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UNITED STATES
INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
REGIONAL OFFICE FOR CENTRAL AMERICAN PROGRAMS
GUATEMALA CITY, GUATEMALA, C. A.

28 de mayo de 1987

May 28, 1987

Sr. Edwin Méndez Mata
Presidente
FEDEPRICAP
a/c CINDE
Apartado 7170-1000
San José, Costa Rica

Mr. Edwin Méndez Mata
President
FEDEPRICAP
c/o CINDE
Apartado 7170-1000
San José, Costa Rica

Estimado señor Méndez:

Dear Mr. Méndez:

De conformidad con la Ley de Asistencia Externa de 1961 y sus enmiendas, la Agencia para el Desarrollo Internacional (A.I.D.) actuando a través de la Oficina Regional para Programas Centroamericanos (ROCAP) (de ahora en adelante llamada "Donante"), por este medio otorga a la Federación de Empresas Privadas de Centro América y Panamá (FEDEPRICAP) (de ahora en adelante llamada "Donatario"), la cantidad de Noventa Mil Dólares Estadounidenses (US\$90,000) para proveer asistencia a los programas de apoyo de la federación regional de empresas privadas de Centro América, como se describe en el Adjunto 1 denominado "Programa" y en el Adjunto 2, denominado "Descripción del Proyecto" de este convenio.

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (A.I.D.), acting through the Regional Office for Central American Programs (ROCAP) (hereinafter referred to as "Grantor") hereby grants to the Federation of Private Enterprise of Central America and Panama (FEDEPRICAP) (hereby referred to as "Grantee"), the sum of Ninety Thousand United States Dollars (US \$90,000) to provide support for a regional Central American business federation, as described in the Attachment 1 entitled "Schedule" and Attachment 2, entitled "Project Description" of this grant.

Esta donación y asignación de los fondos entran en efecto a partir de la fecha de esta carta, y estará sujeto a compromisos hechos por el donatario de acuerdo a los objetivos del programa durante el período, empezando en esta fecha y finalizando un año después, el 28 de mayo de 1988.

This grant is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Grantee in furtherance of program objectives during the period beginning with the effective date and ending one year later, May 28, 1988.

Se hace esta donación a FEDEPRICAP, bajo la condición de que los fondos deben ser administrados de acuerdo con los términos y condiciones que se indican en el Adjunto 1; Adjunto 2; y el Adjunto 3 denominado "Presupuesto del Proyecto"; y el Adjunto 4 denominado "Disposiciones Generales", los cuales han sido aceptados por el donatario.

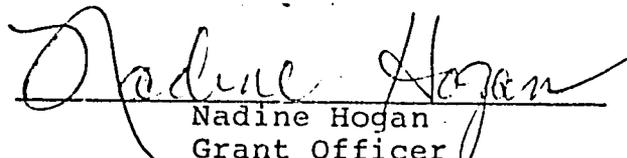
This grant is made to FEDEPRICAP, on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1; Attachment 2; Attachment 3 entitled "Project Budget"; and Attachment 4 entitled "Standard Provisions", which have been agreed to by the Grantor.

Sírvase firmar el original y siete (7) copias de esta carta para acusar recibo de la donación, y devolvernos el original y seis (6) copias a la Oficina de Contratos de ROCAP/AID.

Please sign the original and seven (7) copies of this letter to acknowledge your receipt of the grant, and return the original and six (6) copies to the ROCAP Office of Contract Management.

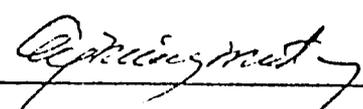
Atentamente,

Sincerely yours,


Nadine Hogan
Grant Officer

ACKNOWLEDGED:

FEDEPRICAP

By:  _____

Title: Edwin Méndez Mata
President

Date: May 28, 1987

Adjuntos:

1. Programa
2. Descripción del Programa
3. Presupuesto del Proyecto
4. Disposiciones Generales

Attachments:

1. Schedule
2. Program Description
3. Project Budget
4. Standard Provisions

Anexos:

- I. Regulaciones Modificadas
- II. Plan de Trabajo en Borrador

Annexes:

- I. Ammended Bylaws
- II. Draft Work Plan

FISCAL DATA:

Appropriation: 72-1171021

Budget Plan Code: LDSA8725596KG13

PIO/T No. 596-0000.6-3-70030

Project No. 596-0000-G-SS-7367-00

Total Estimated Amount: \$90,000

Total Obligated Amount: \$90,000

Funding Source: PD&S

AID/W / USAID /

A. Purpose of Grant

The purpose of this Grant is to provide support for the Federation of Private Enterprise of Central America and Panama (FEDEPRICAP), as more specifically described in Attachment 2 to this Grant entitled "Project Description".

B. Period of Grant

1. The effective date of this Grant is May 28, 1987. The expiration date of this Grant is May 28, 1988.

C. Amount of Grant and Payment

1. AID hereby obligates the amount of US\$90,000 for purposes of this Grant.

2. Payment shall be made to the Grantee in accordance with procedures set forth in the Attachment 4 - Standard Provisions Section, entitled "Periodic Advances."

D. Financial Plan

FEDEPRICAP will rely on quota payments from 12 member organizations (see Attachment 3) and in part from the international donor community. This grant will support a part of FEDEPRICAP's organizational and technical expenses during the first year of operation. Attachment 3 presents a detailed budget of the items that FEDEPRICAP will be able to buy using grant resources.

Because this is a newly formed organization, FEDEPRICAP's proposed Financial Management System will be implemented as soon as possible. A ROCAP Financial Analyst will review the system and its procedures in order to verify that records will adequately identify the source and application of funds, as well as conform with all other standard clauses included in AID Handbook 13.

At the expiration of this grant (one year), an external audit will be carried out. Funds to cover this requirement will be provided by FEDEPRICAP. As a complement to this, ROCAP will finance an end-project-of evaluation with PD&S funds.

E. Procurement Plan

FEDEPRICAP will serve as its own agent for the procurement of goods and services required for the project.

As a new institution, FEDEPRICAP does not as yet have a procurement system. The Administrative Assistant and the Accountant will develop a system suitable for the needs of FEDEPRICAP. In the meantime, the Executive Secretary will follow Costa Rican Governmental practices for procurement, in a manner consistent with open competition and good business practices. Also, FEDEPRICAP will observe all AID clauses pertaining to the goods and services in the Standard Provisions, Attachment 4.

As presented in Attachment 3, all goods needed for the project are available locally with their source and origin included in a country under AID Geographic Code 935.

Even though funds will be disbursed in US Dollars, most goods and services will be purchased with local currency, which will be purchased at the highest exchange rate in effect at the time of the transaction.

PROJECT DESCRIPTION

The Federation of Private Enterprise of Central America and Panama, FEDEPRICAP, is a regional organization which has demonstrated its ability to join together key business associations and chamber organizations into one regional entity. As a relatively new organization, FEDEPRICAP has approved statutes (See Annex I), a newly elected Board of Directors and an operational budget financed with monthly quotas from each member of the region.

The purpose of the proposed Specific Support Grant is to provide initial seed capital to assist in defraying up-front organizational costs, and administrative costs associated with the identification, analysis and follow-up work of specific project activities to be carried out by FEDEPRICAP over a period of one year. The proposed regional project activities will focus on private sector policies needed to stimulate investment, increase inter- and extra-regional trade, and improve the overall social and economic well-being of people in the region.

Background

The Central American business community is on the threshold of a major breakthrough in organizing itself to play a key role in the region's development. In the short time since last year, representatives of two divergent types of business organizations in each Central American country and in Panama have coalesced around a far-reaching plan to transform an existing, but largely toothless inter-chamber organization, into a professionally staffed and adequately funded action arm for development-oriented business leadership at the regional level.

The plan is intended to cast the private sector in a new positive role as an initiator of constructive development solutions, taking the lead on issues such as how to rebuild the Common Market and how best to create investment and employment in the region. Both the image and the reality of leadership would help dispel the long-held perception of the Central American business community as, at worst, politically reactionary, and, at best, simply reacting to development schemes initiated by the public sector or by outside aid donors.

At the national level, this development has been foreshadowed in recent years by the emergence of new business-led development organizations imbued with a sense of responsibility for their nation's economic well-being, and the conviction that business leadership in areas such as attracting investment and helping small business can bring their countries more broadly based prosperity -- and thus a better foundation for building democratic institutions.

Entities like FUSADES in El Salvador, FIDE in Honduras and CINDE in Costa Rica have become not only vehicles for mobilizing business leadership but

major implementers of externally funded development projects. These new entities have become integral parts of Central American business circles, taking their place alongside the traditional indigenous chamber organizations (which, pyramid-style, represent constituent organizations in specific industries and local communities) and the American Chambers of Commerce -"AMCHAMs"- which typically include both expatriate U.S. firms and local firms involved in U.S. trade.

Until now, however, the development entities, the traditional chambers and the AMCHAMs have never been brought under a single umbrella, even at the national level. The current move is significant both for achieving that combination and for creating a mechanism to apply their resources at the regional level.

One of the major issues facing the new organization and presenting an undeniable challenge is a regional trading mechanism needed to help reconstruct and provide innovation in the old Central American Common Market. The interest in this effort is also shared by the governments of the region who desperately need to find new coordinating, trading, and monetary mechanisms to buttress their failing national economies, and in this search greater emphasis is being put on the participation of the private sector.

Also on the agenda of FEDEPRICAP is a shared effort in taking advantage of the tariff and other benefits provided by the CBI legislation for the countries of the region. It is in addressing this issue that the new development institutions have concentrated considerable resources and have already acted as catalysts in supporting the business sector represented in the traditional business associations.

It is anticipated that representatives of FEDEPRICAP will join public sector functionaries of the governments of the region and labor union representatives of the different countries, to initiate the formation of the Central American Development Organization "CADO". A unified private sector as represented in FEDEPRICAP will be in a better position to articulate the interests and views of the business community before government and labor representatives.

Scope of Work

The following work plan covers a period of one year, and is designed for the purpose of consolidating the organizational, administrative and management functions of FEDEPRICAP, and carrying out a series of innovative projects that are in direct support of private sector initiatives in Central America and Panama. In order to fulfill the objectives of this work plan, the following three fundamental programs have been established:

1. Administrative Program

a) General Administration

The installation of the San José, Costa Rica central office, with basic office equipment and a staff of three people, will be the first administrative priority of the project. Besides the Executive Director, the office will be staffed with a full time secretary, an administrative assistant, and subcontracts will be let for part time technical assistance in the fields of accounting, computer applications and legal advisory assistance.

b) Communication Net for FEDEPRICAP Members

Under this sub-component, a system to facilitate regular communication between FEDEPRICAP and its members will be established. This two-way system will not require a major investment of funds, and will assist in providing the following services:

- distribution of newsletters, graphic illustrations and newspaper articles to FEDEPRICAP members, with FEDEPRICAP headquarters serving as a repository of information;
- linkages will be made via this centralized communication system with all national level organizations and entities involved in regional integration, or that in one form or another are supportive of the objectives of FEDEPRICAP. These entities will not necessarily be located in the Central American region, but rather will have as their primary focus an effort to develop the private sector of the region.

2. Program for Research and Development Projects

Seminars, workshops and the preparation and distribution of research materials and publications will be undertaken in the following areas:

- Follow-up efforts in the promotion and improvement of regional transportation systems for the purpose of increasing the exportation of non-traditional products.
- Preliminary feasibility studies and project design activities for the development of a regional investment company and other means of broadening capital markets in the region.

- Research and study programs on the political, economic and social problems of the region.
- Various support studies for FEDEPRICAP and its membership related to CADO, and U.S. Congress trade and other types of legislation having an impact on Central America and Panama.
- A presentation and forum on the subject of development of small enterprise in the region.
- Research and analysis on the feasibility of investment projects proposed by private enterprise in the region (with special preference to projects which deal with regional trade and policy integration and coordination).
- An analysis of the Caribbean Basin Initiative and its future impact on the economies of Central America and Panama.
- A study to analyze and recommend ways in which to diversify and expand inter-regional trade.

3. Service Program

Approximately three of the following five projects will be developed over the proposed one year work plan period:

- a) Service to FEDEPRICAP members involving the development of appropriate scopes of work for analytical and other project activities, and the identification of expertise/consultants in these fields.
- b) Investment and commercial services applicable to the region: Address questions and problems of investors and exporters, and facilitate contacts and communication among FEDEPRICAP members.
- c) Services to the press, national publishing organizations and international entities in promoting and publicizing FEDEPRICAP accomplishments and services.
- d) Coordination of trade and other types of delegations in the region, and organizing and carrying out development campaigns.

(The above mentioned four areas of service provided by FEDEPRICAP will be carried out by the permanent staff of the Federation. However, specific expertise in project related areas will be sub-contracted out on an as needed basis).

- e) Regional issues and matters of importance for the development of the private sector and related policy and project proposals addressed by FEDEPRICAP on a continuing basis, both at the headquarters office and during regular quarterly meetings with FEDEPRICAP members.

4. Implementation

Initial priority will be given to administrative and organizational matters, and the establishment of coordination and communication mechanisms for the development of FEDEPRICAP service programs. Once these immediate needs are addressed and the FEDEPRICAP organization is fully installed and underway, specific project activities will then receive full attention.

PROJECT BUDGET

FEDEPRICAP INCOME BUDGET (1 year)
(US Dollars)

<u>ENTITIES</u>	<u>ONE TIME</u> <u>CONTRIB</u>	<u>FEB 87 to</u> <u>APRIL 88</u>	<u>TOTAL</u>	<u>%</u>
ROCAP	90,000		90,000	51%
CICYP	5,000		5,000	3%
CCAA	2,000		2,000	1%
UCCAEP	400	7,500	7,900	4%
CINDE	400	7,500	7,900	4%
ANEP	400	7,500	7,900	4%
FUSADES	400	7,500	7,900	4%
CACIF	400	7,500	7,900	4%
CAEM	400	7,500	7,900	4%
COHEP	400	7,500	7,900	4%
FIDE	400	7,500	7,900	4%
CONEP	400	7,500	7,900	4%
ADEPA	400	7,500	7,900	4%
TOTAL \$	101,000	75,000	176,000	100%
%	57%	43%	100%	

CICYP: Consejo Interamericano de Comercio y Producción
 CCAA: Caribbean Central American Action
 COSTA RICA: Comité Costarricense de la Empresa Privada (UCCAEP)
 COSTA RICA: Coalición Costarricense de Iniciativas de Desarrollo (CINDE)
 EL SALVADOR: Asociación Nacional de la Empresa Privada (ANEP)
 EL SALVADOR: Fundación Salvadoreña para el Desarrollo Económico y Social (FUSADES)
 GUATEMALA: Comité Coordinador de Asociaciones Agrícolas, Comerciales, Industriales y Financieras (CACIF)
 GUATEMALA: Cámara Empresarial de Guatemala (CAEM)
 HONDURAS: Consejo Hondureño de la Empresa Privada (COHEP)
 HONDURAS: Fundación para la Investigación y Desarrollo Empresarial (FIDE)
 PANAMA: Consejo Nacional de la Empresa Privada (CONEP)
 PANAMA: Asociación para el Desarrollo de Panamá (ADEPA)

DETAILED PROJECT BUDGET BY CONTRIBUTOR
For the period June 1987 -- May 1988 (Figures in US Dollars)

<u>LINE ITEM</u>	<u>ROCAP</u>	<u>FEDEPRICAP</u>	<u>OTHER DONNORS</u>	<u>TOTAL</u>
<u>PERSONNEL EXPENSES</u>				
Executive Director	7,400	24,000		31,400
Secretary	5,400	0		5,400
Legal Advisor (part time)	5,600	0		5,600
Asst for Public Relations (part time)	2,300	0		2,300
Janitor	3,200	0		3,200
Overtime	1,000	0		1,000
Other Technical Services (contracts)	0	800		800
Fringe Benefits	1,000	0		1,000
Salary Increases (from Jan 88)	600	0		600
Sub-total	26,500	24,800	0	51,300
<u>ORGANIZATION EXPENSES</u>				
Electric Installations	200	0		200
Decoration and fixture	1,300	300		1,600
MiniComputer (hardware & Software)	3,000	300		3,300
Photocopier Machine	1,600	400		2,000
Office Equipment (see procurement plan)	5,100	600		5,700
Other Equipment (as approved)	700	300		1,000
Legal Expenses (Fees)	800	0		800
Deposit for Rent	0	700		700
Other Authorized Expenses (5%)	600	100		700
Sub-total	13,300	2,700	0	16,000
<u>OPERATING EXPENSES</u>				
Account. services & Compt. assistance	1,600	300		1,900
Representational Expenses	0	2,700		2,700
Equipment Maintenance	300	200		500
Rent	6,200	2,200		8,400
Utilities	1,100	200		1,300
Switchboard Rent	2,300	500		2,800
Office Materials and Supplies	2,600	1,800		4,400
Telephone, Telex & Communications	11,000	2,200		13,200
Publicity and Promotion	3,000	9,600	7,000	19,600
Publications	4,000	6,000		10,000
Travel and Perdiem	6,000	3,000		9,000
Subscriptions (magazines, books, etc)	300	100		400
Audit (end of the year)	0	1,200		1,200
Other Authorized Expenses (5%)	1,800	1,500		3,300
Sub-total	40,200	31,500	7,000	78,700
Research and Seminars	10,000	20,000		30,000
TOTALS \$	90,000	79,000	7,000	176,000
%	51%	45%	4%	100%

Exchange Rate: Colones 64.00 = US Dollar 1.00

IV

FEDEPRICAP PROCUREMENT PLAN
(US Dollars)

<u>ITEMS</u>	<u>ROCAP</u>	<u>FEDEPRICAP</u>	<u>AMOUNT</u>
Computer and Printer	3,000	300	3,300
Photocopier Machine	1,600	400	2,000
Typewriter	230	25	255
Typewriter Stands	300	30	330
Desktop Calculator	210	20	230
Mini tape-recorder	60	5	65
3 desks, chairs and Guest chairs	3,300	330	3,630
File Cabinets	400	40	440
Shelves	600	100	700
Decoration, Rugs, Curtains, etc	1,300	300	1,600
Electric Installations	200	0	200
Carafe set, cups, etc	0	50	50
TOTAL \$	11,200	1,600	12,800

Exchange Rate: Colones 64.00 = US Dollar 1.00

FEDEPRICAP

RECORD OF APPROVAL

AMENDED BY-LAWS

FEDERATION OF PRIVATE ENTITIES OF CENTRAL AMERICA

FEDERACION DE ENTIDADES PRIVADAS DE CENTROAMERICA

F E D E P R I C A

In the City of San Salvador, on the thirty-first day of the month of January, nineteen hundred and eighty-seven, an Assembly of the members of the Federation of Private Entities of Central America and Panamá (FEDEPRICAP) was held with the following participants: Mr. Moises Flores, Vice-President of the Coordinating Committee of Agricultural, Commercial, Industrial and Financial Associations (CACIF) of Guatemala; Mr. Eduardo Sperisen, President of the Management Chamber of Guatemala (CAEM), of Guatemala; Mr. Jorge Gómez Andino, President of the Honduran Board of the Private Enterprise (COHEP) of Honduras; Mr. Ramón Medina Luna, Executive Secretary of the Foundation for Management Research and Development (FIDE) of Honduras; Mr. Victor E. Herrera, President of the Costa Rican Union of Chambers and Associations of Private Enterprise (UCCAEP) of Costa Rica; Mr. Juan Rafael Lizano, Director of The Costa Rican Coalition of Development Initiatives (CINDE) of Costa Rica; Mr. Eduardo Vallarino, President of the National Board of Private Enterprises (CONEP) of Panama; Mr. Juan B. Sosa, Representative of the Panamanian Development Association (ADEPA) of Panama; Mr. Carlos Borja Letona, President of the National Association of Private Enterprise (ANEP) of El Salvador; and Mr. Robert H. Murray Meza, President of the Salvadorian Foundation for the Economic and Social Development (FUSADES) of El Salvador, who approved the following "BY-LAWS OF THE FEDERATION OF PRIVATE ENTITIES OF CENTRAL AMERICA AND PANAMA (FEDEPRICAP)".

BY-LAWS OF THE FEDERATION OF PRIVATE ENTITIES
OF CENTRAL AMERICA AND PANAMA
F E D E P R I C A P

CHAPTER I

Article 1. The National Association of the Private Enterprise (ANEP), of El Salvador; the Coordinating Committee of Agricultural, Commercial, Industrial and Financial Associations (CACIF) of Guatemala; the Costa Rican Union of Chambers and Associations of Private Enterprise (UCCAEP) of Costa Rica; the Honduran Board of Private Enterprise (COHEP) of Honduras; and the Nicaraguan Development Institute (INDE) of Nicaragua; constitute an association of an autonomous, private, non-political, non-profitable nature, and with a separate legal status to each of the groups forming part thereof.

Also, forming part of the Association are the following institutions of the private sector: The National Board of the Private Enterprise (CONEP) of Panama; the Association for the Development of Panama (ADEPA) of Panama; the Salvadorian Foundation for the Economic and Social Development (FUSADES) of El Salvador; the Chamber of Managers of Guatemala (CAEM) of Guatemala; the Costa Rican Coalition of Development Initiatives (CINDE) of Costa Rica; the Foundation for Management Research and Development (FIDE) of Honduras; the Superior Board of the Private Enterprise (COSEP) of Nicaragua.

Article 2. The Association shall be called "FEDERACION DE ENTIDADES PRIVADAS DE CENTRO AMERICA Y PANAMA" and may be identified also by its initials: "FEDEPRICAP", hereinafter called "The Federation".

Article 3. For the purpose of nationality and domicile, it is established that the rotating headquarters of the Federation shall be in the Capital Cities of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama, and in each of the countries an application shall be submitted for recognition of its legal status.

- Article 4. The objectives and purposes of the Federation shall be as follows:
- a. to develop and defend the system of free enterprise
 - b. to endeavor that the private sector, as the fundamental element that it is, deploys its potential towards the economic and social development of the countries represented in the Federation and with social responsibility to stimulate, benefit, promote, strengthen the activities of private enterprise.
 - c. to strengthen the foundations of private economy and the image of free enterprise by means of joint national and regional programs, directed towards improving and training human resources, developing the communities and giving support to small enterprise; as well as searching organizational schemes to promote harmony in the relations between the different production factors.
 - ch. to promote the economic and social development of the region with special emphasis on generating new positions of work through increase of private investment, thus fomenting the channelling of regional and international resources.
 - d. to see to it that the region's private and public sectors, in their capacity as main promoters of the economy, lead their efforts in the same direction.
 - e. to participate in whatever is connected the the economic, regional and extra-regional integration process and to represent the area's organized private initiative before the different international institutions, and to watch over the sector's common interests.
 - f. to promote and carry out research, studies and economic, social and juridical programs, inspired on the principles of free enterprise and economic and social justice, with the purpose of promoting those principles and divulging their benefits.

- g. to establish an efficient system of exchange of information, points of view, and opinions between the organized private initiative of the member countries so that problems arising can be solved whenever possible by the sector itself.
- h. to prepare and carry out any activities to discover fresh investment opportunities and support the establishment of new enterprises as well as the development of the existing ones.

CHAPTER II

Article 5. The Assembly of Presidents shall be the superior body of the Federation and shall be made up by one representative of each member entity. This representation will be exercised by the President, his legal substitute, or whoever holds a high position within each organization.

Article 6. The Assembly of Presidents shall come together in regular meeting in the headquarter City of the Federation, in the months of April and October of each year, and in special meeting when deemed necessary by the Assembly of Presidents, the acting Presidents, or at the request of the entities of two member countries.

For both the regular and special meetings, the President shall call the meeting by means of the Executive Direction. In the event of Regular Meetings, the calls shall be made fifteen (15) days before the meeting, and for Special Meetings, with the proper time in advance.

Article 7. For the Assembly of Presidents to have quorum there shall be present at least three fourths ($3/4$) of all its members.

Article 8. Each member entity shall be entitled to one vote and resolutions shall be adopted by unanimous vote of those present, except in the case of elections which will be decided with the vote of at least seven (7) representatives.

Decisions regarding the amendments to the Federation's By-Laws shall be excepted, requiring for the purpose the unanimous approval of all member entities.

Article 9. Member entity representatives may attend the meetings of the Assembly of Presidents accompanied by counselors and advisors who have been previously accredited, and their number shall not exceed two (2) per entity.

Article 10. The attributions of the Assembly of Presidents are:

- a. to set forth the guidelines and general policies to be observed by the Federation.
- b. to comply and see that the Federation's objectives are complied with, as far as possible, by creating competent bodies or instruments to attain such goals.
- c. to study and determine the withdrawal and/or substitution of member entities
- ch. to carry out all those actions that tend to give compliance to the Federation's objectives.
- d. to render reports and issue opinions required of it in connection with problems of the private initiative and the purpose of the Federation
- e. to watch over the proper administration of the Federation and to enhance the same.
- f. at the Regular Assembly to be held in April, to appoint the corresponding headquarter country of the Federation which will hold the Presidency. The countries aspiring the headquarters shall simultaneously propose to the Federation their candidacy to the headquarters and to the presidency. The President shall take possession of his position immediately after his election.
- g. to issue the necessary regulations for the Federation's smooth running.
- h. to appoint and propose the Federation's representatives before any institutions where the Federation might be represented.

- i. to approve the annual income and disbursement budget and amendments thereto, reporting as required the annual movement of income and disbursements, and any other financial statements.
- j. to study the Annual Report, which shall be submitted by the President.
- k. to appoint committees and sub-committees, as deemed appropriate.
- l. to appoint the Executive Director and fix his remuneration
- m. any other attributions set forth by the By-Laws.

CHAPTER III

Article 11. The designation of headquarters shall be for a two (2) year term, and the position of Presidency shall be rotated between the entities of the designated country according to the order proposed by the same.

Headquarters may be extended in a specific country by unanimous approval of the Assembly, or when no other country requests the same, observing in any case the principle of rotation so that all countries have an opportunity to hold the headquarters.

Article 12. The attributions of Presidente are:

- a. to exercise the Federation's legal representation.
- b. to call to Assembly of Presidents and preside their meetings
- c. to see to it that the resolutions or agreements of the Assembly of Presidents are complied with
- ch. to authorize with his signature, together with the appointed Secretary, the Minutes of the Assembly of Presidents.
- d. Any other duties set forth by the By-Laws, the Assembly of Presidents, and those inherent to the position of President.

CHAPTER IV

Article 13. The Executive Direction shall be in charge of the coordination and direct administration of the Federation's activities, the proceedings entrusted to it by the Assembly, the Presidency and any other duties set forth. The Executive Direction shall be in charge of an Executive Director to be appointed by the Assembly of Presidents, who will be chosen as a result of his high qualifications for the position and at the motion of any of the member entities, and he shall be a citizen of any of the countries of the member entities.

The Executive Direction shall operate with an organization and a budget approved by the Assembly of Presidents, which will determine operating expenses, Executive Director's fees, and auxiliary personnel fees. The Executive Director shall appoint the auxiliary personnel.

The headquarters of the of the Executive Direction and the working conditions of the Executive Director shall be determined and approved by the Assembly of Presidents.

The direction and control of the Executive Direction shall be exercised by the President.

Article 14. The attributions of the Executive Director are:

- a. to execute the decisions and policies determined by the Assembly of Presidents.
- b. to efficiently administer the assets and resources of the Federation under his responsibility.
- c. to represent the Federation at events, conventions, congresses, seminars, as well as before entities of public or private right, in all those matters that may be beneficial to the Federation and the performance of its objectives.
- ch. to coordinate the Assemblies and help in activities connected with the Presidency, the Secretariat, and Treasury of the Federation.

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- d. to comply with the duties set forth hereunder and with the instructions given by the Presidency for the performance of his duties.
- e. to attend with voice but no vote to the Assemblies of the Federation.

CHAPTER V

- Article 15. The patrimony of the Federation shall be made up of the assets, rights and financial securities acquired under any title, such as:
- a. Quotas fixed by the Assembly of Presidents for the member entities.
 - b. Contributions, gifts or support voluntarily contributed by the members or other natural or juridical persons.
 - c. The product or yield of assets belonging to the entity.

CHAPTER VI

- Article 16. These By-Laws may be amended at the motion of any of the member entities and by the unanimous resolution of the Assembly of Presidents.
- Article 17. The Federation's term is indefinite, but it may be dissolved by resolution of the Assembly of Presidents with the favorable vote of the totality of the member entities.
- Article 18. Upon resolution of dissolution of the Federation, the Assembly of Presidents, having previously notified the pertinent authorities of the countries to which the member entities appertain, shall proceed with its liquidation. The liquid assets, if any, shall be distributed among the member entities prorated to the totality of their contributions.
- Article 19. These By-Laws shall become effective on the date of their approval by the Assembly of Presidents.

Moises Flores
Vice-President CACIF
Guatemala

Eduardo Sperisen
President CAEM
Guatemala

Jorge Gomez Andino
President COHEP
Honduras

Victor E. Herrera
President UCCAEP
Costa Rica

Eduardo Vallarino
President CONEP
Panama

Carlos Borja L.
President ANEP
El Salvador

Ramón Medina Luna
Executive Secretary FIDE
Honduras

Juan Rafael Lizano
Director CINDE
Costa Rica

Juan B. Sosa
Representative ADEPA
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President FUSADES
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