



USAID
FROM THE AMERICAN PEOPLE

A REVIEW OF NATIONAL COMPETITIVENESS COUNCILS IN LATIN AMERICA AND THE CARIBBEAN

September 26, 2008

This report was produced for review by the United States Agency for International Development. It was prepared by Chemonics International Inc.



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ACRONYMS

ACS	Acuerdos de Competitividad Subnacional
ANEP	Asociación Nacional de la Empresa Privada
CNPC	Consejo Nacional de Productividad y Competitividad
COHEP	Consejo Hondureño de la Empresa Privada
CPC	Consejo Privado de Competitividad
DR	Dominican Republic
FDI	Foreign direct investment
FIDE	Fundación para Inversión y Desarrollo de Exportaciones
FMPS	Fondo Mixto para la Promoción de Competitividad Subnacional
FONDEC	Fondo de Competitividad
FUSADES	Fundación Salvadoreña para el Desarrollo Económico y Social
IFC	Institutions for Competitiveness
INCAE	Instituto Centroamericano de Administración de Empresas
IMCO	Instituto Mexicano para Competitividad
JEA	Jamaica Exporters' Association
JTI	Jamaica Trade and Invest
LAC	Latin America and the Caribbean
MBC	Movimento Brasil de Competitividade
NCC	National Competitiveness Council
NGO	Non-governmental organization
PIOJ	Planning Institute of Jamaica
PMU	Programme Monitoring Unit
PPP	Public-Private Partnership
PRONACOM	Programa Nacional de Competitividad
SBPC	Sistema Boliviano de Productividad y Competitividad
TGCC	Target Growth Competitiveness Committee
USAID	United States Agency for International Development
WEF	World Economic Forum

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The staff at Chemonics International played an important role in working on the study: Peter Bittner, for his guidance and insights; Preston Motes, whose contributions to the research were substantial and critical; Cristina Alvarez, Leia Smithner, Monica Underwood, and Patricia Yanes provided key administrative and logistical support.

EXECUTIVE SUMMARY

BACKGROUND AND PURPOSE

In a globalized economy, it is more urgent than ever for companies of all sizes to compete in domestic and international markets in order to survive and to contribute to economic growth and poverty reduction. USAID is keenly aware of this imperative and has been encouraging and supporting competitiveness and related initiatives, including assistance to National Competitiveness Councils (NCCs) to strengthen their institutional capacity and expand their activities and effectiveness.

USAID/LAC is focusing on three areas: national competitiveness councils, the enabling environment/Doing Business indicators, and the effectiveness of private-sector competitiveness projects. This report addresses the first of these areas but does not assess the impact, performance, or results of the councils, nor does it deal directly with causality — i.e., the link between a council’s activities and specific outcomes and impacts. That will be done in a series of case studies.

SUMMARY OF PRINCIPAL FINDINGS

Leadership

- Leadership, in both the public and private sectors, as well as the NCCs, was considered to be an — and by some, *the* — essential factor in ensuring the success of a NCC. In most cases, the presence and commitment of the country’s president is also seen as key to the effectiveness of an NCC, particularly his/her *poder de convocatoria* (convening power). This was also defined in part as political will.
- Changes in government, ideology, and political fortitude can and sometimes do impede public actions designed to foster competitiveness.

Types and Structure

- There is a broad spectrum of types of NCCs and systems, with no universal model, although key functions and roles are similar. Most tend to be relatively young, established after 2000. They range from highly sophisticated and complex to disorganized and unstructured.
- Most competitiveness “action” is reported to be at the local or other sub-national levels, where, in some countries, local councils operate in addition to the national NCCs. This is where clusters, value chains, and companies are directly involved.
- Mixed private and public sector participation is imperative for effective NCCs. This mixing can happen within a council’s board of directors or through other participatory mechanisms. Some NCCs, such as Colombia’s, also include organized labor, civil society groups, and academia, although labor is not often a prominent participant.

- Most NCCs function within the framework of a national competitiveness or development agenda, plan, or strategy, no matter how perfunctory the plan may be.

Roles

- An NCC is often essential to coordinate national initiatives, particularly when many institutional actors are involved. This maximizes opportunities for efficiencies and results, especially in terms of policy, regulatory, and institutional reform.
- In countries with no NCC, Institutions for Competitiveness (IFCs) play the role but only to a limited extent, as they lack direct public-sector participation and cannot act as coordinating hub for a national competitiveness initiative. IFCs often include private sector associations with specific interests and agendas, especially export promotion organizations.
- In countries with an NCC, many other public and private entities also deal with competitiveness. In the Dominican Republic, for example, there are three ministries, four agencies, and at least four private-sector organizations that promote competitiveness and related issues.
- Competitiveness is seen as a process, dynamic and continually responding to shifting market signals. The NCCs collect and disseminate market intelligence and provide appropriate policy, regulatory, institutional, training, and assistance interventions to maintain and improve competitiveness.

Financing

- NCCs tend to be modestly funded, typically receiving resources from national governments, donors, and — in at least one instance — endowments. Private councils are funded by dues, fees for service, corporate donations, and endowments, and in some cases receive government funding as well as donor support.
- Public NCCs receive budget allocations from their respective governments. In addition, donors — primarily the IDB, World Bank, and, to a lesser extent, USAID — continue to support NCCs.
- Funding is vital to sustainability, particularly in the public sector, where changes in government can result in withdrawal of support, as is the case in Bolivia.

Mindset and Values

- Achieving greater competitiveness is largely a question of the attitudes of individuals, institutions, and society at large. This speaks to the larger national value framework, in which institutions and individuals reflect the prevailing social norms that determine how they behave and interrelate.
- Trust was frequently cited as key to developing greater competitiveness, reducing transaction costs, creating relationships that produce greater efficiencies, and laying the ground work for consensus.

“Institutionality”

- “Institutionality” was another constant theme: stronger, more professional, and more transparent government and private-sector institutions are needed to enhance business competitiveness.
- It was widely felt that there is a critical need for governments to modernize bureaucratic and legal procedures to reflect the changing economics of the global

marketplace. Similarly, NCCs' credibility and legitimacy were universally seen as the result of institutionalized, professional, nonpartisan, apolitical staff.

- A pragmatic, rather than an ideological, approach to addressing issues was felt to be critical. This is vital to the effectiveness of NCCs, however hobbled by other forces they may be. It also impacts a council's ability to survive changes in government.

LESSONS LEARNED

There was a substantial consensus on lessons learned and best practices among interviewees and survey respondents.

Dialogue. Not surprisingly, the need for the private and public sectors to engage in sustained dialogue was considered essential to the competitiveness process. Organized labor, civil society, and academia also reached this conclusion. A participatory process creates stakeholders who provide valuable input for policy and other proposals and who can mobilize constituent support for the necessary reforms to improve competitiveness.

Public/private partnerships. Public/private partnerships are key to advancing a national competitiveness agenda. They are a tangible way to bring both sectors together to implement concrete actions.

Transparency. The more transparent an NCC's governance, the greater its credibility and potential for impact. While not a guarantee of successes, transparency builds support for a council and its activities.

Central coordinating authority. For countries without an NCC, the establishment of a central coordinating authority is key to advancing a national competitiveness agenda, creating economies of scale, and focusing on specific issues and impediments to competitiveness.

Leadership. An NCC needs vision and leadership to function optimally. This needs to come especially from the president, but the legislature, private sector, civil society and NCC as well. All institutional actors should play a leadership role in order to maximize reforms to improve competitiveness.

Political will. Political will is crucial to the success of competitiveness initiatives and effective NCCs. Once again, the need for presidential and other high-level support, both executive and legislative, was cited as critical for an NCC to move the national competitiveness agenda forward.

Professional and political independence. NCC's technical staff is another key factor in the councils' effectiveness. Their apoliticism and competence endow NCCs with the legitimacy necessary to perform credible work and enhance their impact. This kind of professionalism and nonpartisanship may also help NCCs survive changes in government.

Mindset and values. A nation’s value system plays a pivotal role in competitiveness at the national, regional, local, cluster, and company levels. As J.E. Austin Associates’ 2001 “Competitiveness Interventions” report for USAID noted, “[T]he leading constraint to competitiveness at the level of a nation, industry cluster or firm is the mindset of the leadership.”

Individuality. There is no “one size fits all” approach to NCCs, nor should there be. Each council — real or potential — reflects the country’s culture, history, and political and economic realities. What works in one country and society may not work in another. The role, structure, operations, and governance of a council must be appropriate to the cultural, political, and economic contexts in which it functions.

Funding. NCCs, especially those that are government entities, require long-term financial commitments to ensure sustainability and immunity from changes in government. This is a major challenge. Endowments are perhaps most effective in achieving financial independence, but acquiring sufficient funds can be difficult. Another option is dedicated taxes or trust funds, but these would also require considerable effort.

CONCLUSIONS

At present, it is not possible to make definitive judgments on NCCs and their impact on strengthening the competitiveness of LAC countries, partly because most NCCs were established only in the last four to five years. However, the private sector demand for their services and the initial, if limited, successes many have enjoyed are clear signs that NCCs are providing a valued service. In the coming years, NCCs deserve increased attention in order further to understand their role and to multiply their impacts in helping LAC countries compete and prosper in the global marketplace.

I. BACKGROUND AND PURPOSE

In a globalized economy, it is more urgent than ever for companies of all sizes to increase their ability to compete in both domestic and international markets if they are to survive and contribute to economic growth, job creation, and poverty reduction. USAID is keenly aware of this imperative. It has been actively encouraging and supporting competitiveness and competitiveness-related initiatives — including assistance to national competitiveness councils (NCCs) to strengthen their institutional capacity and expand their activities and effectiveness.

Recently, the Latin American and Caribbean region (LAC) has enjoyed relatively strong economic growth. However, while LAC has experienced some reduction in poverty over the past decade, the pace is not yet sufficient to achieve the goal of cutting poverty in half by 2015. Moreover, many LAC countries have yet to define a viable, broadly based economic development strategy to sustain positive growth and increase productivity.

In response to this situation, USAID/LAC is sponsoring a series of studies to help identify lessons learned and proven best practices in the area of competitiveness. Specifically, USAID/LAC is focusing on three areas impacting competitiveness: 1) national competitiveness councils (NCCs); 2) the enabling environment/“Doing Business” indicators; and 3) case studies examining selected countries’ broader competitiveness systems, including donor-funded private sector competitiveness projects. This study addresses the first of these areas.

USAID understands the potential importance of NCCs, particularly as they provide a forum for public-private dialogue around key competitiveness issues. However, USAID commissioned this study to examine the role, structure, operations, and activities of NCCs in the region in order to better understand their value and importance to increasing the competitiveness of LAC countries. Thus, this is not a study about competitiveness per se; rather, it focuses on those institutional actors — in particular NCCs — that seek to promote competitiveness at the national, regional and local levels.

The complete series of studies to which this will contribute will be a potentially valuable input for the design and implementation of program interventions geared toward boosting private sector competitiveness to help countries grow and provide greater economic opportunity for the poor. The objectives are to foster greater economic growth and to benefit the region’s poor by identifying and disseminating best practices that permit a more participatory approach to building consensus for trade-led programs, improving policy and regulatory environments, and supporting business growth.

II. METHODS AND LITERATURE

METHODS

This study is based on the examination of the NCCs and selected business sector and civil society organizations in 18 countries in the LAC region, including Guyana, Jamaica, and all the Spanish-speaking nations except for Argentina and Venezuela, where there is no USAID presence.¹ Resources and time did not permit inclusion of the smaller Eastern Caribbean states and Haiti.

Given the purpose and scope of the study, as well as resource and time constraints, a straightforward methodology was employed, consisting of document and web site review; a written survey of the NCCs and/or business and sector associations in the 18 countries; and semi-structured interviews with key private and public sector leaders in seven countries, where brief on-site visits were conducted.² In those nations where an NCC did not exist, interviews were conducted with the leaders of the main government agencies and “institutions for competitiveness,” or IFCs — business sector associations that address competitiveness issues. Of the 18 NCCs and IFCs included in the survey, 12 (66 percent) responded.³

The study does not assess the impact, performance, or results of the NCCs, nor does it deal directly with causality — i.e., the link between an NCC’s activities and specific outcomes and impacts. (Causality will be addressed in a subsequent series of case studies.) The objective of this study is to identify lessons learned and best practices for USAID’s use in continuing to strengthen competitiveness — in particular among the institutions instrumental in developing and implementing initiatives — and to help productive sectors compete more effectively in global marketplace. In addition, the findings and conclusions of the study serve heuristic purposes, formulating propositions to be tested in the case studies.

LITERATURE

While a wealth of literature on competitiveness, clusters, and value chains is available, a review of bibliographies and web sites yielded hardly any analyses on NCCs, at least with respect to LAC. One exception was *Institutions for Competitiveness in Colombia*, a summary report drafted by Michael Porter and colleagues in 2002. That report follows essentially the same methodology used in this report, examining institutions for competitiveness generally if not NCCs specifically.⁴ Also, James Fox touches on the subject in the *Report on Competitiveness Promotion in Colombia and El Salvador*. While useful, that report is only a small part of a much larger analysis of competitiveness promotion. And, as Fox points out, at the time of the study in 2003, Colombia did not

¹ USAID has not had a presence in Chile for many years. However, Chile is considered to be the most competitive country in the hemisphere after Canada and the United States, and it has been included in the study to serve to some degree as a standard against which the competitiveness capacity of the nations included in the analysis can be compared.

² The countries visited were Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Jamaica, and Peru.

³ Countries from which NCCs/IFCs did not respond included: Bolivia, Brazil, El Salvador, Nicaragua, Panama, Paraguay and Uruguay. Guatemala did respond, but the competitiveness organization there is still a program and does not have an NCC or IFC.

⁴ M. Porter *et al.*, “Institution for Competitiveness in Colombia: Summary Report,” prepared for the Andean Competitiveness Project, Harvard University and the Corporación Andina de Fomento, February 14, 2002.

have an NCC. One had been established in 1993 but focused on sectoral planning, subsidies, and bailouts, rather than firm-level productivity.⁵ The present NCC in Colombia was established by presidential decree in 2006, aside from the Private Council on Competitiveness that was created in 2007. El Salvador did not and still does not have an NCC.

The Mitchell Group prepared an assessment of cluster-based approaches to competitiveness that argues that in some cases NCCs may be counter-productive as they can drive competitiveness initiatives instead of the clusters, and that would “detract from the highly participatory process that underlies cluster development” and create tensions.⁶ Yet the report also notes that the NCCs are very effective in promoting dialogue between the public and private sectors as well as fostering public-private partnerships that promote competitiveness, and serve as mechanisms that facilitate both bottom-up and top-down communication. It should be noted that NCC-cluster tensions were not mentioned in any of the interviews or responses to the survey.

The absence of literature on NCCs themselves makes the current study all the more compelling. The analysis will help shed light on the relatively untouched topic of NCCs and their role in and contributions to competitiveness and economic growth in LAC. The case study series should prove especially fruitful, as it will cover NCCs, as they fit within countries’ broader competitiveness systems, in much more depth, exploring their impact, performance, and results on competitiveness at the institutional, policy, regulatory, cluster, and company levels.

⁵ James W. Fox, *Report on Competitiveness Promotion in Colombia and El Salvador*, Final Report, The Louis Berger Group, Inc., 2003.

⁶ *Promoting Competitiveness in Practice: An Assessment of Cluster-based Approaches*, prepared for USAID, The Mitchell Group, Inc., November, 2003.

III. KEY QUESTIONS

Before outlining the key questions that were examined, defining the term “competitiveness” as used in this report will be helpful. While the concept has several competing definitions, there seems to be agreement that competitiveness is the relative ability of a business to produce goods or services at a price that permits it to outsell its rivals, as well as the capability and willingness of a country to be able to put in place the policy and institutional frameworks and support services that help businesses maximize their productivity.

The principal questions explored in this study are:

- What are the functions and role of NCCs?
- How are they structured?
- What is their composition?
- How are they managed?
- What is their governance?
- How are they financed?
- What is the impact of social values and the political culture in determining their ability to operate?
- What is the impact of the larger national business environment and value framework on their operations and relationships with government and the private sector?
- What are the principal impediments to their ability to function effectively?
- What are the ingredients for their success?

As will be seen, a range of NCC models exists. Indeed, no model is repeated in more than one country. Each council is as distinct as the environment in which it operates. Even so, some characteristics are common to all NCCs, and they face many similar constraints in achieving their goals.

IV. PRINCIPAL FINDINGS

Many of the study's findings are intuitive and, not surprisingly, reflect much of the anecdotal material already collected on NCCs. They are based primarily on what was reported in the interviews and the survey, as well as relevant documents. However, parts of the analysis and the conclusions sections are the interpretations of the authors. Specific findings include the following.

LEADERSHIP

- Leadership, in both the public and private sectors, was considered to be an essential factor — by some, *the* essential factor — in ensuring the success of an NCC. Leadership is perceived as the glue that binds together the various factions that compose the NCC and/or competitiveness strategy/system.
- It is the leaders in both the public and private sectors that provide the vision, citing the need to strengthen competitiveness and establish the institutional framework (i.e., an NCC) to carry out the necessary actions.
- The presence and commitment of the president of the country, particularly where he or she is the titular if not *de facto* head of the NCC, is also reported in almost all cases to be key to the effectiveness of the council, especially his/her *poder de convocatoria*, i.e., power to convene.⁷ This was also defined in part as political will. That is, where the political leadership is prepared to push for implementation of an organized competitiveness agenda carried out by a NCC, the chances for success are greatly increased.
- Changes in government, ideology, and political fortitude can, and at times do, constitute impediments to public decisions and actions designed to foster competitiveness.

TYPES AND STRUCTURE

- There is a broad spectrum of types of NCCs - and systems - with no universal model, although the key functions and roles are similar. Most tend to be relatively young, established only after 2000. They range from highly complex systems and relatively sophisticated organizations to disperse, inchoate, and virtually uncoordinated entities. Jamaica, for example, has three fledgling organizations within government entities (the Prime Minister's Office, the Planning Institute of Jamaica, and Jamaica Trade and Invest) that function or aspire to function as NCCs. There is also the private sector's "Competitiveness Company," part of the Jamaica Exporters' Association's private sector development program.

⁷ While there was universal agreement that the leadership of the national president is vital to creating and maintaining a successful NCC, it was said to be equally critical to take steps to avoid creating the perception that the NCC was a captive of the president. Rather, it has to be viewed as a professional, independent, apolitical entity. The president invests in it a certain authority and his or her presence gives the NCC the convening power that is so important to a council's ability to function authoritatively. Aside from that, the president should keep a relatively low profile.

- In some countries, the “action” is reported to be at the local or other sub-national levels, where local competitiveness councils operate in addition to the NCCs at the national level. This is where clusters, value chains, and companies are directly involved. There are different models and mechanisms for linking policy dialogue between sub-national councils and national councils. The sub-national councils frequently arrange for technical assistance to companies and clusters in addition to working with regional and municipal authorities to improve the local business climate. These firms are the key in that they have to survive, if not thrive, irrespective of the business climate. While their survival and profitability in a free market depend to some degree on the policy environment, there needs to be a priority emphasis on the companies’ ability to produce goods and/or services that can compete successfully in an increasingly globalized market — even if the policy, regulatory, and institutional environments still require significant reform.
- Mixed private and public sector participation is imperative for an NCC to function effectively. This mix can be achieved either directly through the council board of directors or through other participatory mechanisms. Some NCCs, such as Colombia’s, also include organized labor and civil society groups as well as academe, although labor representatives do not tend to participate prominently in most NCCs.
- Most NCCs function within the framework of a national competitiveness or development agenda, plan, or strategy, however perfunctorily. The majority of governments seem to be aware of the need for or otherwise feel compelled to develop a reference point or document. Where NCCs exist, it is typically their mandate to act as the *ente rector*, or the governing entity, coordinating activities and organizations dealing with competitiveness issues.

ROLES

- An NCC is typically essential to coordinate national competitiveness initiatives, particularly where many institutional actors are involved, in order to maximize the opportunities for efficiencies and results, especially in terms of policy, regulatory and institutional reforms. This is achieved in large measure through the council’s convening authority, or *poder de convocatoria*. Similarly, NCCs serve to channel feedback from the private sector, especially clusters, to policy makers.
- Another critical function of the NCC is to serve as a catalyst and/or facilitator, bringing together the various sectors — public, private, civil society, organized labor, academic — to address shared concerns and develop and implement common agendas.
- There seems to be adequate space for dialogue between the public and private sectors and much agreement on problems and solutions. What is needed now is an emphasis on devising ways to turn common agendas into shared achievements.
- In countries with no NCC, IFCs tend to serve in that role to a limited extent, although they do not have direct public sector participation nor are they able to act as a

coordinating hub for national competitiveness initiatives. Often these include private sector associations with specific sector interests and agendas, especially export promotion organizations.

- Countries with NCCs also have a host of other public and/or private entities that deal with competitiveness. For example, in the Dominican Republic (DR), the Ministry of Industry and Commerce; the DR Export and Investment Center; the Corporation for Industrial Development; the Ministry of Agriculture; the Ministry of Education, Science, and Technology; and the National Institute for Professional and Technical Development all are involved in promoting competitiveness. In addition, at least four more organizations in the private sector work on competitiveness issues.
- Competitiveness was described as a process as well as “a state of mind.” It is dynamic, responding continually to shifting market signals. The NCCs have an important role to play in collecting and disseminating market intelligence and helping to provide the appropriate policy, regulatory, institutional, training, and assistance interventions to maintain and improve competitiveness.

CULTURE AND VALUES

- Achieving greater competitiveness is largely a question of attitude on the part of individuals, institutions, and society at large. That speaks to a larger cultural issue that frames the national value system in which institutions and individuals reflect the prevailing cultural norms that determine how they behave and interrelate with each other.
- Trust was frequently cited as a key to developing greater competitiveness, to the extent that it lowers transaction costs and creates the kinds of relationships that produce greater efficiencies while also laying the ground work for achieving consensus on issues.

“INSTITUTIONALITY”

- *Institucionalidad*, or “institutionality,” was another constant theme; that is, stronger, more professional and transparent governmental and even private sector institutions that adhere to the rule of law are needed in order to enhance the competitiveness of businesses.
- By the same token, it was widely felt that there is a critical need for governments to modernize their bureaucratic and legal procedures to reflect changing rules of the economic game in a globalized market place.
- In much the same vein, the credibility and legitimacy of the NCCs were universally reported to be based on the existence of an institutionalized, professional, non-partisan, and apolitical staff.
- A pragmatic rather than an ideological approach to addressing relevant issues was felt to be critical. This is vital to the effectiveness of NCCs, however hobbled they may

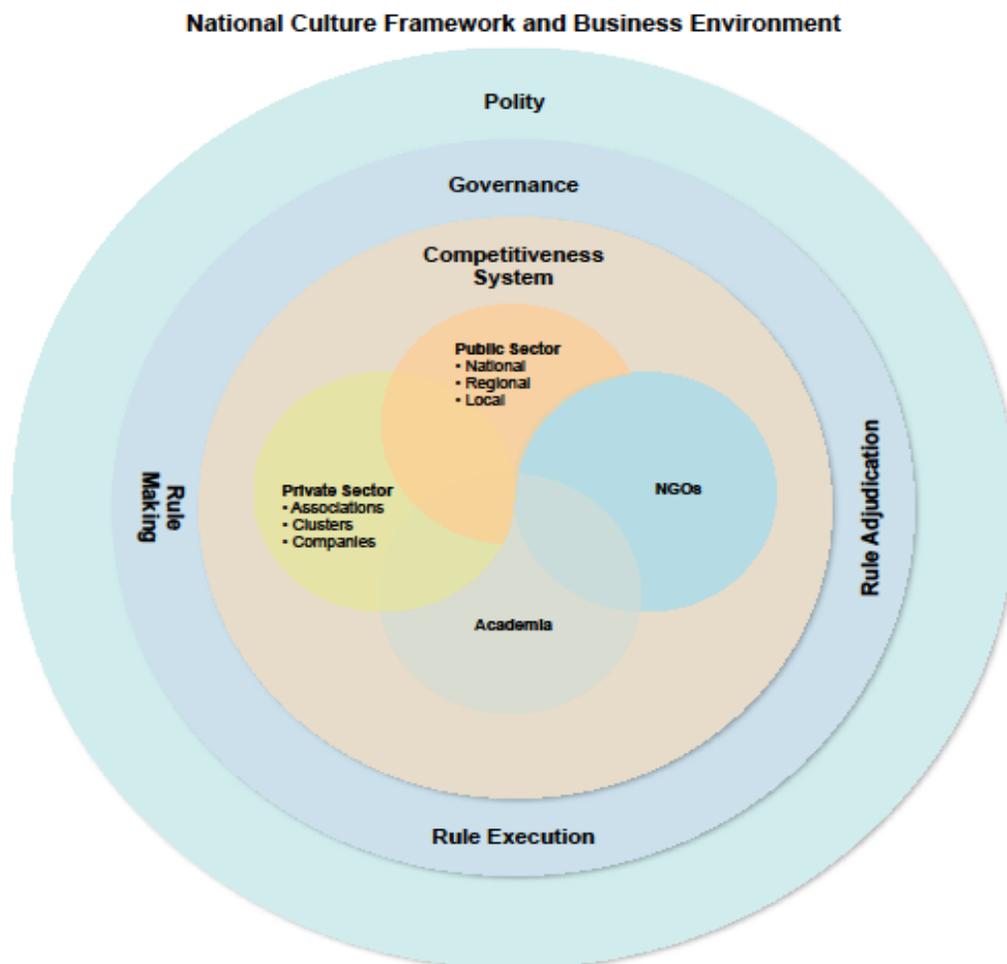
be by other forces. And it is also responsible in some measure for the ability of the NCCs to survive changes in government.

V. ANALYSIS

THE CULTURAL CONTEXT AND BUSINESS ENVIRONMENT

In order fully to understand the role, functions, structure, and operations of NCCs and IFCs in the Latin America and Caribbean region, it is important to put them into the various national cultural contexts in which they function (see the illustration below). Institutions, particularly in the public sector, are a product of a nation's values and behaviors. The processes for rule making, rule execution, and rule adjudication impact competitiveness. They stem from the political culture and constitute a key variable in defining institutional and individual relationships, which in turn influence economic performance. As Inglehart states, "Specific cultural factors are crucial [as they are] related to economic and macro political developments."⁸

A report to USAID by J.E. Austin Associates, Inc. comes to a similar conclusion in a 2001 review of USAID-sponsored competitiveness initiatives. It "found that *the leading*⁹ constraint to competitiveness at the level of a nation, industry cluster or firm is the



⁸ Ronald Inglehart, *Modernization and Post Modernization*, Princeton University Press, 1997.

⁹ Italics added.

mindset of the leadership. That is why competitiveness initiatives seek to change the mindsets first and then work on technical implementation.”¹⁰

Perhaps the most recent comprehensive study of the impact of national values, environments, and experiences on development and competitiveness is Dani Rodrik’s book *One Economics, Many Recipes*.¹¹ Rodrik cites some lessons that are useful in understanding the functioning of NCCs. He stresses the need for using “local knowledge” in designing interventions. Similarly, he cautions against being too hasty to replicate institutional “models” in their entirety that may have worked well elsewhere. For example, he talks about the need to be “cognizant of the context-specificity of desirable institutional arrangements,” acknowledging that “countries may be tempted or forced to imitate institutional arrangements for political or other reasons, even when their underlying conditions are too dissimilar for the [model] to make sense.”

National political culture is another factor that can constrain or foster competitiveness. Political will was reported constantly as crucial to advancing a competitiveness agenda. Governments must be committed to the extent they are willing to take the political “heat” from opponents and present a long-term — i.e., beyond their time in office — vision and plan for strengthening national competitiveness. Creating NCCs, especially mixed councils, is one important way of institutionalizing this commitment and maximizing its chances for longevity — although it is not a total guarantee, as subsequent governments can reduce budgets or even eliminate an NCC entirely. Even in Colombia, where there was an active NCC, it was disbanded in 1997 and only reconstituted in 2006. In Bolivia, the Sistema Boliviano de Productividad y Competitividad (SBPC), which was established in 2001, has since been allowed to languish under the new administration, has no budget, and is all but defunct. That is not entirely surprising, given the ideological position of the current government.

COMPETITIVENESS SYSTEMS AND NCCs

Virtually all of the countries included in the study have national competitive systems, plans, or agendas that include NCCs either as the central organizing authority or as one of a set of institutions mandated to address competitiveness issues. These systems range from complex arrangements such as in Colombia, which includes at least 25 government ministries and agencies, NGOs, private sector associations, and academic institutions at the national level alone, as well as departmental governments and competitiveness councils and clusters at the regional and local levels, to nascent initiatives such as Jamaica’s National Summit. This initiative in Jamaica resulted, among other actions, in the formation of the Programme Monitoring Unit (PMU) in the Prime Minister’s Office; the Target Growth Competitiveness Committee (TGCC) in Jamaica Trade and Invest (JTI), the government’s trade and investment promotion agency; and the Planning Institute of Jamaica’s (PIOJ’s) Productivity Council, which has yet to hire a full staff complement. Given that there is a potential for a large number of institutional actors to be involved in a national competitiveness system, it is essential to have a central

¹⁰ “Competitiveness Interventions: A Review of J.E. Austin Associates’ Global Experiences, prepared for USAID, December 2001.

¹¹ Dani Rodrik, *One Economics- Many Recipes; Globalization, Institutions and Economic Growth*, Princeton University Press, 2007.

coordinating authority. This was a theme that emerged from both the on-site interviews as well as the survey. In fact, some respondents even felt that in order for the system to function effectively, it was necessary to have the president (or prime minister) of the country chair the NCC, at least nominally. Others implicitly drew the same conclusion, citing the critical need for the NCC to have convening authority in order to bring together and coordinate all the principal actors in the system.

The genesis of the NCCs themselves has been mixed. At least four were reported to have been established in large measure as the result of encouragement by a donor agency such as IDB, World Bank, or USAID. Five indicated that they were established at the initiative of the government, though two of those received their initial impetus from the private sector. In the cases of Mexico and Colombia, private sector councils were established independently. The fact is that the private and public sectors, along with donor agencies, have recognized the need for NCCs, although some countries have been more timely, effective, and organized in establishing their councils. Similarly, the performance of the councils, even as measured by casual observation, is uneven. There are several reasons for the differences, as will be explained in subsequent sections.

NCC ROLES AND FUNCTIONS

Roles

Overall, NCCs — i.e., public Councils — are typically mandated to carry out or coordinate the implementation of a national competitiveness strategy, agenda, plan, or system, depending on the framework that the particular country has adopted and under which it operates. While NCCs vary to some degree in their specific functions and structure, the perception and utility of their roles is generally consistent. These are: serving as a facilitator and catalyst; promoting dialogue between the public and private sectors; providing continuity across governments; and furnishing leadership. Typically, NCCs do not by themselves take direct actions to address issues and solve problems, but propose reforms and other initiatives.

CATALYST

NCCs serve to catalyze relationships between the private and public sectors, as well as to form links with civil society, including organized labor and academe. This is a primary role, as competitiveness depends on broad-based support for agreement on and adoption of required policy and institutional reforms. NCCs are the central organizing authority to help bring this about. As an integral part of that role, they also serve as critical fora for promoting and supporting the kind of public-private dialogue that leads to consensus on key issues impacting competitiveness and permits an exchange of ideas for the development of necessary policy and institutional reforms. The dialogue process is fundamental to creating and motivating the necessary stakeholders to push for and bring about the relevant reforms. This is what one government official in the Dominican Republic meant when he said that competitiveness is a process.

CONTINUITY

As most NCCs are relatively new, the jury is still out on their ability to survive changes in government in any sustained manner and thereby provide continuity. Of course, in the case of private competitiveness councils, such as those in Colombia and Mexico, changes in administrations would not have the same impact as on those NCCs that are public and depend on government funding and political support.

The example of Ecuador may be the most instructive, where its council has been able to survive three governments since its inception, mostly by maintaining a low profile, but at a reported cost to its effectiveness. In Guatemala, the Programa Nacional de Competitividad (PRONACOM), though not yet institutionalized as an NCC, also has continued and even flourished through changes in government, but in this case, serving as a testimony to the perceived value of the initiative. Bolivia is the counterpoint, where a populist government and the adoption of increasingly socialist economic policies have proven to be hostile to competitiveness institutions, at both the national and departmental levels, that were established under previous administrations.

It seems as if survivability depends on different factors, including the political commitment (and ideology) of the government, especially the president or prime minister; the credibility of the NCC staff as non-partisan and technically competent, serving as a technical secretariat; the ability to ensure the continuity of sufficient financial and human resources; constituent support from the private sector; and similar support (or at least not strong opposition) from organized labor and civil society groups.

Of course, survivability should not be confused with effectiveness. The NCCs in Ecuador and Peru, for example, have survived political transitions but remain relatively weak, at least as compared to others elsewhere.

The absence of strong, organized opposition also helps NCCs survive changes in government. This will most likely be put to the test soon in Ecuador, where a sizable faction of the ruling party is opposed to a market economy and, in effect, is challenging what was reported to be the president's willingness to entertain some policy reforms that could improve competitiveness. And while Bolivia has had no formal dismantling of the Sistema Boliviano de Productividad y Competitividad (SBPC) or the Departmental Competitiveness Councils, the de facto situation augurs poorly for the survival of both the SBPC and the departmental councils.

LEADERSHIP

The need for leadership and vision in both the public and private sectors is a recurrent theme. It is useful to note the situation in El Salvador, for example, where consensus is growing regarding the need to create an NCC to coordinate the disparate organizations and initiatives dealing with competitiveness. Yet neither the government nor the leading private sector entities have exercised the kind of leadership required to make the aspiration a reality. This was reported to be the result, in part, of a society that tends to be individualistic and slow to come together to achieve common goals. Indeed, the Manager of Innovation within the Directorate of Quality and Technology of the Ministry of

Economy said that an “anthropological” study of Salvadoran society was required to understand national and institutional behavior in order to bring about the kind of commitment and tangible support required to create an NCC.¹² Yet in 1983, the Salvadoran private sector was able to exercise the kind of leadership that resulted in the creation of FUSADES, considered by many to be the premier private sector think tank in Central America. FUSADES was able to provide the ideas and actions to push for policy reforms that helped the country grow, even under the harsh conditions of civil war. So it appears that the leadership potential exists but has yet to be realized.

By contrast, in Colombia a group of business leaders went to the president of the Republic to seek his support in establishing (or reestablishing) an NCC. Their combined leadership resulted in the creation of the current NCC. In addition, the private sector established its own council. In Mexico, private sector leaders established IMCO, a private sector competitiveness council; while in other countries such as the Dominican Republic and Peru, the governments took proactive leads in creating their respective NCCs.

Respondents in Ecuador reported that the President’s lack of full commitment is one of the main reasons why the NCC has had only a relatively marginal impact. In the absence of greater support or leadership from the President, the NCC has reduced convening power. Although the NCC remains able to call meetings for public-private dialogue, the commitment of the government is not as great or persuasive as it would be with clear presidential backing.

Functions

NCCs carry out a range of functions that are typically, but not entirely, common to all of the councils. Chief among the functions are promoting dialogue, conducting studies, providing information, advocating policy and other reforms, and monitoring and implementing competitiveness initiatives.

DIALOGUE

One of the most important functions of the NCCs is to promote dialogue between the public and private sectors, as well as with civil society (including organized labor) and academe. This is accomplished through a variety of mechanisms, including fora, seminars, and workshops. Of course, the NCC and some IFC boards themselves serve as key platforms for exchanges between and among the various stakeholders involved in competitiveness. While IMCO in Mexico and the private council in Colombia have just private sector members, they both maintain dialogue with relevant government agencies. Some NCCs also have committees that include representatives from labor, civil society, and SME associations. Movimento Brasil de Competitividade (MBC), for example, has a series of thematic committees that address competitiveness. Participants include MBC associates as well as guests.

The particular configuration does not seem to affect one way or the other the dialogue between the private and public sectors. There is general acknowledgement that the two

¹² Interview with Jax Canossa, manager of Innovation, Directorate of Quality and Technology, Ministry of Economy, Government of El Salvador, July 17, 2008.

sectors have to work closely together in order to develop and implement effective competitiveness initiatives. That does not mean that there are no disconnects or disagreements or that the pace of reforms, for example, may not be as rapid or complete as otherwise might be desired. But there is ongoing dialogue, and that is basic to creating opportunities to improve competitiveness.

In addition, virtually all NCCs sponsor a range of fora to which they invite a spectrum of private sector and civil society groups, including organized labor. IFCs such as Paraguay's Red de Líderes para la Competitividad (an NGO) hosts fora at the regional level, as do NCCs in Ecuador and Panama. In point of fact, many IFCs maintain dialogue with NCCs and/or other governmental entities that deal with competitiveness. By the same token, they keep open communications with other private sector and civil society organizations, including organized labor.

Another widely used mechanism for promoting dialogue is workshops. The foci of these workshops vary from specific issues related to competitiveness, such as business registry processes, taxes, and infrastructure, to sector themes, to promoting general competitiveness awareness. The workshops constitute a platform for dealing with larger issues of competitiveness at the policy level, and are used to address more operational concerns as well. Some are even hosted for journalists, educating them on competitiveness and keeping them up to date on current developments. In addition to NCC hosted fora and workshops, NCC board members and staff attend similar events sponsored by academic institutions, business associations, and other civil society groups.

In order to appreciate fully the importance of the dialogue, it is instructive to review the major issues of private sector concern that have been brought to the attention of the government through fora, workshops, and other mechanisms that support public debate. A host of topics is currently under discussion between the private and public sectors that points to the scope and complexity of the challenges faced by the NCCs. In general, the most pressing issues may be divided into four categories — institutional, policy/regulatory, research/information, and resources for infrastructure, most of which are interrelated.

- Institutional issues include specifically an overall dissatisfaction with bureaucracy or red tape and generally weak, ineffective, and inefficient institutions (*institucionalidad*). These problems result in, for example, the lengthy amount of time it takes to register a business — the modal complaint. Other institutional concerns are customs regulations and processes; cumbersome and onerous tax requirements that discourage FDI in particular; outmoded and corrupt judicial processes that also discourage FDI, among other impacts; and the red tape associated with compliance with the spectrum of unnecessary, counterproductive, and costly regulations.
- Policy and regulatory impediments to competitiveness reflect the above as well as an overall dissatisfaction with the pace and scope of needed reforms to stimulate greater FDI, upgrade and expand needed infrastructure, strengthen the rule of law, promote greater macro economic and political stability, and foster human capital development.

- Another concern is the need for research and information centered on the need for greater innovation and technology. This is a principal reason for including representatives of the academic community in the dialogue, linking with those institutions most involved in creating new technologies for improving efficiencies and quality in the productive processes. Other needs for research and information include tracking of competitiveness indicators and rankings, as well as progress in the implementation of competitiveness plans and agendas to inform policy makers where corrective actions, reforms, and resources are needed.
- The failure to allocate sufficient resources to improve infrastructure is also a major concern. Depending on the particular country, these failures include roads, ports, logistics, and energy. In addition to physical infrastructure needs, there is an equally important requirement to upgrade training and education to meet the demands of a market with constantly changing skills demands.

Another area of dialogue which is of increasing concern in selected countries and which lends itself to policy-led solutions is criminal violence. Aside from the social ramifications, street violence — especially criminal gangs — has added costs to the production of goods and services and is also believed to have alienated potential FDI. In a similar vein, in some countries there is a fear of political instability that could potentially significantly undermine investor confidence and institutional reforms.

In addition to fora, NCCs avail themselves of other means of dialogue and communication. Only six NCCs indicated they had communications or outreach strategies. These typically targeted not only selected government agencies, including legislative committees, but the public as well. As so much of creating a policy and an institutional environment to increase competitiveness depends on public decisions, NCCs need to reach out not only to many constituent groups such as organized labor and sector associations, but to the public at large. This can help build public support for the kinds of reforms required to promote greater competitiveness, reinforcing political will.

The IMCO in Mexico, for one, reports that its members attend a wide variety of events to address competitiveness and competitiveness related issues. PRONACOM in Guatemala, though still technically a program and not an institutionalized council, has a well-defined strategy for educating the public on the benefits of competitiveness, including posters, brochures, and publications. Costa Rica hosts a series of round tables at which representatives from the public and private sectors discuss competitiveness and the benefits it can produce to improve the quality of life for the population as a whole. The purpose of these events is to educate the public and, by implication, build a growing national consensus for instituting the necessary reforms to improve competitiveness.

There seems to be adequate space for dialogue between the public and private sectors and, with few exceptions, agreement on most of the problems and even solutions. What is needed now is an emphasis on devising ways to turn common agendas into shared achievements.

ANALYTICAL WORK

Virtually all the NCCs and even national competitiveness programs such as PRONACOM are involved in producing studies on a wide range of topics dealing with competitiveness. The Guyanese NCC does not undertake studies internally but commissions them. Studies of specific competitiveness issues are critical to the work of an NCC. They provide the data and analyses necessary to develop white papers and policy and other proposals that Councils present to their respective governments, recommending reforms required to increase competitiveness. This is also an integral part of the dialogue process.

Interviews during the site visits underscored the fact that thoughtful and objective analyses not only provide the kind of information on which to make well-informed decisions, but also help build the credibility and, therefore, the impact of the NCCs as they seek to advance and advocate for competitiveness agendas.

The analyses can also be used to complement the Doing Business and other indices that track national competitiveness. The indices at this point seem to be more of an art than science, so it is important to examine the reasons behind the rankings — i.e., find out why a particular country lags behind others — as well as the respective methodologies. By the same token, such studies can point to ways to improve competitiveness standings and are used for that purpose.

All respondents to the survey indicated that they use the World Bank and/or other indices not only to measure their performance relative to other countries, but in several cases as ways to identify areas for specific corrective actions to enhance competitiveness. Costa Rica, for one, used the Doing Business indicators as a base line for reducing by 50 percent the time it takes to register a business, and continues to monitor its relative standing. Also, studies on competitiveness and competitiveness-related issues are conducted not only on the national but regional and local levels as well.

NCCs produce a range of studies and data. In addition to white papers and policy proposals, many councils publish monthly or quarterly bulletins that are sent to government agencies, private sector associations, civil society organizations, including organized labor, and donor agencies. This seems to be an effective way both to inform various key institutional actors with respect to competitiveness issues as well as a way to keep competitiveness on the national agenda. Some NCCs also provide this kind of routine information to the media.

ADVOCACY

The information from the studies is critical to the advocacy process. NCCs were found not to advocate partisan political positions but rather policy reforms based on objective evidence. NCC staff and most board members understand that a council's credibility (and therefore its effectiveness) is based on professional technical work, the fact that it does not subscribe to any particular partisan or ideological agenda, and that staff experts are, in perception and in reality, objective observers and analysts. The ability of an NCC to advance its policy proposals depends largely on its credibility and legitimacy.

NCC staff tend to be career professionals with technical expertise. Once again it is instructive to look at Ecuador where the NCC has survived three changes in government in as many years and is currently functioning under an administration that was elected on a populist platform. The NCCs in Peru and the DR also have functioned across different political administrations. There seems to be general agreement that competitiveness is essential to economic growth. Even Venezuela has an NCC that has survived changes in governments since 1993, although the future may be somewhat cloudy as it is in Bolivia. The current Bolivian government has proven to be hostile to the SBPC, established in 2001. In a remarkable ideological display, the government even excised the word “competitiveness” from the National Development Plan.

All respondents to the survey questionnaire indicated that their NCC engaged in advocacy. The IMCO in Mexico indicated that it did not exactly “lobby,” but tried to defend concepts and principals rather than individual interests, attempting to influence public policy makers with their ideas on how to advance the national economic agenda. Essentially, this is an elegant way of explaining what all NCCs basically do in terms of advocating for specific policy and institutional reforms to strengthen competitiveness. But the fact remains the advocacy is an integral and essential activity.

The same attempts to influence public decisions with regard to competitiveness, such as those in IMCO and other private sector competitiveness councils, are carried out within government itself. Public sector (and mixed) NCCs, to a greater or lesser degree, also work to influence the rule making processes at both the legislative and regulatory levels. They also work to influence the implementation of specific competitiveness initiatives. This is a critical function for an NCC. While generating data, conducting analyses, benchmarking and similar activities addressing competitiveness issues are essential, only sustained efforts to press for the adoption and effective implementation of necessary reforms will result in change.

IFCs are also critical to the advocacy process. Indeed, many if not most have been established in large part to advocate for reforms that can enhance competitiveness, especially at the cluster and company levels in specific sectors. The Jamaica Exporters’ Association, the AmChams throughout the region, la Asociación Nacional de la Empresa Privada (ANEP) in El Salvador, el Consejo Hondureño de la Empresa Privada (COHEP) in Honduras, and the Consejos de Cámaras y Asociaciones de la Producción in Ecuador, for example, work tirelessly at advocating for the kinds of reforms and public investment required to improve competitiveness that are more often than not championed by the NCC.

PUBLIC EDUCATION/COMMUNICATION

Of those NCCs responding to the questionnaire, only Colombia, the Dominican Republic, and Peru reported having no public education program at all, although Colombia indicated it is in the process of structuring a strategy. Others have ad hoc and disperse public education efforts but no concrete strategy. Jamaica, which has recently drafted an interim communications strategy for the PMU in the Prime Minister’s Office, along with

Costa Rica, Ecuador, Guyana and Honduras, all reported having communications strategies. The Ecuadoran NCC, for example, has a communications initiative to educate the public in non-technical language about the concepts and benefits of competitiveness. It even holds monthly workshops on competitiveness for journalists. La Fundación para Inversión y Desarrollo de Exportaciones (FIDE) in Honduras manages a similar effort, and also has mounted a national campaign to improve the image of competitiveness among the public, publicizing stories about the successes many SMEs have enjoyed in working to strengthen their competitive capacities. Guatemala's competitiveness program PRONACOM, as discussed previously, has put into place a well developed communications/public education initiative, including posters in public places, flyers, and other materials that are handed out to the public. The other NCCs are not inattentive to the need for maintaining communications and attend public events, publish columns and articles and generally work with the media on an ongoing basis. However, these are not the result of any articulated strategy.

Whether and to what extent a specific public education/communications strategy has a significant impact on the work of the NCCs is still an open question that would be useful to explore. Widespread public support for competitiveness could be helpful to building political will on the part of policy makers

MONITORING AND FOLLOW-UP

Another key function of NCCs is monitoring the pace and impact of competitiveness initiatives, from national policy reforms to company level technical assistance. An important part of this process, already mentioned, is tracking the World Bank's Doing Business Indicators and other indices that measure country performance. Competitiveness is also monitored and benchmarked at the local and regional levels.

In Colombia, for example, many municipalities benchmark themselves against each other, creating a kind of contest to see which jurisdiction is the most competitive. There is no prize for the "winner," but it might be a novel incentive to foster even more competitiveness. Ecuador keeps a Municipal Scorecard and, through its Competitive Territorial Program, monitors and measures relative competitiveness at the sub-national level. This not only helps local areas assess the impact of steps they have taken to improve their competitiveness, but can also serve as an incentive to encourage companies, clusters, and sub-national jurisdictions to increase their competitiveness. Importantly, it also points to areas for follow-up actions.

Some NCCs have created "observatories" to monitor competitiveness issues and conduct follow-up activities. In the DR, for example, the NCC's observatory is the council's "integrated information system" that was established to: monitor and follow-up on the advances in competitiveness achieved under the framework of the National Systemic Competitiveness Plan; support the formulation of public policies dealing with competitiveness and promote their adoption; generate analyses comparing systems, examining performance and studying other issues related to competitiveness; and monitoring international and regional rankings. Colombia even has a sector specific

“agrochain” observatory in the Ministry of Agriculture and Rural Development that tracks competitiveness rankings and provides information to companies along the chain.

COMPETITIVENESS SUPPORT FUNDS

Some NCCs have established funds to help clusters, value chains, and companies finance specific initiatives associated with developing their competitiveness. For example, the Honduran Competitiveness Commission, whose technical secretariat, FIDE, operates Honduras Compite, the national competitiveness initiative, established a Competitiveness Fund. Co-financing is available to small, medium, and large enterprises, as well as clusters and chains, to underwrite activities such as market and feasibility studies and technical assistance that contribute to advancing implementation of the National Competitiveness Strategy.

The DR NCC houses the National Competitiveness Fund (FONDEC) which receives support from the IDB. Basically, FONDEC is contracted by the NCC to finance technical assistance and other projects identified in the various Sectoral Action Committees (CAS) - the sector and cluster level organizations that serve as fora to bring together the various public and private stakeholders - strategies, especially at the cluster level. Emphasis is on initiatives that increase and diversify exports through a system of matching grants. FONDEC also helps finance government initiatives that are geared toward improving the business climate.

Another example of a fund is the Ecuadoran Mixed Fund for the Promotion of Sub-National Competitiveness (FMPCS)—still somewhat a work in progress—managed by the NCC to promote competitiveness at the provincial and local levels to involve the public and private sectors, as well as academia and civil society, in a series of activities designed to improve competitiveness. Only the territories that have signed the Acuerdos de Competitividad Subnacionales (ACS) are eligible. It is at this level that the CNPC has its greatest impact. It provides technical assistance in analyzing provincial business climates and preparing proposals for projects (Proyectos Competitivos Integrados Subnacionales).

REPORTED RESULTS

The relative youth of the large majority of the NCCs is a challenge in terms of establishing and measuring the results of their actions. Nevertheless, at least some of the impact of their activities can be identified. As part of the survey that was distributed for this study, NCCs were asked to identify their most significant results. Some responses included the following:

- In Colombia the government has taken concrete measures, particularly reforming the regulatory framework in energy, tourism and free trade zones, and improving the security situation, to generate greater confidence to attract increased foreign and domestic investment, stimulating expanded business activity. This was said to have been in part the result of the establishment of the national competitiveness system, including the NCC.

- In the DR there has been: a reduction in the time it takes to register a new business from 78 to 18 days; the issuance of numerous presidential decrees fostering cluster development; the creation of a national roads network; and the establishment of national innovation system and business incubator network, among other initiatives.
- In Costa Rica there has also been a 50 percent reduction in the registration time for new businesses.
- In Mexico, IMCO was instrumental in convincing the Congress to establish committees in both chambers on competitiveness, advocated successfully in the Senate for adoption of an energy co-generation bill and, in general, has been a voice in the public debate on competitiveness issues.
- In Peru, the NCC helped push through a series of legislative decrees to strengthen competitiveness that has resulted in an improved business climate and greater investment. This included creation of the Ministry of the Environment, streamlining of bureaucratic procedures, and improvements in the capacity of government institutions to manage policies affecting competitiveness.
- In Ecuador, the NCC has managed to sustain a national competitiveness agenda that has allowed the council to carry out projects throughout the various governments under which it has functioned. One of the key results has been its management of the Mixed Fund for National Competitiveness.

The reported results do somewhat of a disservice to the NCCs by understating their contributions. With few exceptions, they have been responsible for generating and sustaining public-private dialogue, coordinating the various institutional actors in their respective competitiveness systems, maintaining an awareness of the need to improve competitiveness, facilitating communications between clusters/companies and policy makers, advocating for reforms, producing data and analyses on key competitiveness issues, providing finance and technical assistance to clusters, and exercising leadership.

STRUCTURES AND OPERATIONS

The structures, and to a lesser extent, the operations of the NCCs vary considerably, depending on the scope of mandate, level of commitment, and resources.

Composition

The composition of the NCC governing boards varies and includes entities with: 1) mixed public-private sector board membership; 2) public membership only but with non-board representatives from the private sector, academe, and in some cases, civil society; 3) private sector only.¹³

¹³ In Ecuador, it appears as though the NCC governing board may be changed such that it would only include public officials. But as of the date of this report, that has not happened.

- **Mixed NCCs:** While the key questions of which type of NCC is most productive in terms of operations, results, and impact has yet to be tested, the consensus of those interviewed is that mixed NCCs are the most effective. Indeed, cooperation between the public and private sectors (along with organized labor, civil society, and academe) is felt to be the cornerstone to fostering competitiveness. Intuitively, this makes sense as the private sector is in the best position to identify the policy-related, regulatory, and institutional constraints to competitiveness and share them on an ongoing, formalized basis with public policy makers.
- **Public NCCs with private participation:** These councils function virtually in the same way as those with mixed membership, with apparently the same results in terms of sustained dialogue. Once again, the lesson learned is that formalizing a continuous dialogue between and among sectors is vital to strengthening competitiveness.
- **Private sector only:** The IMCO in Mexico is entirely private. However, it interacts closely with government agencies and policy makers. Its members and staff attend fora and other public events to exchange ideas and present positions on issues dealing with competitiveness. Colombia also has a private council (CPC), but this is in addition to the mixed NCC, presided over by the President of the Republic. The CPC and the IMCO act as the voices of the private sector on questions of competitiveness. Jamaica's Competitiveness Company in the JEA does not represent the private sector as a whole, but does interact with the government on certain issues of concern to their membership.

Governance

NCCs governance modalities are essentially a function of the composition of their respective boards of directors and the various national laws governing non-profit, civil society organizations. For example, the public sector NCCs are presided over by a senior public sector official, typically of ministerial rank. In some cases, such as in the Dominican Republic and Colombia, the country president is the titular head of the NCC and periodically attends meetings, although his ministerial delegate typically presides over sessions. In Ecuador, the president is also the chair of the NCC, but aside from one meeting attended by President Correa, none of his predecessors during its existence was reported ever to have presided over an NCC meeting, instead delegating the responsibility to various ministers.

The decision-making authority in public or mixed NCCs is the board of directors, although the president of the country has, in effect, the ultimate decision power. In the private councils, assemblies are the maximum authority in that they appoint the members of the board of directors. However, in the case of IMCO, an administrative council is the ultimate decision-making authority at the policy and operational levels.

NCC boards have committees to monitor the implementation of the councils' policies and otherwise provide oversight. Of those NCCs surveyed and reporting, most indicated that their boards meet quarterly, as do their executive committees.

Staff

All the surveyed NCCs, public and private, have or were in the process of hiring technical staff. With the exception of Guyana, all have full-time employees, ranging from three each in Jamaica's PMU and PIOJ to 30 in the Dominican Republic. The two private sector councils, Colombia and Mexico, have 14 and 20, respectively. With the exception of Jamaica, Peru, and Mexico, the councils also contract part-time staff and/or consultants. As noted previously, the quality, professionalism and non-partisanship of the staff are essential to the credibility of the NCCs which, in turn, is vital to the ability of the councils to carry out their mandates effectively. Among those NCCs reporting, almost all have their agendas set by the chair of the board of directors, In the Dominican Republic and Peru, that decision is made jointly by the board and the executive director.

Financing

Adequate financing is obviously a basic necessity of an NCC. It is a key issue especially with respect to continuity and the ability to carry out its mandate and provide effective services. NCCs tend to be funded at modest levels, typically receiving resources from the national governments, donors, and in at least one instance, endowments. Private councils are funded by dues, fees for services, corporate donations, and endowments. In some cases, they receive government funding as well as donor support. Of those NCCs for which data were available, annual budgets ranged from USD \$300,000 for Costa Rica to USD \$3.5 million each for the DR and Mexico. In the case of the DR, 80 percent of its budget came from donor agencies¹⁴ and the remaining 20 percent from the government. By contrast, IMCO, which is a private sector institution and supported mostly by its membership and fees for services, reported that 26 percent of its budget represented donor funding.

Fundación Chile is not an NCC but is the main private sector organization¹⁵ in Chile that deals with many competitiveness issues, with a focus on technology and innovation. The foundation reported a budget of USD \$25 million, USD \$2.5 million of which came from donors. Of the nine organizations reporting, seven receive donor assistance for specific projects.

Donors, primarily the IDB, World Bank, and to a lesser extent, USAID, have provided and continue to provide support to NCCs. But at some point, many if not all of the NCCs will have to deal with issues of sustainability, especially in a way that helps them to maintain political neutrality and partisan independence, preserving their professionalism in both appearance and fact. This is essential to their credibility and ability to help bring about necessary policy, regulatory, and institutional reforms.

¹⁴ This includes IDB support for FONDEC, the NCC's fund used to underwrite projects that increase and diversify exports.

¹⁵ Fundación Chile was created by the national government but is a registered not-for-profit private organization.

VI. LESSONS LEARNED AND BEST PRACTICES

A substantial consensus existed among those interviewed and in the results of the survey with respect to lessons learned and best practices. This agreement spanned both the public and private competitiveness councils, and was echoed by board and senior staff of the various IFCs that were visited. The key issue is perhaps not so much what works and what needs to be done, but how to ensure that it gets done.

DIALOGUE

Lesson learned

Not surprisingly, the need for the private and public sectors to engage in sustained dialogue was considered to be essential to the competitiveness process. This included organized labor, civil society, and academe. This kind of participatory process creates stakeholders who not only provide valuable input for policy and other proposals, but who can mobilize constituent support for the necessary reforms to improve competitiveness. Similarly, engaging with regional councils and clusters to acquire feedback directly from the institutions, companies, and producers “on the ground” is essential to developing the most effective policy and institutional responses to the needs of businesses to strengthen their competitiveness.

Best practice

There exist different mechanisms to spur dialogue, including mixed NCC board memberships, special committees, fora, workshops, seminars, and ad hoc linkages with specific IFCs and other organizations. Virtually all NCCs use a combination of these mechanisms to obtain inputs from various segments of society.

PUBLIC/PRIVATE PARTNERSHIPS

Lesson learned

Forming public/private partnerships (PPPs) is a key to advancing a national competitiveness agenda. It is a tangible way of bringing together both sectors to implement concrete actions, such as the partnership between the Costa Rican NCC and INCAE to put in place a strategy for improving the competitiveness of the *parque empresarial* (industrial park) and the Association of Regional PPPs in Ecuador that coordinates public and private actions regarding policy concerns, bureaucratic bottlenecks, investment, and other issues impacting competitiveness.

Best practice

Formation and pro-active utilization of PPPs is an effective way to operationalize competitiveness initiatives and strengthen linkages and communications between and among sectors and levels, from cluster/company to the national government.

CENTRAL COORDINATING AUTHORITY

Lesson learned

For some countries without an NCC, the establishment of a central coordinating authority — i.e., NCC — is key to advancing a national competitiveness agenda, helping to create economies of scale, and permitting focus on specific issues and impediments to increased competitiveness. Jamaica is a case in point where there are disperse organizations in the public sector but no one authoritative entity to coordinate national competitiveness initiatives. Of course, other countries, specifically Chile, have functioned very well without an NCC, although the government did establish the mixed Consejo Nacional de Innovación para la Competitividad. A more in-depth look at the Chilean case would be required to understand fully that country's success in the absence of an NCC. Part of the explanation may be that Chile's entrepreneurial and political cultures promote the kinds of behavior and attitudes that foster competitiveness.

Best practice

Establishing an NCC requires commitment and leadership from the highest levels of government. Similarly, leadership from the private sector is an essential ingredient in forming an NCC. In the case of Colombia, for example, it was the private sector that approached the government to push for the establishment (or re-establishment in this case) of the NCC. In Costa Rica, it was the president who took the initiative to create the NCC, and in the DR it was a combination of the president and private sector leaders. Donor agencies, too, have been instrumental in encouraging the creation of NCCs.

POLITICAL WILL

Lesson learned

Political will is crucial to the success of competitiveness initiatives, including an effective NCC. Once again, the need for presidential and other high level support was cited as central to maximizing the chances for an NCC to have a positive impact in moving forward the national competitiveness agenda. By the same token, the political will in the rule making or legislative branch, at least in some countries, is also important. The dilemma faced by Ecuador's Correa administration is a case in point.

Best practice

Political will is derived in part by strong support from constituent groups. The more a national leader can count on the support of the private sector, civil society, and even organized labor, the more he/she is able to muster the political will to make the decisions and take the steps required to strengthen the NCC and push the competitiveness agenda. The DR and Colombia provide examples of how the private sector in particular worked with their respective presidents to establish and revitalize their own NCCs.

LEADERSHIP

Lesson learned

In order for an NCC to function optimally, vision and leadership must be present, not only within an administration, but also in the legislative branch of government, the

private sector, and within an NCC itself. While leadership and the *poder de convocatoria* of a president were cited by virtually every person interviewed as the most important factor for success, the concurrence of the legislature with proposed reforms was also considered to be critical. By the same token, leadership in the private sector to support policy, institutional, and regulatory reform to strengthen competitiveness was reported to be essential, as well as the leadership exercised by the NCC Director.

Best practice

In the same way that leadership is required to create an NCC, so it is needed to ensure that the institution functions effectively and the national competitiveness agenda is advanced. The national leadership has to be convinced that competitiveness and an NCC are key to a country's economic growth and development. That is partly philosophic and partly personal. But the leadership can also be encouraged by the private sector, as has been seen in several countries. Of course there is a caveat: where the political reality makes achieving the necessary policy and institutional reforms difficult or impossible, there is a "negative leadership" which also determines the fate of competitiveness, such as in Bolivia and perhaps Ecuador.

TRANSPARENCY

Lesson learned

The more transparent the governance of an NCC, the greater its credibility and chances for impact. This is not a guarantee for achieving successes, but it does go a long way toward building support for a council and its activities.

Best practice

An NCC board of directors that is broadly representative of the public, private, and civil society sector — including organized labor — provides the kinds of checks and balances to maximize transparency and, therefore, credibility and impact. PPPs also are effective mechanisms for promoting openness.

PROFESSIONAL AND POLITICAL INDEPENDENCE

Lesson learned

The technical staff of the NCCs constitute another key factor in the effectiveness of NCCs. Their apolitical professionalism and competence endow the NCC with the legitimacy necessary to its work, which in turn enhances its impact. In addition, professionalism and non-partisanship appear to help NCCs survive changes in government.

Best practice

A pragmatic rather than doctrinaire approach to the work of an NCC will reinforce its credibility, in addition to helping to ensure the quality of its output, which is necessary for its effectiveness and ability to survive different governments. The case of Ecuador, once again, is instructive, at least with respect to a populist government that has been, in

some respects, more supportive of the council than the previous administrations that were ostensibly free market-oriented.

CULTURE AND VALUES

Lesson learned

The culture and values of the national society play a pivotal role in competitiveness at the national, regional, local, cluster, and company levels. As the Austen report noted, “The leading constraint to competitiveness at the level of a nation, industry cluster or firm is the mindset of the leadership.”¹⁶ The institutions of a country reflect the prevailing national values and culture, and the NCCs and IFCs are no exception. By the same token, the NCCs can and do help lead changes in culture or “mindset,” seeking policy and institutional reforms to further competitiveness. Indeed, that is one of their functions, implicit as it may be.

Best practice

Colombia offers an important example of how to deal with value change, where a group of entrepreneurs helped establish the public NCC in addition to forming a private council. These were business leaders whose cultural precepts had evolved from a traditional to a more modern mindset as the result of education, exposure to other values and ways of doing business, and openness to new experiences. This underscores once more the critical importance of leadership in bringing about the kinds of institutional and policy changes needed to strengthen competitiveness and that require a shift in values and cultural outlook prior to implementing technical improvements.

INDIVIDUALITY

Lesson learned

NCCs do not have a “one size fits all” approach, nor is one appropriate. Each council reflects the culture, history, and political and economic realities in which it operates (or in which there is an aspiration to establish one). Lessons learned and best practices can serve as a useful guide for creating or modifying existing NCCs, but care needs to be taken to ensure that the role, structure, operations, and governance of the councils are appropriate to contexts in which they function. This may seem a truism, but the development experience continues to be replete with tidy prescriptions for designing and managing institutions and reforming policies that have repeatedly failed.

Best practice

NCCs should draw from experiences elsewhere to strengthen their operations, structures, governance, and impact, yet apply these best practices to reflect local cultural, political, and economic realities.

¹⁶ Austen, *op cit.*

VII. CONCLUSIONS

While the NCCs as a whole have a mixed record, by and large they have played a useful and, in some cases, a key role in promoting competitiveness. Much of their performance and capacity to operate effectively depends on the particular national value framework and political culture in which they function. Similarly, their successes or lack thereof are closely linked to the quality and intensity of their leadership, both in the public and private sectors. Clearly, the commitment of the government, especially at the highest levels, is essential to promote competitiveness, pressing for the necessary policy and institutional reforms and providing for technical assistance at the cluster and company levels where required.

Do NCCs make a difference? That is a key question. In the case of Chile, for example, which is the most competitive country in the Americas outside of the United States and Canada, the answer is a guarded no. Chile does not have what strictly could be called an NCC, but rather the National Council on Innovation for Competitiveness, which has a much narrower mandate and focus than an NCC; and the Fundación Chile, an NGO that addresses many competitiveness issues, and to a limited extent, carries out some of the functions of a private competitiveness council. Similarly, El Salvador, which ranks just behind Chile in second place on the Heritage Foundation's 2008 "Index of Economic Freedom,"¹⁷ also does not have an NCC but instead disperse public and private entities that deal with competitiveness. Unlike Chile, however, there is widespread consensus on the need for establishing an NCC.

By contrast, Colombia has an elaborate national competitiveness system coordinated by a strong NCC. Interestingly, on the 2008 Heritage Foundation's index it ranked only ninth, and sixth on the 2007-2008 WEF GCI index . However, the latest World Bank "Doing Business 2009" rankings list it as second. Not only that, but the same report categorizes it as one of the "top 10 reformers" for 2007-2008. IMCO in Mexico is very active and Mexico ranks fourth in competitiveness on the Heritage and World Bank indices, and scores second on the 2007-2008 WEF rankings. Bolivia, which has all but shut down its NCC, is listed second to last on the 2008 Heritage and fourth from last on the 2007-2008 WEF indices. Complicating the picture even more is that the World Bank and WEF indices have different rankings for these countries. A comparative review of the three indices shows that precisely correlating NCCs with competitiveness capacities is difficult at best. The fact is that the indices really only serve as a general guide and do not constitute a definitive measure of impact. They are useful for benchmarking, and suggest issues that need to be examined empirically to determine what the real causes of impact are and how they influence competitiveness.

What is certain from the site interviews and survey is that there is consensus that NCCs serve a useful purpose and are necessary to promote and sustain competitiveness at the national, sub-national, and cluster/company levels.

¹⁷ As listed here, all rankings are in terms of LAC countries only, not global.

Perhaps the more operative question to ask is: What would happen in the absence of an NCC? Given the case of Ireland, which restructured its business environment due in large part to an active dialogue among business, civil society, and labor leaders, it would seem that NCCs have a very important role to play in strengthening a country's ability to compete in the global marketplace. The private sector seems to value the worth of these councils. In Colombia, Panama, and elsewhere, the private sector went to government and pushed for the establishment of NCCs, recognizing that little or no coordinated efforts existed to push for policy, regulatory, or institutional reforms to improve the conditions necessary to strengthen competitiveness.

Given the growing importance of the role of and apparent need for NCCs in LAC countries, it seems reasonable that a network or association of councils be established. This would be a highly useful mechanism for councils to exchange information, experiences, and ideas; advocate for shared reforms on a regional basis; and even provide technical assistance to each other when needed.

While little empirical evidence exists on the impact of NCCs, which may be a reason so many countries rely on the various competitiveness indices, few doubt that governments and the private sector are convinced that councils play an important role in helping businesses become more competitive. A review of the WEF competitiveness scores from 2003-2004 to 2007-2008 supports that conviction. The large majority of the 18 countries surveyed for this report showed increases in competitiveness during that time period. Some showed a dip in the intervening years, but overall there was a net increase in the scores (with the exception of Uruguay, El Salvador, and Chile, none of which has an NCC). The only country with an NCC that registered a decline in competitiveness was Brazil. Admittedly, the variances were slight, but those data, however tentative, show a positive trend.

At present, it is not possible to make definitive judgments on NCCs and their impact on strengthening the competitiveness of LAC countries, partly because most NCCs were established only in the last four to five years. However, the private sector demand for their services and the initial, if limited, successes many have enjoyed are clear signs that NCCs are providing a valued service. In the coming years, NCCs deserve increased attention in order further to understand their role and to multiply their impacts in helping LAC countries compete and prosper in the global marketplace.

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APPENDIX A

Questionnaire

Competitiveness Council Questionnaire

Name of Organization _____

1. Organization and Governance

- a. When was your organization established?
- b. What was the impetus for establishing the organization?
- c. Did a donor agency play any role in helping the organization to become established?

Yes___No___

If yes, which agency(ies) was it? _____

- d. Is your organization a “membership” organization? Yes___No___
If yes, please answer questions “e” through “k.”
If no, please proceed to section 2, “Government Involvement”

- e. If there are different categories of membership, please indicate the different categories: (check as many as apply)

Individuals ()

Small Firms ()

Larger Firms ()

Non-Profits (i.e., trade or producer associations) ()

Government agencies ()

Others () (please explain: _____)

- f. How are members selected?

1) Subscription (voluntarily enroll & pay membership dues)

2) By vote of the entire membership Yes___No___

3) By vote of the executive or other committee Yes___No___

4) If other committee, please specify: _____

5) By other means (please specify): _____

- g. How many members belong to your organization? _____

From the public sector _____

From the private sector ____
From organized labor____
Academic institutions____
NGOs (please specify)_____

h. How is the Board of Directors selected?

By vote of the entire membership/assembly Yes___No___
Other (please specify)_____

i. What is the maximum decision making authority?

- The Board of Directors Yes___No___
- The entire membership/assembly Yes___No___
- Other (please specify)_____

j. How often does the Board of Directors meet?

k. How often does the Executive Committee meet?

2. Government Involvement

a. Does the government participate in your organization? Yes___No___

b. If yes, in what way?

As a member Yes___No___
As a funder Yes___No___
Other (please specify)_____

c. What are the major issues or topics your organization is currently discussing with the government?

3. Operations

a. Does your organization have a full-time staff? Yes___No___

b. Number of staff on the payroll?

- 1) Full-time____
- 2) Part-time____
- 3) Consultants____

c. Who sets the agenda for your organization? Please check all that apply:

- 1) President___
- 2) Executive Director___
- 3) Full Board___
- 4) Board Committee--please specify:_____
- 5) Membership/assembly___
- 6) Other (please specify)_____

d. Who sets the agenda for your organization? Please check all that apply:

- President___
- Executive Director___
- Full Board___
- Board Committee___Please specify_____
- Membership/assembly___
- Other (please specify)_____

e. Does your organization have a strategic plan? Yes ___ No ___

f. Does your organization have an annual work plan? Yes ___ No ___

g. Does your organization engage in advocacy activities to promote competitiveness? Yes ___ No ___

h. Does your organization conduct studies or research on competitiveness? Yes ___ No ___

4. Monitoring and Reporting

a. Which of the following does your organization produce?

- Annual report___
- Quarterly report___
- Activity report___
- Bulletin/newsletter___ (Frequency of publication? _____)
- Studies on specific issues related to competitiveness___
- Other (please specify)_____

b. Are you aware of the World Bank's "Doing Business" indicators?
Yes___No___

- 1) If yes, please rate their usefulness in assessing competitiveness in your country on a scale of 1-10 with 10 being the most useful_____

2) In what ways do the “Doing Business” indicators have any impact on your organization’s strategy, annual work plan, or activities?

c. To whom do you distribute your reports?

- Government agencies Yes___No___
- Private sector associations Yes___No___
- Academic institutions Yes___No___
- The media Yes___No___
- Donor agencies? Yes___No___
- Other (please specify)_____

5. Outreach to the Public

a. Does your organization have a program to engage and educate the public on competitiveness? Yes___No___

b. Please describe the initiative(s)

6. What does your organization see as the most significant impediments to greater competitiveness in your country?

7. Over the last five years, what have been the most significant actions that have taken place in your country to improve competitiveness?

8. What role did your organization play in designing and/or implementing those actions?

9. What have been the major lessons learned/best practices in promoting competitiveness in your country?

10. Please list any comments or other information you think is relevant to improving competitiveness in your country and what your organization is doing to achieve that goal.

11. Funding

a. Please list your organization’s sources of funding and the percent of the operating budget they represent.

- Membership dues Yes__No__Percent__
- Government Yes__No__Percent__
- Donor agency/foundation Yes__No__Percent__
- Corporations Yes__No__Percent__
- Non-member individuals Yes__No__Percent__
- Fees-for-service Yes__No__Percent__
- Endowment income Yes__No__Percent__
- Other (please specify) Yes__No__Percent__

- b. Do you have funds from donors for specific projects? Yes__No__
 If yes, please list the number of projects and the percent of total budget/revenues they represent_____
- c. What were your organization's total budget for 2007? _____

APPENDIX B**Persons Interviewed**

Interviewee	Organization
Lynette Batista	DR-CAFTA Implementation Project – Chemonics International
Ruben Nuñez	DR-CAFTA Implementation Project – Chemonics International
Rafael Capellán Costa	Technical Projects Coordinator, NCC
Dan Cruz de Paula	Chemonics International
Julián Cruz Herasme	FONDEC, NCC
Jesús de los Santos	AGRORED
Luis González, Economic Policy Coordinator	USAID/Santo Domingo
William Malamud, Executive Vice President	AmCham, Dominican Republic
Luis Morena	BHD
Jaime Moreno, Advisor	NCC
Yandra Portela, Administrative Vice President	Industrias Nigua
Elka Scheker, Consultant and former NCC official	
José Arista Arbildo, Vice-Minister	Minister of Finance
Eduardo Cadena, Executive Director	Consejo de Cámaras y Asociaciones de la Producción
Pedro Herrera, Consultant	Ministry of Economy and Finance
María Elena Correa, CTO, Economic Development	Growth and Environment Office, USAID/Ecuador
Cornelio Delgado, Vice Minister	Ministry of Production Coordination
Ligia Estrella, Director of Project Development	CORPEI
Guadalupe León, Director	CEIME
Santiago Loayza, Communications Coordinator	CNPC

Interviewee	Organization
Juan Carlos Mathews, Executive Director	MYPE Competitiva
María Lorena Montalvo Carrión, Deputy Director,	Consejo de Cámaras y Asociaciones de la Producción
Juan Fernando Mato, Manager	Cuerotex Confecciones, S.A.
Lenin Parreño, Economist for Ecuador	CAF
Marcelo Pazos, Director for Competitiveness	CNPC
Paulo Rodriguez	CNPC
Gabriela Garcia	PRONACOM
Sidney Smith	PRONACOM
Claudia de Del Aguila	AGEXPORT
Carlos Enrique Rivera	FECAICA
Laura Quinteros Aguilera	SIECA
Rick Garland, Dir Econ Office	USAID/Guatemala
Liliana Gil Boiton	USAID/Guatemala
Glenda del Paiz	USAID/Guatemala
Ana Vilma Pocasangre	USAID/Guatemala
Santiago Sedaca, Director	Red Productiva
Nathan Carter, Economic Officer	U.S. Embassy
Omar Chedda,	Private Sector Organization of Jamaica
Karis Flowers	Private Sector Organization of Jamaica
Karen Hilliard, Director	USAID/Jamaica
Suzette Hudason	Jamaica Trade and Invest
Karlene Francis, Director General	Ministry of Energy, Mining and Telecommunications
Elvis James, Economic Specialist	U.S. Embassy
Francis Kennedy, 2nd Vice President	Jamaica Chamber of Commerce

Interviewee	Organization
Marjory Kennedy, President	Jamaica Exporters Association
Jhenellé McIntyre, Competitiveness Associate	The Competitiveness Company (JEA)
Kellie-Ann Murray, Research Associate	Private Sector Development Program (JTI)
Dionne Palmer, Incubator Manager	Technology Innovation Centre, University of Technology
Jean Smith, General Manager	Jamaica Exporters' Association
Angela Taylor Spence	Planning Institute of Jamaica
Sancia Bennet Templer, Chief Technical Director of Planning and Development	Office of the Prime Minister
Bernardo Travesari, Executive Director	Peru AmCham
Rafael Vega	Agencia Cuencana para el Desarrollo e Integración Regional
Luis Chang Chang Fun, Sr. Associate	Consejo Nacional de la Competitividad
Juan Carlos Mathews, Executive Director	MYPE Competitiva (USAID program)
Jose Iturrios, Executive Director	PRA (USAID program)
Mauricio Moscoso, Competitive Sector Director	PRA (USAID Program)
Jose Arista Arbildo, Vice-Ministro de Hacienda	Peru Government
Pedro Herrera Catalán, Consultant	Min. of Economy and Finances
Carlos Otero, former Executive Director	COFIDE
Jorge Woodbridge, President	CONACOM
Mariano Olazabal, Director of Operations	IICA
Lynda Solar, Executive Director	Costa Rica AmCham
Aldo Vallejo, Director	Export Promotion Agency of El Salvador
Claudia Velez, Internationalization Strategies Manager	Export Promotion Agency of El Salvador
Nora Mercedes Miranda de Lopez, Director de Consejo de Administración	Cooperativa de Cafeteleros de San Jose de la Majada, El Salvador
Jorge Villacorta, Advisor	Jovino S.A.

Interviewee	Organization
Mirian Cruz, Research Manager	PROESA
Marcho Arroyo, Deputy Director	PROESA
Liliana Platero, Business Manager	CONAMYPE
Rafael Eduardo Cuellar, Manager, Agricultural Projects	USAID/El Salvador
Keith Andrews, Representative in El Salvador	Inter-American Institute for Cooperation in Agriculture
Juan Ricardo Salinas Zelaya, Innovation Specialist	Ministry of Economy, El Salvador
Yax Canossa Humberstone, Innovation Manager	Ministry of Economy, El Salvador

