recommend and develop new processes in accordance to a new Risk Management vision along with the international and CAFTA requirements and expectations. Additionally, Booz Allen will develop an Operations Manual that will support the base of operations of the RMU.
- Task 4: **Development of a plan to implement IT solutions to support Risk Management operations.** This is a cross cutting issue where Booz Allen will evaluate the current hardware, software and communications infrastructure to recommend and develop an optimal IT framework for the RMU in accordance with the new Risk Management vision and the project's requirements.

**Table 5: Tasks, Outcomes and Team personnel for Customs – Risk Management Component**

Task	Outcome	Team
1 Work with current Risk Management staff to determine their level of specialization vis-à-vis high-risk sectors and international best practices for customs risk management relating to classification, valuation, ROO, and other customs functions	Report on RMU current staff level of specialization and identification of training needs.	Abelardo Garcia
2 Design training programs to enhance the capabilities of the Risk Management Unit based on CAFTA requirements and international best practices.	Design training programs.	Abelardo Garcia Development Associates
	Apply training programs	Alejandra Fernandez Franco Maria Rodriguez
3 Evaluate current processes applied by the Risk Management Unit and recommend innovative approaches adapted to CAFTA requirements	Report on gaps between processes and CAFTA requirements outlined and solutions recommended.	Abelardo Garcia
	Procedures for RM identified and innovative processes designed.	Abelardo Garcia
	Operations manual outlined	Antonio Franco Flores
	Report on other processes related to RM functions.	Abelardo Garcia
4 Development of a plan to implement IT solutions to support Risk Management operations	Plan for RM related IT capabilities upgrade designed.	Abelardo Garcia Miguel Angel Jauregui

These tasks will be lead directly by the Chief of Party located in the Customs facilities. The training curriculum will first focus on ensuring that local staff gets a deep understanding of the technicality of the subject matter. For that purpose, professors in Mathematics and Statistics will ensure the first round of training. Then, training activities will focus on the application of the Technical to the Customs Environment.

**2.1.5 Expected Results**

- ✓ Enable GOES to comply with CAFTA Article 5.4.
- ✓ The DGRA Risk Management Unit with organizational structure, procedures, information systems, fully trained staff, and guidelines/manuals made available to private sector, leading to a reduction of cases selected for inspection from 15% to 5% and an increase in the rate of anomalies found from 25% to 50% or more.

**2.1.6 Implementation Indicators**

The following chart enables the reader to clearly identify those indicators than can guide us through the evolution of the project though out the year. These indicators are fully intended to match the programmed tasks and meet the expected results within the Task Order and Booz Allen’s proposed methodology.

**Table 6: Indicators Achievement and Time Table for Customs-Risk Management Component**

*Please Refer to Appendix 5.1.6*

## CUSTOMS - RULES OF ORIGIN

### 2.1.7 Original and Final Scope of Work

The Chief of Party conducted several meetings with the Chief of the Rules of Origin Unit, Mr. Jaime Fonseca, to review and agree on the required technical assistance. Mr. Fonseca was clear to say that his principal concern was to clearly direct the training sessions to specific areas or even practical cases, leaving aside formal training and looking after hands-on training sessions for himself and his staff.

There are no major changes from the original scope of work to the one presented below since the Booz Allen's original proposal envisioned defining the training themes and subjects according to the client's needs detected using the ITM (Institutional Transformation Methodology) approach.

The Rules of Origin (ROO) work will be developed in six Tasks during the first year:

- Task 1: **Work with DGRA's Rules of Origin Unit to ensure that its staff is professional, technically educated, and savvy in the management of ROO.** Booz Allen through its Customs Leader will interview the staff in the ROU; will determine the staff capacity of managing a ROU; will propose training activities to the current staff to improve existing capacities.
- Task 2: **Engagement of a customs expert in the ROO Unit on a medium-term basis to aide DGRA in proper configuration and training efforts.** Booz Allen will identify the precise consultant to support the ROU according to their identified needs.
- Task 3: **Design and implement procedures for the operation of the ROO Unit.** The Team will assist DGRA in creating processes for application of ROO that provide a reasonable and fair treatment and ensure that consistency, transparency, uniformity, impartiality, and reason guide the determination of origin of every product imported into El Salvador. In this task Booz Allen will clearly define the procedures that match both the current ISO certification held by Customs and the CAFTA's requirements.
- Task 4: **Work with the DGRA's Rules of Origin Unit to develop a Unit's operations manual.** Booz Allen will bring in its professional capacities in order to draft a full operations manual.
- Task 5: **Identification of activities related to ROO such as possible application of fines for ROO non-compliance.** Booz Allen will bring in all of its experience in order to help the ROU to identify and to apply different ROO non-compliance fines that can help the Unit's sustainability.
- Task 6: **Assistance in the design of a basic technology interface to manage ROO, including the electronic certifications of origin.** In this task as part of a cross cutting issue, Booz Allen will support the ROU in order to identify their current software, hardware and communications needs. Booz Allen will ensure that Certificates of Origin are available in an electronic version.

**Table 7: Tasks, Outcomes and Team personnel for Customs – Rules of Origin Component**

	<b>Task</b>	<b>Outcome</b>	<b>Team</b>
1	Work with DGRA's Rules of Origin Unit to ensure that its staff is professional, technically educated, and savvy in the management of ROO.	Training will include: (1) implementation of CAFTA Chapters 3 and 4; (2) integration of international best practices for ROO management; and (3) understanding the negative impact of the mismanagement of Rules of Origin and its damaging effects on trade.	Abelardo Garcia Maria Rodriguez ROO Consultant 2
2	Engagement of a customs expert in the ROO Unit on a medium-term basis to aide DGRA in proper configuration and training efforts.		
3	Design and implement procedures for the operation of the ROO Unit. The Team will also assist DGRA in creating processes for application of ROO that provide for reasonable and fair treatment and ensure that consistency, transparency, uniformity, impartiality, and reason guide the determination of origin of every product imported into El Salvador.	Procedures Manual for the operation of the ROO Unit that will be created with DGRA to ensure correct application of rules, as well as clear guidance to handoff operations of the ROO Unit to its trained staff	Abelardo Garcia Maria Rodriguez
4	Work with the DGRA's Rules of Origin Unit to develop a Unit's operations manual.	Initial draft of operations manual. Report on other processes that require adjustments to comply with the new ROO procedures.	Abelardo Garcia Maria Rodriguez
5	Identification of activities related to ROO such as possible application of fines for ROO non-compliance	Report on recommended fines for ROO non-compliance	Abelardo Garcia Maria Rodriguez
6	Assistance in the design of the basic technology interface to manage ROO, including the electronic certifications of origin	Report on recommended technological interfaces to manage ROO as electronic certificates of origin.	Abelardo Garcia Miguel Angel Jauregui

These tasks will be achieved through the participation of Maria Rodriguez and several other Rules of Origin experts that can bring in both authority and private sector visions in the Rules of Origin subject. As mentioned in the tasks, the trainings will be focused in a hands-on work that will allow the ROU staff to fully understand the ways of dealing with ROO and not only knowing the theory.

**2.1.8 Expected Results**

- ✓ Enable GOES to comply with CAFTA Chapters 3 and 4.
- ✓ Rules-of-Origin Unit fully operational (i.e., appropriate organizational structure, procedures, authority, operational and compliance guidelines and manuals, fully trained staff) in compliance with CAFTA standards.

**2.1.9 Implementation Indicators**

The following chart enables the reader to clearly identify those indicators than can guide us through the evolution of the project though out the year. This indicator are fully intended to match the programmed tasks and meet the expected results within the Task Order and Booz Allen's proposed methodology.

**Table 8: Indicators Achievement and Time Table for Customs-Rules of Origin Component**

*Please Refer to Appendix 5.1.6*

**CUSTOMS - DECREASING CLEARANCE TIME**

**2.1.10 Original and Final Scope of Work**

Customs is an operationally based organization that supports its primary objective in different administrative subject areas, such as the ones previously included in this document. Regardless of individual subjects being addressed individually in this document (e.g., Legal Reform, Risk Management, Rules of Origin), these efforts must translate into effectiveness in the field at border crossings, ports and airports.

The Chief of Party and Customs Lead has held various meetings with the Chief of Field Operations, Mr. Andrés Escobar, as well as with several of his principal collaborators in order to define a logical and efficient work plan that will match Customs requirements and the project’s scope of work. The original scope of work has been kept as it was originally proposed with an emphasis on field visits to keep a close relation between the executive and the operational areas of the reform program.

The Decreasing Clearance Time activities will be developed in three Tasks during the first year:

- Task One: **Identify obstacles to the expedited release and/or clearance of goods.** Booz Allen will conduct a series of interviews with internal, external and other governmental stakeholders that are part of the International Trade and Customs Environment and can provide important information on how to simplify processes and identify barriers to trade and other Customs impediments. These interviews will be analyzed and summarized in a useful report with recommendations to the Customs agency on how to improve its field processes.
- Task Two: **Design training programs to enhance the CAFTA Chapter 5 requirements.** Booz Allen will develop the programs in accordance to Customs field needs and those identified in other tasks (Rules of Origin, Risk Management, Legal Reform).
- Task Three: **Development of a plan to implement IT solutions to support Customs operations.** As part of a cross cutting issue, Booz Allen will incorporate all the different diagnoses done to the RMU, ROU and Legal areas and will integrate them into nan IT status report to benefit the Customs agency as a whole.

**Table 9: Tasks, Outcomes and Team personnel for Customs - Decreasing Clearance Time Component**

	<b>Task</b>	<b>Outcome</b>	<b>Team</b>
1	Identify obstacles to the expedited release and/or clearance of goods.	Report on identified stakeholders (private and public sector) defined obstacles to expedited clearance/release of goods.	Abelardo Garcia Maria Rodriguez
		Report on recommended solutions that will simplify the process to release/clear goods.	Abelardo Garcia Maria Rodriguez Dan Dreyfus
2	Design training programs to enhance the CAFTA Chapter 5 requirements	Design training programs to enhance CAFTA Chapter 5.	Abelardo Garcia Maria Rodriguez
		Apply training programs - this training programs will be designed for current DGRA personnel at headquarters, seaports, border crossings, and airports, pursuant to the particular requirements of CAFTA Chapter 5	Maria Rodriguez Oliver Arredondo
3	Development of a plan to implement IT solutions to support Customs operations	Plan for Customs-operations IT capabilities upgrade designed.	Abelardo Garcia Miguel Angel Jauregui

These tasks will be accomplished with the participation of Maria Rodriguez and Oliver Arredondo who will be deployed to El Salvador to bring their vast Customs experience for streamlining processes in El Salvador Customs operations. The team will incorporate the experience of Daniel S. Dreyfus to strengthen the training capacities. Booz Allen will use the participation of Miguel Angel Jáuregui as the IT expert.

The permanent participation of Abelardo García as leader of this work, will ensure Booz Allen's response capacity to any specific needs detected along the project.

#### **2.1.11 Expected Results**

- ✓ Enable GOES to comply with CAFTA Chapter 5.
- ✓ Support DGRA with improved information systems, regulations, training, forms and procedures in place to fully implement article 5.2 of CAFTA, including the reduction to no more than 48 hours the average time for clearance and release from customs custody of non-risk determined imported goods.
- ✓ Streamlined processes for exports and imports that leads to a reduced number of procedures, documents, signatures, transit time, and overall cost of export/import, allowing El Salvador to meet or exceed OECD averages (as contained in the 2006 World Bank "Doing Business" Report (<http://publications.worldbank.org/ecommerce/catalog/>)). By the end of the activity, it is expected that the number of documents required for export will fall from 7 to 5, documents for import from 15 to 6, the signatures for export will decline from 10 to 3, signatures for import will decline from 11 to 3, the "time for exports" will fall from 43 days to 12 days and the "time for import" will fall from 54 days to 14 days.

#### **2.1.12 Implementation Indicators**

The following chart enables the reader to clearly identify those indicators than can guide us through the evolution of the project though out the year. This indicator are fully intended to match the programmed tasks and meet the expected results within the Task Order and Booz Allen's proposed methodology.

#### **Table 10: Indicators Achievement and Time Table for Customs-Decreasing Clearance Time Component**

*Please Refer to Appendix 5.1.6*

### 3. COMPONENT 2: COMPETITION

According to the Task Order the Team will help train core staff in the Superintendency of Competition (SC), develop key administrative processes, and identify corresponding technology enhancements. Led by Dr. Armando Rodriguez, a highly recognized professional and academic in the Competency subject, Booz Allen Hamilton will accomplish the required targets acknowledged in the Task Order.

Starting with the July’s visit to El Salvador, the team through Dr. Rodriguez and the Chief of Party – *on site* – has kept contact with the Competency staff to evaluate and agree on the scope of work based on the original requirements included in the Task Order.

The targeted results consistent with the Task Order are detailed in each of the sub-components sections and can be identified in the following table:

**Table 11: Indicators and Target under the Competition Component<sup>2</sup>**

<b>C2: Competition</b>	
<b>INDICATOR</b>	<b>TARGET</b>
<b>Train staff to have documented capability of assessing intensity of competition, non-competitive practices, and consumer welfare costs</b>	At least 15 out of 25 staff
<b>Development of applied studies on the state of competition and non-competitive practices.</b>	7 studies completed
<b>Enable the Superintendency to have sufficient procedures, policies, etc, to produce savings for consumers</b>	\$30 million in savings
<b>Competition law advocacy</b>	Publications and legal framework

#### 3.1.1 Original and Final Scope of Work

There have been some considerable changes to the original scope of work according to official written and/or verbal communications to the project members. These changes are listed ahead:

- ✓ The originally requested Procurement list, which included furniture items along with technological software, hardware and communication items, has been drastically reduced, according to the Superintendent’s official written communications (SC/DSC/592/2006/ml dated July 31<sup>st</sup>, 2006; SC/DSC/594/2006/ml dated August 2<sup>nd</sup>, 2006; SC/DSC/c/638/2006/nbd dated September 14<sup>th</sup>, 2006):

<sup>2</sup> Targets are set for the last year of implementation: 2009

**Table 12: Revised Procurement List**

<b>Quantity</b>	<b>Item</b>	<b>Description</b>
3	EvIEWS 5.0 Software	EvIEWS 5.0 Profesional for Windows XP
1	Macromedia Studio 8.0 License	Macromedia Studio 8.0
1	Video Conferencing equipment	Videoconference equipment with IP and BRI interfaces for one-to-one communication and with the possibility of communication one-to-multiple contacts. The equipment must be able to use different video formats; digital audio sub woofer; voice sensor camera; simultaneous double video source; minimum speed of 2 mbps for IP connectivity and 512 kbps for ISDN connectivity. The equipment must include cables and all necessary communication devices
1	ISDN Connection and set up	Installation and configuration of 512 Kbps (2 BRI) Integrated Services Digital Network

**Plug Figure:** \$150,000.00

**Spend to date:** \$29,399.35

**Balance:** \$129,600.65

\* *Note that the financials do not consider the final mobilization expenses incurred in the process of shipping the equipment from the US to El Salvador.*

- ✓ The original Task Order and Booz Allen technical proposal required *the completion of 25 applied studies on the state of competitive and non-competitive practices*. In the mean time and in agreements with Mrs. Celina Escolán, Superintendent of Competency, a total of seven completed studies should be conducted throughout the project’s period of performance distributed as follows: three (3) for the first year, two (2) for the second year and two (2) for the third year.
- ✓ The original Task Order and Booz Allen technical proposal required the *“conduction of a legal review to identify the disparities between the competition law and its accompanying regulations, to the extent that they yet exist”*. In agreement with SC’s suggestions, this task is not required anymore since the Competition Law has already been reviewed. Instead, the SC requests the conduct of a legal review of a specific sector legislation (ie. Telecom) to identify the sector’s needs and improve its supportive legal structure. Additionally, the SC mentioned that such activity should occur at a later date and be deleted from the present workplan.

Having considered this new requirements, the following are the final tasks identified in order to achieve the expected results within the first year of project implementation.

- Task 1: **Assist in designing the content and architecture of the Superintendency's website and in developing other technology assistance, such as suggested equipment, software, and hardware required to perform the operations of the Superintendency.** For this task, Booz Allen will support the SC by reviewing the Terms of Reference that are close to be published for the development of the SC website with content specialists support; will conduct the procurement of equipment and software now required by the SC; and will develop an analysis and recommendations for the SC to consider the acquisition of an economic analysis software, document tracking, database and time management system to support the office's case tracking management. This task will be conducted and concluded within the first quarter of the first year of implementation.
- Task 2: **Develop comparative studies benchmarking competition policy administration, including the core areas that the GOES must develop: (1) economic analysis; (2) investigations; (3) adjudication; (4) enforcement; (5) merger and acquisition review; and (6) advocacy.** For this task, Booz Allen will use the Component Lead's experience to develop a Vision and Needs Memo and will review material provided by the SC staff. This task will be conducted and concluded within the first quarter of the first year of implementation.
- Task 3: **Technical assistance for the development of internal regulations for the operation of the Superintendency and assistance to the agency in developing its capacity to conduct economic studies.** Booz Allen will conduct and/or develop the required studies for the first year of implementation and will ensure that the methodology is well disseminated among the SC staff. This task will be conducted during the four quarters of the first year of implementation..
- Task 4: **Develop an implementation schedule along with the competent authority that will map out responsibilities and will prioritize the tasks necessary to fully implement the Law and develop the capacity of the Superintendency.** Booz Allen will conduct a series of workshops and specialized lectures customized to reflect the subjects selected by SC and the SC's targeted audience (i.e.; Universities, Judges, Lawyers, etc.). This task will be conducted and concluded within the four quarters of the first year of implementation.
- Task 5: **Coordination with other agencies and donors to provide assistance to the SC.** Booz Allen through its Chief of Party and/or Component Leader will contact third parties (agencies and donors) to identify and utilize possible resources for the benefit of the project and its component beneficiary. This task will be conducted throughout the four quarters of the first year of implementation.

**Table 13: Tasks, Outcomes and Team personnel for the Competition Component**

Task	Outcome	Team
Assist in designing the content and architecture of the Superintendency's website and in developing other technology assistance, such as suggested equipment, software, and hardware required to perform the operations of the Superintendency	Web site content assistance.	Russell Brott
	Delivery of project-provided operational equipment, software and hardware, as per specific requirement for procurement.	Russell Brott
	Analysis and recommendation for economic analysis software, document tracking and database system; time management.	Russell Brott
Develop comparative studies benchmarking competition policy administration, including the core areas that the GOES must develop: (1) economic analysis; (2) investigations; (3) adjudication; (4) enforcement; (5) merger and acquisition review; and (6) advocacy.	- Draft memo to AID on current vision and needs.	Abelardo García Armando Rodríguez
Technical assistance for the development of internal regulations for the operation of the Superintendency and assisting the agency in developing its capacity to conduct economic studies.	Permanent assistance to the Superintendency	Armando Rodríguez
Develop an implementation schedule along with the competent authority that will map out responsibilities and will prioritize the tasks necessary to fully implement the Law and develop the capacity of the Superintendency.	Workshop I	Armando Rodríguez
	Workshop II	TBD
	Dissemination Workshop I	TBD
	Lecture series	TBD
Coordination with other agencies and donors to provide assistance to the SC.	To the extent of third parties availability we will coordinate with other agencies to obtain their support and participation in the project's evolution (workshops, lectures, etc.)	Abelardo Garcia Armando Rodríguez

These tasks will be achieved with the important collaboration of highly recognized professionals and intellectuals who will be brought along to the project based on their skills and availability.

**3.1.2 Expected Results**

- ✓ At least 15 staff (out of 25 approximately) with documented capability of assessing intensity of competitive, non-competitive practices and consumer welfare costs and savings;
- ✓ At least 25 applied studies on the state of competitive and noncompetitive practices in 25 industries to be completed<sup>3</sup>;
- ✓ Superintendency of Competition to have sufficient procedures, policies, etc. so that they are able to rule on non-competitive practices that produce at least \$30 million in savings for consumers by the end of the activity<sup>4</sup>;
- ✓ Competition Law well advocated through different types of publications and efficiently implemented through a well established legal framework.

<sup>3</sup> This expected results have been modified according to beneficiaries requirement and explained in section 4.1.1 of this document.

<sup>4</sup> This expected results have been modified according to beneficiaries requirement and explained in section 4.1.1 of this document.

### **3.1.3 Implementation Indicators**

The following chart identifies the indicators than will guide us throughout the project for the first year of implementation. These indicators are fully intended to match the programmed tasks and meet the expected results within the Task Order and Booz Allen’s proposed methodology.

#### **Table 14: Indicators Achievement and Time Table for the Competition Component**

*Please Refer to Appendix 5.1.7*

#### 4. COMPONENT 3: DOING BUSINESS

According to the Task Order and Booz Allen Hamilton’s technical proposal, the team will identify and implement reforms in the following *required areas*: dealing with licenses, closing a business and trading across borders, as contemplated by the Statement of Work. In addition, the Team will work with the Technical Secretariat throughout the project’s period of performance to select additional areas for developing recommendation on improving the business environment and begin implementation immediately, to total five indicators throughout the project.

The expected results consistent with the Task Order are detailed in each of the sub-components sections and can be identified in the following table<sup>5</sup>:

**Table 15: Indicators and Target under the Doing Business Component**

C3: Doing Business		
INDICATOR	TARGET	
Starting a Business	Reduction of procedures, documents, time and costs of Doing Business El Salvador 2006 to meet OECD averages in 3 indicators.	
Dealing with licenses.		<input checked="" type="checkbox"/>
Hiring and firing.		
Registering property.		
Getting credit.		
Protecting investors.		
Enforcing contracts.		
Closing a Business.		<input checked="" type="checkbox"/>
Trading across borders. *		<input checked="" type="checkbox"/>

\* This indicator is being covered under C1

##### 4.1.1 Original and Final Scope of Work

The original scope of work for the Doing Business component has faced important changes since the start of the current Task Order. Through various meetings held with Mayra de Morán, Executive Director for “El Salvador Eficiente” Presidential Program and her principal staff, some major modifications were made to ensure that the present workplan answers the needs and requirements of the beneficiary.

- ✓ The original scope of work (Task Order) and technical proposal for this component solicited: “of the ten indicators related to the ease of doing business, achievement of OECD average is expected for at least five of the following eight areas: starting a business, dealing with licenses, hiring and firing, registering property, getting credit, protecting investors, enforcing contracts and closing a business”. According to the new requirements

<sup>5</sup> Targets are set for the last year of implementation

communicated by Mayra de Morán, and her principal staff, the Doing Business indicators should not consider five areas as originally requested but should be limited to the following three areas: dealing with licenses, closing a business and trading across borders. These new requirements are fully compliant with the beneficiaries' needs and as such are proposed in this workplan.

- ✓ The areas of *starting a business* and *tax payment* included in the original proposal, have been eliminated from the scope of work.
- ✓ It was agreed with the beneficiary that the scope of work for the area entitled "*dealing with licenses*" would be more robust than the original proposal for their own benefits and needs.
- ✓ The area of *trading across borders* will be used as indicator to evaluate the performance of this component and will be monitored in collaboration with the C1 (Customs) work plan.
- ✓ The new list of requirements included an important amount of IT oriented needs which were left out of this work plan due to its non-compliance with the original task order and possible negative impact to the budget.

Having considered these new requirements, the following are the final tasks identified in order to achieve the expected results within the first year of project implementation.

### Dealing with Licenses

- Task 1: **Assessment (I) of drafting construction rules through evaluation of people and processes involved in licensing.** Booz Allen will develop a diagnosis to identify the legislative and regulatory actions for implementation regarding construction licensing.
- Task 2: **Implementation phase.** Booz Allen will draft the recommended rules for Salvadorian Construction Licenses; and will draft a proposed ruling for a national geographical information system.
- Task 3: **Assessment (II) of drafting the rules to share information through different governmental entities using technological devices -evaluation of people and process involved in licensing.** Booz Allen will develop a diagnosis to identify the legislative and regulatory actions for implementation regarding sharing information among governmental entities.
- Task 4: **Implementation phase.** Booz Allen will draft the recommended rules for sharing information through governmental entities using technological devices.
- Task 5: **Assessment (III) of the environmental impact requirements and other related requirements - evaluation of people and process involved in licensing.** Booz Allen will develop a diagnosis of the information exchange, legal and IT capacities of the Social Security Superior Council (Consejo Superior de la Salud Pública - CSSP) and Surveillance Offices (Juntas de Profesionales de Vigilancia) in the pharmaceutical sector, as it relates to their capacity towards ruling, registry and controls. The Booz Allen team will also review current terms of reference of the different stakeholders within the environmental sector and propose a "common Terms of Reference Set" to be utilized for licensing adjudication. Additionally, the team will audit and adjust, when possible, the Environmental IT system currently operating; and will upgrade the soil capacity study currently supporting GOES decisions in the subject matter.

Task 6: **Implementation phase.** Booz Allen will report on the developed diagnosis and monitor its adequate implementation.

**Table 16: Tasks, Outcomes and Team personnel for the Doing Business -Dealing with Licenses Component**

	Task	Outcome	Team
1	<b>Assessment (I) on drafting construction rules</b> through evaluation of people and processes involved in licencing	Diagnosis - Identification of legislative and regulatory actions for implementation	Rafael Alderete Local Consultant
2	Implementation phase	Draft rules	Rafael Alderete Local Consultant
		Workshop	Rafael Alderete
3	<b>Assessment (II) on drafting the rules to share information</b> through different governmental entities using technological devices – evaluation of people and process involved in licencing.	Diagnosis - Identification of legislative and regulatory actions for implementation	Omar Garcia / Expat Local Consultant
4	Implementation phase	Draft rules	Omar Garcia / Expat Local Consultant
5	<b>Assessment (III) on redesign the environmental impact requirements and other related requirements</b> – evaluation of people and process involved in licencing	Diagnosis - Identification of legislative and regulatory actions for implementation	Rafael Alderete / Expat Local Consultant
6	Implementation phase	Report	Rafael Alderete / Expat
		Assistance monitoring	Rafael Alderete

**Closing a Business.**

Task 1: **Legal and regulatory framework assessment - evaluation of people and processes involved in closing a business.** Booz Allen will develop a diagnosis to identify the legislative and regulatory actions for implementation regarding business closure in El Salvador.

Task 2: **Implementation phase.** Booz Allen will draft the proposed legal frame work for business closure in El Salvador and conduct a workshop oriented to Judges that deal with the subject matter.

**Table 17: Tasks, Outcomes and Team personnel for the Doing Business - Closing a Business Component**

	Task	Outcome	Team
1	<b>Assessment on comprising assessment and legal framework</b> - evaluation of people and processes involved in closing a business.	Draft report on assessment - Identification of legislative and regulatory actions for implementation	Omar Garcia
		Report on recommendations	Omar Garcia
2	Implementation phase.	Draft legal frame work	Omar Garcia Local Consultant
		Workshop I (lawyers, judges, business community) in new procedures and technology	Omar Garcia

These tasks will be achieved with the important collaboration of international specialized consultants and the greatest collaboration of local consultants.

#### **4.1.2 Expected Results**

- ✓ Procedures, documents, time and costs of doing business in El Salvador reduced to meet the OECD averages as they appear in the 2006 World Bank “Doing Business” document indicators (<http://publications.worldbank.org/ecommerce/catalog/>). Of the ten indicators related to the ease of doing business, achievement of OECD average is expected for at least five of the following eight areas: starting a business, dealing with licenses, hiring and firing, registering property, getting credit, protecting investors, enforcing contracts and closing a business<sup>6</sup>.

#### **4.1.3 Implementation Indicators**

The following identifies the indicators that will guide us throughout the project during the first year of implementation. These indicators are fully intended to match the programmed tasks and meet the expected results within the Task Order and Booz Allen’s proposed methodology.

#### **Table 18: Indicators Achievement and Time Table for the Doing Business Component**

*Please Refer to Appendix 5.1.8*

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<sup>6</sup> This expected results have been modified according to beneficiaries requirement and explained in section 5.1.1 of this document.

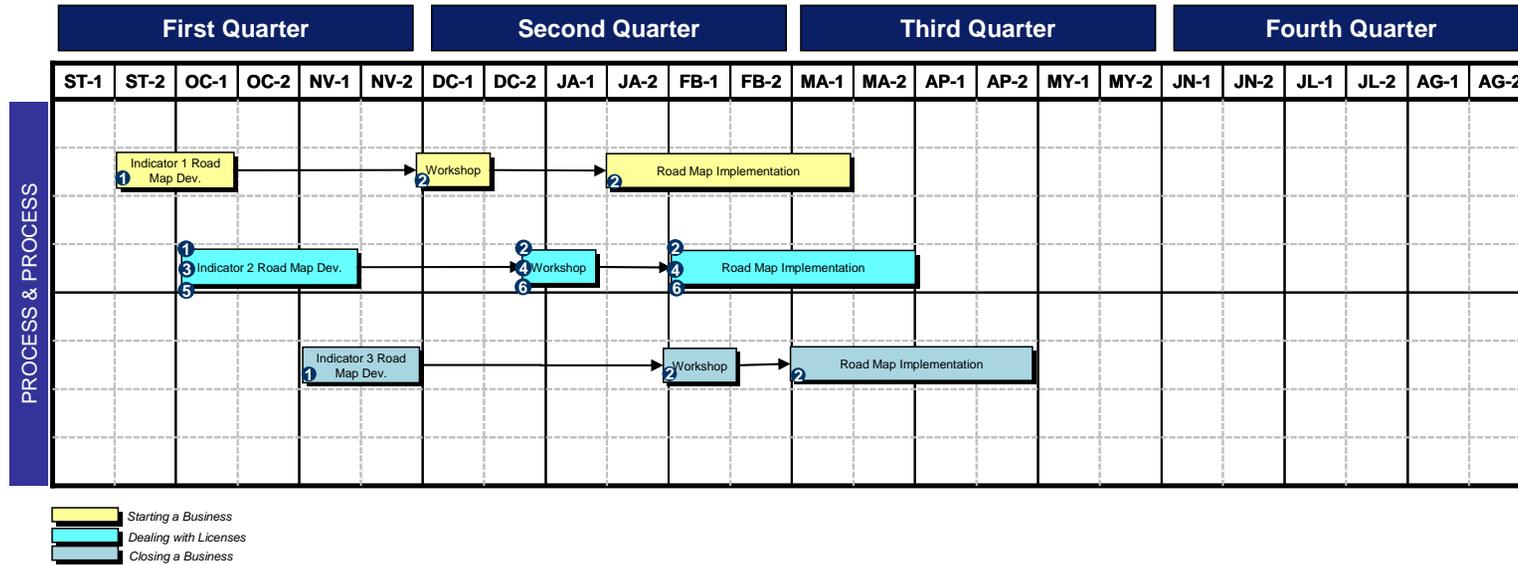
**5. APPENDIX SECTION**



5.1.2 C2 Time Table for year one

		First Quarter				Second Quarter				Third Quarter				Fourth Quarter													
		ST-1	ST-2	OC-1	OC-2	NV-1	NV-2	DC-1	DC-2	JA-1	JA-2	FB-1	FB-2	MA-1	MA-2	AP-1	AP-2	MY-1	MY-2	JN-1	JN-2	JL-1	JL-2	AG-1	AG-2		
PEOPLE				4 Training Workshop I				4 Training Workshop I		4 Training Workshop II		4 Dissemination Workshop															
						4 Lecture								4 Lecture					4 Lecture					4 Lecture			
PROCESS		2 Current Vision & Means Memo		2 Draft Reg's evaluation																							
		3 Permanent Assistance on Study Design and Analysis																									
TECHNOLOGY		1 SW/HW Procurement																									
		1 Web Page Content Support																									
		1 Economic Analysis SW																									

5.1.3 C3 Time Table for year one



#### 5.1.4 CAFTA Requirements Identified

In accordance with CAFTA's **Article 1.4 (Extent of Obligations)** the Agreement requires "the parties to ensure that all necessary measures are taken in order to give effect to the provisions of this Agreement, including their observance, except as otherwise provided in the Agreement, by state governments". In the understanding all articles included in Chapters 3, 4 and 5 shall be complied as for the starting effect of the Agreement on March 2006, for the Government of El Salvador. The exceptions to this consideration are identified in Article 5.11 and copied ahead:

#### *Article 5.11: Implementation*

- (a) Articles 5.2.2(b) and (c) and 5.7 shall apply **one year after** the date of entry into force of the Agreement;
- (b) Articles 5.1.1, 5.1.2, 5.4 and 5.10 shall apply **two years after** the date of entry into force of the Agreement; and
- (c) Article 5.3 shall apply **three years after** the date of entry into force of the Agreement.

The following table lists the articles considered above and its implementation obligations acquired by the GOES upon the entry into force of the Agreement.



5.1.5 Budget Planner

	Authorized Budget	Year One Sept. 06 – Jun. 09			Year Two Sept. 06 – Jun. 09			Year Three Sept. 06 – Jun. 09		
		C1	C2	C3	C1	C2	C3	C1	C2	C3
		<b>Labor</b>	\$ 2,055,693.75	\$ 444,405	\$ 306,090	\$ 231,150	TBD	TBD	TBD	TBD
<b>Travel</b>	\$ 281,028	\$ 92,772	\$ 55,663	\$ 37,109	TBD	TBD	TBD	TBD	TBD	TBD
<b>ODC's</b>	\$ 335,071	\$ 77,188	\$ 44,229	\$ 22,785	TBD	TBD	TBD	TBD	TBD	TBD
<b>Conferences, Study Tours Commodities, Procurement</b>	\$ 577,387	\$ 115,477	\$ 76,215	\$ 39,262	TBD	TBD	TBD	TBD	TBD	TBD
<b>Indirects</b>	\$ 31,324.25	\$ 6,265	\$ 4,134	\$ 2,130	TBD	TBD	TBD	TBD	TBD	TBD

NOTE 1: The present information reflects the programmed budget evolution and is subject to changes according to the project requirements and needs.  
 NOTE 2: The present information does not reflect the estimated amounts for project management.

5.1.6 C1 - Implementation Indicators Customs

TASK ORDER EXPECTED RESULTS	INDICATOR FOLLOWUP			Q1		Q2		Q3		Q4					
	T.O. MILESTONE	INDICATORS	FREQUENCY	Apr-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07
Enable GOES to comply with CAFTA Ch. 3, 4 and 5, including development of legal and regulatory reforms/requirements, manuals, guidebooks and publication of these products.															
1 Regulatory reforms drafted in order to comply with CAFTA Chapters 3, 4 and 5 requirements of the CAFTA	1.1.a	Reports	Quarterly				1 Report / Legal Gap analysis		1 Legal Gap evolution report				1 Legal Gap evolution report		1 Legal Gap evolution report
2 Guidebooks, operating rules, manuals, etc. Prepared and released/published in internet and other channels.	1.1.b	Guide Book	Yearly												1 Guidebook
3 People, process and technology	1.1.a / 1.1.b	Diagnosis	Quarterly						1 IT Diagnosis						
	1.1.a / 1.1.b	People Trained	Quarterly						10						
	1.1.a / 1.1.b	Conferences	Quarterly						1						
	1.1.a / 1.1.b	Study Tours	Quarterly										1		
DGRA Rules of Origin fully operational (i.e. appropriate organizational structure, procedures, authority, operational and compliance guidelines and manuals, fully trained staff) in compliance with CAFTA standards.															
1 Process of improvement of ROO unit	1.2.a / 1.2.b	Reports	Quarterly				1 Report on Orig. Structure								
2 Effectiveness of the ROO unit in doing business and producing results that show progress compared to the situation at the beginning of the assistance and training	1.2.a / 1.2.b	ROO Cases attended	Monthly			Initial Report	Report	Report	Report	Report	Report	Report	Report	Report	Report
3 Guidebooks, manuals, operating rules, protocols, etc. Developed to manage the ROO unit	1.2.a / 1.2.b	Reports	Monthly				1 Report on Procedures		1 Procedures Manual						
4 Development and operation of electronic ROO certifications	1.2.a / 1.2.b	Reports	Yearly						1 IT Diagnosis				Draft Impl. Plan		
5 Enforcement of ROO	1.2.a / 1.2.b	Conferences / Study tours	Quarterly						1 Conference						1 Study Tour
6 DGRA fully trained to comply with CAFTA ROO requirements	1.2.a / 1.2.b	People trained	Quarterly						10			10			
7 Effectiveness of trained staff in managing rules of origin	1.2.a / 1.2.b	ROO Cases attended	Monthly			Initial Report	Report	Report	Report	Report	Report	Report	Report	Report	Report
8 Publication of procedural manuals with operational guidelines for DGRA and ROO Unit headquarters and frontier posts staff for the origin determinations of imported goods that reflect the requirements of CAFTA Chapters 3, 4 and 5.	1.2.a / 1.2.b	Reports	Quarterly				1 Report on Procedures								
9 Development of guidance for importers on how to meet and demonstrate compliance with DGRA's requirements for proof of origin.	1.2.a / 1.2.b	Guide Book	Yearly												1 Drafted Guide Book
10 Number of signatures required to export/import goods and services, number of days to export/import, and number of documents needed for export/import	1.2.a / 1.2.b	Signatures	Yearly												Report on signatures
The DGRA Risk Management Unit with organizational structure, procedures, information systems, fully trained staff, and guidelines/manuals made available to private sector, leading to a reduction of cases selected for inspection from 15% to 5% and all ROO.															
1 Process of improvement of RMU	1.3.a	Reports	Quarterly				1 Report on Orig. Structure								
2 Effectiveness of the RMU in doing business and producing results that show progress compared to the situation at the beginning of the assistance and training	1.3.a / 1.3.b	Profile effectiveness	Quarterly				1 Report on RM profiles			1 Report on RM profiles					1 Report on RM profiles
3 Use the international best practices in the way of doing business	1.3.a	Reports	When applicable						1 Conference						1 Study Tour
4 Development of staff position descriptions	1.3.a	Reports	Quarterly				1 Report on Orig. Structure								
5 Adoption and implementation of procedures and systems that ensure the security of RM records, RM analytical tools, technologies and procedures	1.3.c	Reports	Quarterly				1 Report on RMU evolution	1 Procedures Report	1 IT Diagnosis	1 Report on RMU evolution					1 Report on RMU evolution
6 Development of operational system for effectively communicating RM criteria to other DGRA headquarter units, border posts, other appropriate agencies of the GOES and other national customs services	1.3.d	Reports	Quarterly				1 Report on RMU evolution			1 Report on RMU evolution					1 Report on RMU evolution
7 Use of resources of information on international production, transportation, and distribution chains in high-risk sectors	1.3.a	Reports	Quarterly				1 Report on RMU evolution			1 Report on RMU evolution					1 Report on RMU evolution
8 Training provided on: 1) audit, post-hoc on a sampling basis the occurrence of erroneous staff treatment resulting from fraud or incapacity in the representation of origin or determination of origin of goods for preferential tariff treatment (including 2) for risk assessment, in advance via operation of a RM system enabling customs authorities to prioritize inspection activities on the basis of risk prediction (through exporter, importer, or type of good profiling and targeting) facilitated by computerized IT.	1.3.b	People Trained	Quarterly						10			10			10
9 Implementation of an automated system for collecting appropriate RM information from other DGRA headquarter units, border posts, other appropriate GOES agencies, and other national customs services.	1.3.c	Automated System	Yearly												SW implementations
10 Rate of cases selected for review at customs facilities and the rate of anomalies found the cases selected for review	all	Cases selected for inspection	Monthly				Initial report	Report	Report	Report	Report	Report	Report	Report	Report
DGRA with improved information systems, regulations, training forms and procedures in place to fully implement article 5.2 of CAFTA, including the reduction to no more than 48 hours the average time for clearance and release from customs custody of non risk operators															
2 Administrative structures, staff position descriptions, customs regulations, forms, and procedures to fully implement CAFTA Chapter 5	1.4.a	Reports	Quarterly				1 Report on stakeholders identified barriers		Draft training schedule						
	1.4.b	People trained	Quarterly						10			10			
	1.4.b	Conferences / Study Tours	Quarterly						1 Conference						1 Study Tour
	1.4.b	Reports	Quarterly						1 IT Diagnosis						
streamlined processes for reports and reports that leads to a reduced number of procedures, documents, signatures, transit time, and overall cost of export/import, allowing ES to meet or exceed OECD averages (as contained in the 2006 WB DB Report. By the															
1 Achievement of results of the Action Plan for implementation of CAFTA Article 5.2 and 5.3	1.4.b	Report	Quarterly				1 Report / Legal Gap analysis		1 Legal Gap evolution report				1 Legal Gap evolution report		1 Legal Gap evolution report
3 Time for clearance and release of non-risk-determined goods to no more than 48 hours in customs.	1.4.c	Reports	Quarterly				1 Report on stakeholders identified barriers								
	1.4.e	Decrease Clearance Time	Quarterly				Report on current WB indicators			Monitoring report					Monitoring report
	1.4.e	Decrease number of documents / dep.	Quarterly				Report on current WB indicators			Monitoring report					Monitoring report
	1.4.e	Decrease number of documents / imp.	Quarterly				Report on current WB indicators			Monitoring report					Monitoring report
	1.4.e	Decrease number of signatures / exp.	Quarterly				Report on current WB indicators			Monitoring report					Monitoring report
	1.4.e	Decrease number of signatures / imp.	Quarterly				Report on current WB indicators			Monitoring report					Monitoring report
	1.4.e	Time for exporting	Quarterly				Report on current WB indicators			Monitoring report					Monitoring report
	1.4.e	Time for importing	Quarterly				Report on current WB indicators			Monitoring report					Monitoring report

**5.1.7 C2 - Implementation Indicators Competition**

TASK ORDER EXPECTED RESULTS		INDICATOR FOLLOWUP			Q1			Q2			Q3			Q4		
#	TASK ORDER PERFORMANCE INDICATORS	T.O. MILESTONE	INDICATORS	FREQUENCY	Ago-06	Sep-06	Oct-06	Nov-06	Dic-06	Ene-07	Feb-07	Mar-07	Abr-07	May-07	Jun-07	Jul-07
At least 15 staff (out of 25 approximately) have documented capability of assessing intensity of competition, non-competitive practices and consumer welfare costs and savings																
1	Timely procurement of Information Technology and office equipment	2.a	Delivery / Reports	Quarterly				Delivery of VC equipmt.	IT Evaluation Report							
2	Development of internal operating procedures and guidelines to investigate competition cases.	2.d	Reports	Quarterly												
3	Staff trained in aspects of administrative law and procedure, civil procedure, competition analysis, and investigative skills.	2.d	People Trained	Quarterly			10									
At least 25 studies on the state of competition and non-competitive practices on 25 industries completed.																
1	Applied studies analyzing status of the competition in industry sectors	2.e	Number of Studies	Yearly						1			1			1
2	Applied studies prepared by the Superintendency staff	2.e	Number of Studies	Yearly												3
Enable the SC to have sufficient procedures, policies, etc. in order that they are able to rule on non-competitive practices that produce at least \$30 million in savings for consumers by the end of the activity.																
1	Development of secondary regulations and norms required to implement the Competition Law	2.c	Reports	Quarterly			1 Memo on Vision and Needs									
		2.c	Savings in USD	Quarterly				Draft quantitative structure			Savings report			Savings report		
Competition Law well advocated through different type of publications and efficiently implemented through a well established legal framework																
1	Adjudication of cases and effectiveness in enforcing the Competition Law in accordance with international best practices	2.b	Number of cases	Quarterly				Report on number of cases			Report on number of cases			Report on number of cases		
2	Cases brought for its investigation and adjudication based on either referrals from the GOES or applications received from the Private Sector or the public or consumers.	2.b	Number of cases	Quarterly				Report on number of cases			Report on number of cases			Report on number of cases		
3	Activities and publications aimed to advocate the Competition Law.	2.b	Conferences	Quarterly						1 Conference						
		2.b	Workshops	Quarterly				1 Workshop	1 Workshop	1 Workshop						
		2.b	Lectures	Quarterly			1 Lecture					1 Lecture	1 Lecture		1 Lecture	

5.1.8 C3 - Implementation Indicators Doing Business

TASK ORDER EXPECTED RESULTS		INDICATOR FOLLOWUP			Q1			Q2			Q3			Q4				
# TASK ORDER PERFORMANCE INDICATORS		T.O. MILESTONE	INDICATORS	FREQUENCY	Ago-06	Sep-06	Oct-06	Nov-06	Dic-06	Ene-07	Feb-07	Mar-07	Abr-07	May-07	Jun-07	Jul-07		
Procedures, documents, time and costs of doing business in ES reduced to meet the OECD averages as they appear in the 2006 WB "Doing Business" document indicators. Of the ten indicators related to the ease of doing business, achievement of OECD average is expected for at least five of the following eight areas: starting a business, dealing with licenses, hiring and firing, registering property, getting credit, protecting investors, enforcing contracts and closing a business.																		
1	Dealing with Licenses	NA	Number of procedures	Bi-quarter						Evolution Report						Evolution Report		
		NA	Duration / Time	Bi-quarter						Evolution Report							Evolution Report	
		NA	Costs	Bi-quarter						Evolution Report							Evolution Report	
2	Closing a business	NA	Time	Bi-quarter						Evolution Report							Evolution Report	
		NA	Costs	Bi-quarter						Evolution Report							Evolution Report	
		NA	Recovery Rate	Bi-quarter						Evolution Report								Evolution Report
3	TBD	NA	TBD	TBD														
4	TBD	NA	TBD	TBD														
5	TBD	NA	TBD	TBD														