

USAID EXPRO

Quarterly/Annual Report

Ending June 30, 2004

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By:

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EXECUTIVE SUMMARY

By this report USAID EXPRO is reporting contracted deliverables as of June 30, 2004 in all six result areas. Most importantly, USAID EXPRO is able to report \$4,730,656 in various export products generated by the project's direct assistance to 92 Salvadoran MSMEs. One hundred forty-five additional companies have received competitiveness assistance by USAID EXPRO and are expected to produce results in future quarters; totaling the number of firms technically assisted by USAID EXPRO at 237 (this figure does not include the number of firms trained).

The 4.7 million dollars in exports represents over 100% of the project's first-year target for exports generated and approximately 79% of the projects total goal. Approximately \$2,901,123 of the export results are attributable to the attendance at trade fairs through June 30, 2004.

Tables 1 & 2 quantitatively highlight other targets achieved during USAID EXPRO's first year. The report sections entitled "Problems Encountered and Solutions Proposed" & "Annual Timeline of Activities" describe yearly target short falls and the next twelve month project goals.

During the quarter the activities of the USAID EXPRO related funds being executed with CENTROMYPE and FOEX have increased significantly. The difficulties in recruiting firms for longer-term technical assistance that existed in the previous quarter were solved, as several export platform initiatives and new MSME export projects were approved to be co-financed through the funds. To-date, 61% of the \$509,285 awarded through the funds has been committed to firms located in earthquake areas; equaling 44% of the total required dollars to be spent in earthquake areas through CENTROMYPE and FOEX grants.

The above results are largely due to USAID EXPRO's senior staff members and 36 expatriate, cooperating-country-national (CCN) and third-country-national (TCN) technical consultants. In addition to their general expert advice the consultants and staff have participated in one or more of the 18 trade fairs, 2 commercial trade missions, 2 business rounds, 13 studies, 9 private sector association capacity building activities, and 9 initiated MSME training activities. Approximately 29 additional trade fairs and 10 commercial trade missions have been scheduled. Institutional capacity building and information dissemination has also been made possible by the USAID EXPRO team's continual population of www.expro.org and disbursement of the USAID EXPRO monthly newsletter.

Additional detail of the deliverable outputs mentioned above can be found in Tables 1-2 and Annexes 1-2. Narrative explanations of each activity can be found under the appropriate result area. In the narrative portion of this report all but one of the three option period results are included with one of the result numbers 1-6, which are similar in scope but require funding from one of the two grant funds.

Table 1

Total Reported Contract Deliverables as of June 30, 2004

Result #	Deliverable Description	Contract Requirement (No.)	First Year Target	Previous Quarter PT-D Actuals (Earthquake)	Previous Quarter PT-D Actuals (Non-Earthquake)	Previous Quarter TOTAL PT-D Actuals Reported	Current Quarter-Actual (Earthquake)	Current Quarter-Actual (Non-Earthquake)	Current Quarter TOTAL-Actual Delivered	PTD-Actual Exported (Earthquake)	PTD-Actual Exported (Non-Earthquake)	TOTAL PT-D-Actual Delivered	Actual % of Contract	Actual % of Year Targets Achieved
1	Identification and development of export-oriented projects in 5 different economic sectors. At least 50% in earthquake areas	20	10	0	0	0	0	0	0	0	0	0	0%	0%
1	Public/Private sector professionals trained in export promotion and trade policy	50	n/a	n/a	n/a	11	n/a	n/a	0	n/a	n/a	11	22%	n/a
2	Product/market analyses conducted in target markets	50	40	n/a	n/a	48	n/a	n/a	0	n/a	n/a	13	26%	33%
2	Best Practice Guide in export promotion programs	1	1	n/a	n/a	1	n/a	n/a	1	n/a	n/a	1	100%	100%
2	Intranet/Portal for communicating and disseminating trade information	1	1	n/a	n/a	0	n/a	n/a	0	n/a	n/a	0	0%	0%
3	EXPRO Project website	1	1	n/a	n/a	1	n/a	n/a	1	n/a	n/a	1	100%	100%
3	Increased competitiveness of Salvadoran firms working in international trade areas	150	50	35	20	55	50	36	86	85	56	141	94%	282%
3	Increased competitiveness of Salvadoran firms working in international trade areas (Other EXPRO Funds)	100	50	*n/a	*n/a	0	42	54	96	42	54	96	96%	192%
3	Salvadoran firms trained and committed to participating in developing their export capabilities and future access to international markets	850	375	33	8	41	5	5	10	38	13	51	6%	14%
3	Strengthened associations to assist with the development of MSMEs	5	5	n/a	n/a	0	n/a	n/a	9	n/a	n/a	9	180%	180%
4	MSMEs exporting Salvadoran product lines (CENTROMYPE)	100	35	6	8	14	14	10	24	20	18	38	38%	109%
4	MSMEs exporting various products to international markets (FOEX)	50	20	3	2	5	9	4	13	12	6	18	36%	90%
4	MSMEs exporting a variety of products to international markets (Other EXPRO Funds)	100	35	18	17	35	1	0	1	19	17	36	36%	103%
5	Competitiveness of Business Development Services Firms and/or individual consultants increased with improved capacity to provide effective export services to MSMEs	50	50	0	6	6	0	0	0	0	6	6	12%	12%
6	Newly established international long-term strategic business relationships formed with Salvadoran enterprises	20	8	n/a	n/a	0	n/a	n/a	10	n/a	n/a	10	50%	125%

Table 2

Total Reported Contract Deliverables - Export \$ as of June 30, 2004

Result #	Deliverable Description	Contract Requirement - Export \$	First Year Target	Previous Quarter PTD Actuals Reported (Earthquake)	Previous Quarter PTD Actuals Reported (Non-Earthquake)	Previous Quarter TOTAL PTD Actuals Reported	Quarter-Actual Exported (Earthquake)	Quarter-Actual Exported (Non-Earthquake)	Quarter TOTAL-Actual Exports	PTD-Actual Exported (Earthquake)	PTD-Actual Exported (Non-Earthquake)	TOTAL PTD Actual Exports	Actual % of Contract	Actual % of Yearly Targets Achieved
4	MSMEs exporting Salvadoran product lines (CENTROMYPE)	\$2,000,000	\$700,000	\$336,565	\$93,849	\$430,414	\$495,069	\$287,602	\$782,671	\$831,634	\$381,451	\$1,213,085	61%	173%
4	MSMEs exporting various products to international markets (FOEX)	\$3,000,000	\$1,200,000	\$121,161	\$50,262	\$171,423	\$1,195,611	\$515,534	\$1,711,145	\$1,316,772	\$565,796	\$1,882,568	63%	157%
4	MSMEs exporting a variety of products to international markets (Other EXPRO Funds)	\$1,000,000	\$350,000	\$777,302	\$323,966	\$1,101,268	\$374,729	\$159,007	\$533,736	\$1,152,031	\$482,973	\$1,635,004	164%	467%

Please Note: When a company has worked with more than one institution (FOEX and Centromype) or has partaken in activities that do not apply to the funds as well as worked with the funds - exports are divided in two and apportioned accordingly between the two institutions or activities. This procedure is also applied when an exporting company has worked with more than one fund and/or with a fund and an activity outside of the funds.

PROJECT SUMMARY

USAID EXPRO aims to reactivate the rural economy of El Salvador by increasing income generated from exports of micro, small, and medium enterprises (MSMEs). Project objectives include (1) strengthening the Ministry of Economy's institutional export and trade policy capacity; (2) improving access to trade and export information; (3) increasing the competitiveness of Salvadoran businesses; (4) expanding business contracts and sales; (5) strengthening the Salvadoran export services sector; and (6) establishing strategic business alliances. Nathan Associates, in collaboration with AG International, is providing technical, commercial assistance, and training to support government and private sector export promotion efforts; improving the productive capacities of MSMEs striving to access international markets; and assisting Salvadoran companies in developing and increasing export sales by at least \$6 million at project completion on June 30, 2005. USAID EXPRO is also providing technical assistance and training to make export promotion initiatives more effective and to improve product development, operational efficiency, business development services, and the production scale of Salvadoran MSMEs so they can enter international markets, enjoy market continuity, maximize profitability, and face less risk of failure.

TECHNICAL ACTIVITIES DURING THE PERIOD

Inputs and Outputs by Result

**Please see Annex 1 for a summary list of activities*

Result 1: Institutional Export Promotion and Trade Policy Capacity of the Ministry Of Economy Strengthened

- Since its creation, USAID EXPRO has actively collaborated with different Salvadoran government organizations, with the objective to strengthen their institutional export promotion capacity. Two months after its creation, USAID EXPRO granted financial support to the Ministry of Foreign Affairs in order to support the participation of 25 Salvadoran firms in the EXPOCOMIDA LATINA fair in Los Angeles, the largest trade event in the Hispanic food industry in the United States.
- Once EXPORTA, the Salvadoran Export Promotion Agency, was created, USAID EXPRO granted technical and financial support to some of its export advisors in order for them to learn and/or improve their knowledge of international trade fairs. EXPORTA staff members attended USAID EXPRO organized events such as: BIOFACH Fair in Frankfurt, Germany, FMI Fair in Chicago, AGRITRADE Fair in Guatemala, EXPOCOMER in Panama. Additionally, USAID EXPRO financially supported EXPORTA in organizing and leading market research missions to foreign markets in Europe and South America with potential Salvadoran exporters. Specifically during: ALIMENTARIA in Barcelona, Spain; SUBCONTRACTING in Hannover, Germany; ALIEMNTARIA in Mexico; and LATINPHARMA in Sao Paulo, Brazil.
- When the new government of El Salvador took office in June of this year USAID EXPRO began anticipating a briefing with the new USAID EXPORTA President who is also the Vice President of the country. In preparation for the briefing the USAID EXPRO and EXPORTA staffs have been outlining potential new collaborative activities.

Result 2: Access to Trade and Export Information Improved

- The USAID EXPRO website continues to be populated with new trade and export information, in addition to upcoming USAID EXPRO events, trade fairs, and training programs. The website also provides news and results from past USAID EXPRO activities. www.expro.org
- Among the principal activities to be undertaken to improve access to trade and export information is the design and implementation of a Trade Information Portal for El Salvador. After the USAID EXPRO team's evaluation of the original intention of the portal – to disseminate CAFTA information – they recommend re-evaluation of the deliverable's criteria and expected timeline. Because www.expro.org is all encompassing of current and relevant data needed at this time, including information on CAFTA, USAID EXPRO believes the portal priorities should be re-evaluated and worked on with expert IT consultants,

software affiliates and the newly installed government who will most likely take over the management of the portal once USAID EXPRO has concluded.

- A proposal has been written and meetings conducted with an USAID EXPRO Marketing Advisor to broaden the commercial information resources available in the country's 40-odd Infocentros by stocking small commercial print libraries (commercial directories, trade periodicals, telephone directories, etc.). This activity initially was being planned in collaboration with the Salvadoran-American Chamber of Commerce; however the chamber is no longer able to be involved. USAID EXPRO is currently reviewing the idea of a potential partnership with Trade Point on this activity.
- The Export Best Practices Comparative Study was conducted by an international expert consultant based in Miami, Florida; and analyzes five different Latin country's export promotion practices. The final draft now has been completed and professionally edited and published. Electronic copies are available at the USAID EXPRO website and hard copies can be made available upon request through the USAID EXPRO office.
- USAID EXPRO wrote, published, and distributed its first monthly newsletter at the end of this quarter. Archived copies of all USAID EXPRO newsletters can be found at www.expro.org.
- The Tropical Fruit Juice and Concentrate study in its final stages is revealing new export opportunities for tropical fruit growers whose competitive edge has been lost to Mexico. More specifically, the study has been documenting and analyzing the demand for 8 natural tropical fruit juices and concentrates in 5 US markets and providing recommendations to Salvadoran farmers/producers of tropical fruit juices and concentrates. Recommendations will help them understand the opportunities available in the U.S market, how to export tropical juices and concentrates, and to how export sustainable - positioning themselves as juice or concentrate exporters rather than fruit exporters. The study is scheduled to be published in August and will count as 5 market studies in the USAID EXPRO results area.
- The finalized Hardwood, Rattan & Wrought-Iron Furniture Market Study hopes to increase the competitiveness of Salvadoran furniture producers in markets abroad. The increased ability to understand market forces and consumer demands will enable firms to design, price and market products according to the selected export destinations. The soon to be published report, which will be accredited as three studies in the results area, will be made available during the next quarter.
- USAID EXPRO has identified a technical expert to conduct an export study of the health services sector in El Salvador. There was a slight delay in starting the study, however the study is now expected to be completed in September.



- In April, the Design + Production Center Feasibility study was begun. The study will look at the ability of El Salvador to create an entity which would facilitate all aspects of a products life cycle. This entity will not necessarily at first be a tangible place where all steps are to take place, but a virtual collaboration of efforts which incept an idea and follow it though until consumed.

Result 3: Competitiveness of Salvadoran Businesses Increased

- In preparation for the FMI trade show in Chicago the Marketing Advisor's visited El Salvador during April. Each of the advisors made site visits to individual companies throughout the country to conduct personal consultations about products and trade show tactics. To continue product evaluation and research sales potential, during the visits, the advisors were provided with samples to return to the U.S. with. Negotiations by individual marketing advisors are largely still on-going and appear positive. The majority of sales closings are expected from contacts made at FMI. As usual it takes approximately 1-2 months of follow-up and contract deliberations before seeing tangible results. At the time of writing this report sales are appearing very profitable however, at this moment formal results can not be reported.



- During the quarter the implementation and completion of the IICA Export Platform and Product Validation for 20 companies attending the FMI Chicago trade show was completed.
- USAID EXPRO is providing advice and assistance to a group of electrical and civil engineers who are interested in organizing a cluster which will allow them to more successfully compete in international contracting; including within Central America and the Caribbean. During the first quarter of 2004 the group presented USAID EXPRO with a formal plan to become a cluster, and USAID EXPRO agreed to cover the costs of hiring a consultant to organize this cluster. The working plan mentioned has resulted now in three specific initiatives that have been presented to USAID EXPRO through CENTROMYPE: A trade mission to Nicaragua during the month of August where appointments have been made with important potential clients such as telephone and construction companies; A trade mission to the US during the last quarter of this year, in order to make presentations to US electrical contractors, with the objective to partner in projects in Latin America and the Caribbean; and The formation of a Salvadoran chapter of NECA (National Electrical Contractors Association) which arguably would facilitate the cluster insertion in the US market.
- Local training expert, Mario Caceres who was selected to manage the export training programs for 1) institutional counterpart agencies, 2) BDS providers and 3) micro and small sized enterprises, has concluded the development of the micro and small business training program. The finalized curriculum is expected

to train 1000 enterprises to: Apply strategies and policies which reinforce competition of related sectors; Identify and select possible entrepreneurial, innovative and exporting entrepreneurial projects; Prepare economic and financial feasibility studies that will allow the implementation of selected projects; and Prepare and advise MSMEs in the preparation of business plans, standards for food and drugs exports, CAFTA and FTAA opportunities, professional associations, export plans and other subjects related to exporting of Salvadoran products. USAID EXPRO chose four well known and experienced institutions, FUNDAPYME, ZAMORANO, FEPADE and ITCA, which will be in charge of capacitating the micro and small enterprises to improve and develop their exporting capacity and future access to international markets. USAID EXPRO has been issuing a Participation Voucher to the participating micro and small enterprises for the 33 scheduled 48 hour courses. To-date, USAID EXPRO has trained 51 businesses and has 173 enterprises registered for future courses taught by FUNDAPYME, ZAMORANO, and FEPADE in departments as far away as Morazán and San Miguel.

- USAID EXPRO has continued assisting the organization of the IT Cluster and defining their export goals. The cluster holds meetings in USAID EXPRO's facilities twice a month and USAID EXPRO has made several important contacts for them. Companies which have applied and received USAID EXPRO CENTROMYPE funds are currently elaborating their export plans, which will culminate next quarter when participating in trade shows or missions. Our two last relevant developments with the software development are: 1) USAID EXPRO hosted a meeting with 30 software development companies where the creation of a Trading Company aimed to export their products and services was proposed. Participating companies reacted very positively to this initiative and a group of consultants hired by USAID EXPRO are currently interviewing them in order to assess their export potential. Based upon the results of this research, selected companies will be invited to form the Software Trading Company during next quarter. 2) USAID EXPRO provided follow-up to the IDB initiative mentioned in last quarter report. Ten software companies have applied to this certification process that will facilitate their exports to more developed markets, such as the US and Europe. INCAE has been appointed by the IDB to implement this project. Two of their officials visited USAID EXPRO to solicit its support for this initiative. USAID EXPRO has agreed to provide support to participating companies for the development of new markets abroad. The Software Development Cluster has already submitted its proposal to INCAE/IDB. USAID EXPRO was instrumental in the elaboration of this proposal.
- The Labor Standards-WRAP Certification Program for El Salvador has collaborated with the Worldwide Responsible Apparel Production (WRAP) certification body who is currently working with Salvadorian enterprises and analyzing El Salvador's ability to positioning itself as a socially responsible place to do business. The final draft report has been received by USAID EXPRO and is currently being reviewed by USAID/El Salvador.

- The on-going Strengthening Salvadoran Design Capabilities and Cluster Formation activity is facilitating the integration of 16 design professionals clustered to support current and potential Salvadoran exporting companies. The design cluster will be a critical resource in helping other Salvadoran exporters to improve the appearance and image of their products, and in developing new products for markets abroad. During the quarter the cluster focused on planning the August Designer's Showcase and evening event which will be held to formally present the cluster's capabilities to assist in the acceleration of the Salvadoran export market. A directory and website is also in the process of being produced by the cluster and supported by USAID EXPRO.



- Together USAID EXPRO and the Interamerican Institute of Agricultural Sciences (IICA), Coexport, Camagro, MAG, and MINEC-FOEX provided organizational resources, financial and/or in-kind contributions to facilitate the participation of a group of 20 Salvadoran companies in the Food Marketing Institute Food Show (FMI) held in Chicago, May 2-4, 2004. To support the successful participation of the enterprises at this food show, IICA, with funding from USAID EXPRO, implemented for the third time in El Salvador, a formal methodology originating in Canada. The training, which began in February and continued through the quarter, focused on local exhibitors with technical knowledge of international trade. Topics such as product pricing, packaging, food safety, and negotiation techniques were presented during the six bimonthly 8 hour training sessions.



- USAID EXPRO invited seven trade associations and MSME related institutions, to submit proposals for the implementation of export promotion projects among their associates. Under a matching grants methodology, USAID EXPRO is able to give funds to selected institutions to execute projects oriented to provide technical assistance and market access to companies that want to export or that are currently exporting but want to develop new markets. To-date, Cámara de Comercio, FUNDAPYME, ASI and FUSADES have submitted proposals. All four proposals were analyzed and to-date, three of them (Cámara de Comercio, ASI and FUNDAPYME) were approved by USAID EXPRO and implementation began towards the end of this quarter. Cámara de Comercio will develop 40 export projects for the same number of companies. Each export project will culminate with the participation of selected companies in a trade show or commercial mission. Cámara de Comercio is currently in the process of selecting the forty SMEs that will benefit from this project. Asociación Salvadoreña de Industriales (ASI) will conduct a study among their associates which are currently exporting, in order to identify their supply sources. Arguably these sources are foreign, because exporting companies ignore the existence of sourcing options in El Salvador. The study will

then identify among its membership, SMES that can supply the demand found in the study. ASI is currently identifying consultants that can execute the study. FUNDAPYME is developing a project aimed to improve competitiveness in SMEs. Workshops, conferences and training sessions will be organized in order to address the critical issues that make a SME competitive, with an emphasis in developing exports. USAID EXPRO will fund the part concerning competitiveness for exports. This project started in July.

- USAID EXPRO designed for the “Asociacion de Cafes Especiales de El Salvador” a certification scheme for certifying Bourbon coffee. The Bourbon coffee will be the main ingredient in the strategy for differentiating Salvadoran coffee. This scheme involves Latincert –BCS as the certifying agency, Procafe as the national certifying agency and also a genetics lab in Germany which will run the samples. The following procedure has been established: 1) Protocols are to be worked out by Procafe, USAID EXPRO and the Asociacion de Cafes Especiales de El Salvador, 2) On site inspections are to be carried out by Procafe, based on morphology traits, 3) Procafe will issue jointly with the association a pre-certificate of bourbon coffee, 4) Latincert-BCS will inspect farms on a random basis, based upon the pre-certificate issued previously by Procafe, and will take tissue samples, 5) Tissue samples are to be sent by BCS to a German genetics lab, and 6) Latincert-BCS, based upon the lab. Results will issue the certificate of 100 % bourbon coffee. This certification will be the umbrella under which coffees of El Salvador will be marketed in the future.
- Through a project that has been coordinated with Agronatura and Camagro a group of approximately 30 companies are going to be certified organic in August 2004. This certification will give the companies the 3 organic seals NOP, JAS and BCS; in addition to “bird friendly” certification by The Smithsonian Institute if they grow coffee.
- In April USAID EXPRO initiated the creation of the Joint Units of Export for Salvadoran SME’s. The objective of this activity is to successfully launch a pilot project encompassing four Joint Units for export with Salvadoran Micro, Small and Medium Enterprises (MSME’s). Each Unit will be directed toward different markets and used as a guideline and reference for future projects of effective platforms for commercialization. Each producer-controlled Unit will start by defining the market and the sectoral productive capacity to satisfy demands in a sustainable way. This activity is expected to deliver: 1) In no more than five months, from the beginning of work, there will be four Joint Export Units, established as a legal entity, with managers intact and expectations for short-term export results, 2) Trained local consultants specialized in processes of forming export associative groups and other subjects related to the strengthening of competitiveness of the small Salvadoran companies, and 3) Sales of US\$250 thousand per UCEX.
- Four CENTROMYPE executives have participated in different commercial missions in order to increase their technical knowledge and strengthen the capacity of the organization and improve the effectiveness of future fairs and missions in which

CENTROMYPE participates. The four events included: EXPOCOMER Panama, Foro Empresarial Nicaragua, Agritrade Guatemala, Comercial Mission Hond-Nic.

- The USAID EXPRO Financial Specialist provided technical assistance to the CENTROMYPE Internal Committee in order to transfer comprehension and analytical knowledge of financial statements. This will help in improving the selection of the best companies for participation in the program. In addition, the Financial Specialist provided a half-day training course on USAID policies and procedures related to travel, MI&E, restrictions, etc.
- USAID EXPRO has proposed and is now planning in July a strategic workshop for the harmonization of USAID EXPRO CENTROMYPE fund procedures. The workshop hopes to also develop an environment of professionalism and cohesive communications within both institutions and allow for the identification of weak points in the program. The workshop will be attended by approximately two USAID EXPRO executives and seven CENTROMYPE executives.

Result 4: Business Contracts and Sales Expanded

- USAID EXPRO is able to report \$4,730,656 in various export products generated by the project's direct assistance to 92 Salvadoran MSMEs. One hundred forty-five additional companies have received competitiveness assistance by USAID EXPRO and are expected to produce results in future quarters; totaling the number of firms technically assisted by USAID EXPRO at 237 (this number does not include the number of firms trained).
- Approximately \$2,901,123 of export results is attributable to the attendance at trade fairs through June 30, 2004.
- In total for the project, USAID EXPRO is able to report the supported attendance of 133 companies at 18 trade fairs and 2 commercial missions and led Salvadoran MSMEs in 2 Central American business rounds. A list of which companies participated and to what trade fair can be found in Annex 2.
- Assistance was provided to the GCM Call Center during the quarter to follow-up on the commercial mission to Chicago and Los Angeles, where its President met with potential clients. The GCM Call Center reported that the encounters had been very productive and now is expecting to close sales within the short term.
- By means of USAID EXPRO's external marketing network, a large distribution of produce from Cherry S.A has begun to be exported to Nicaraguan supermarkets.
- As a result of participation in trade shows for special coffees, Salvadoran companies have achieved world wide recognitions for Salvadoran coffee. Himalaya S. A, in the



Cafeologie Show in Paris last June, won the second prize for washed soft coffees, running against the best Coffees in the world, including Colombian and Jamaican coffees.

- In May, a buyer-mission from Wal-Mart resulted in a public presentation to over 400 participants, and private showing of 20 Salvadoran products. As a result of the showcase prepared for Wal-Mart, 3 Salvadoran companies are expecting the visit in July of representatives of Kassim. This company is a distributor for Wal-Mart, and the meeting in July is to arrange an export program for these 3 companies. All three companies were consulted with by USAID EXPRO experts prior to the visit of Kassim to insure these companies can sustain the required volume of exports.
- Due to the work of the Marketing Advisor Network during the quarter, LaFe purchased \$40,000 in machine made frozen pupusas from Del Tropic Foods in El Salvador.
- Through USAID EXPRO assistance, the Salvadoran company Multpros has become a first-time exporter of green coffee at seven times the commodity price. The value-added roasted un-ground coffee is now organic and bird-friendly certified and also has new packaging due to USAID EXPRO assistance.

Result 5: The Salvadoran Export Services Sector Strengthened

- A number of individual export services providers have been identified and interviewed for potential use as consultants. USAID EXPRO continues to develop lists of services providers from private and governmental collaborators, and will soon prepare plans for training and other capacity-building activities.
- USAID EXPRO is collaborating and increasing the capacity of 5 different private sector associations: FUSADES (development of international commercial alliances for 15 SMEs currently being assisted by PROPEMI), ASI (development of linkages for exports between large Salvadoran exporters and potential SME-suppliers), FUNDAPYME (export-competitiveness training for Salvadoran SMEs), COEXPORT (joint-implementation of a program of buyer – and distributor – missions to El Salvador, commencing with the Central American Trade Fair in October), Camara de Comercio (new round of AFIS training for 40 companies, culminating in participation in trade fairs or commercial missions utilizing the USAID EXPRO Fast Track facility).
- USAID EXPRO provided support to two COEXPORT representatives, Mrs. Silvia Cuéllar and Mr. Marvin Castillo, to attend a training workshop on European market research, in Rotterdam, The Netherlands, from May 8th to May 16th with the following objectives: 1) To increase COEXPORT´s knowledge in international trade practices, 2) Through this knowledge, aid three Salvadoran companies implement concrete steps which lead to increased exports. This type of assistance to business associations increases the capacity of the organization to in the future lead groups of Salvadoran MSMEs to trade fairs and missions on their own.

Result 6: Strategic Business Alliances

- In the previous quarter, an USAID EXPRO team visited several cities in Spain and France between February 4 and February 14, where presentations were made to the representatives of industry associations, governmental trade development agencies and individual businesses on the opportunities that are emerging with the signing of the US-CAFTA for developing joint production and/or joint marketing agreements between European and Salvadoran firms. The recent strong appreciation of the Euro in relation to the US dollar makes such arrangements particularly attractive to European firms, and the USAID EXPRO team detected particular interest among manufacturers of furniture, home furnishings, musical instruments, high-quality leather footwear, tailored apparel and processed foodstuffs. In late April, USAID EXPRO executed a second mission to Europe to complete preparations for a Business-to-Business Encounter between European and Salvadoran firms to be held in San Salvador in June. The mission was also supported by PROESA and focused mainly on the shoe, furniture, and guitar industries. In June, two Spanish guitar companies separately visited El Salvador to conduct site visits and further discuss joint venture opportunities with Salvadoran guitar manufactures. USAID EXPRO is expecting the same type of visits from Spanish shoe companies. As for opportunities in the furniture industry, USAID EXPRO is expecting a visit from Spanish furniture buyers who will import to Spain. The next phase of this activity will be to expand the concept to other European countries and other product types.
- USAID EXPRO made contact with IFAS at the University of Florida with the intention of forming a joint research program in El Salvador. Since, a committee has been formed and talks conducted with IICA in order to form a committee that work with the IFAS group which will be arriving during the next quarter to conduct meetings and develop an action plan.
- USAID EXPRO has also newly established strategic business relationships with Wal-Mart, Design Continuum Boston, Zamorano, the regional CLUSA program, INCAE, UNIDO Paris, IPEX a regional export promotion institute of the Castilla/La Mancha region of Spain, and AIDECA the Center for Innovation and Technology in Spain.
- Together with PROESA, USAID EXPRO is developing a joint venture between Salvadoran and Uruguayan software engineers to establish software production in El Salvador for export in Central America. In January, USAID EXPRO COP and Gerardo Tablas met with Insaforp's President in order to get this institution's support for this project, in the form of funds for the training of Salvadoran software technicians. However, since the meeting Insaforp has not shown interest in supporting the activity. To find an alternative source for support USAID EXPRO met with an Indian software development company, which is considering the possibility of partnering with a local Salvadoran company in



order to export to the US. USAID EXPRO and PROESA together will follow up on this initiative.

Annual Problems Encountered and Solutions Proposed

To-date, fortunately no unusual or unanticipated problems have been encountered in the project's second full quarter.

However, as USAID EXPRO's first full year of implementation comes to a close it is recognized that there are a few result areas which did not meet the year target expectations. The two areas of biggest concern are: Result #1 "Identification and development of export-oriented projects in 5 different economic sectors" and Result #2 "Intranet/Portal for communicating and disseminating trade information." Each of these areas' yearly targets have not been met due to the Presidential election and the re-organization of the government's export promotion agencies such as EXPORTA.

In order to meet the contract deliverables for these two areas USAID EXPRO has held several meeting with EXPORTA and other agencies directed by the Vice-President's office. Currently, a workplan is being designed with EXPORTA which will include 5 export-oriented projects. USAID EXPRO is also pursuing the collaboration of an Intranet/Portal system directed at disseminating trade related information. It is crucial that USAID EXPRO work hand-in-hand with EXPORTA in these two areas seeing as EXPORTA will be the agency which follows each initiative through and manages the portal when USAID EXPRO no longer exists.

In Result Area #3 "Salvadoran firms trained and committed to participating in developing their export capabilities and future access to international markets" has not met its target goal of 375 firms. Only 51 firms have been trained, however 173 firms are registered for training course to take place in the months of July, August and September. The two numbers combined equals 224 or 60% of the First Year Target. The result is still low due to the delayed start-up of the training program. USAID EXPRO believes this low number will rapidly increase over the few quarters due to increasing demand and positive feedback of the courses.

In Result Area #5 "Competitiveness of Business Development Services Firms and/or individual consultants increased with improved capacity to provide effective export services to MSMEs" is only at 12% of the First Year Target due to focusing on other areas within the workplan. USAID EXPRO believes this number will increase rapidly in the next few months due to the start-up of the Joint Units of Export for Salvadoran SME's activity which will train over 10 Salvadoran business consultants, moving forward with expanding the amount of Coffee Cuppers available in El Salvador, and pursue the established relationship with the Management Consultants Association here in El Salvador.

Results and Project Performance Targets

During the quarter the activities of the USAID EXPRO related Funds being executed with CENTROMYPE and FOEX have increased significantly. The difficulties in recruiting firms for longer-term technical assistance that existed in the previous quarter were solved as several export platform initiatives and new MSME export projects were approved to be co-financed through the funds.

As of June 30 2004, the following awards and disbursements for the USAID EXPRO related CENTROMYPE and FOEX Funds have been made:

USAID EXPRO-FOEX FUND in \$

Area	Total Awarded	Total Disbursed	Fast Track Awarded	Fast Track Disbursed	"Normal Mechanism" Awarded	"Normal Mechanism" Disbursed
Earthquake	126,462	24,931	31,804	15,684	94,657	9,247
Non-Earthquake	115,773	18,166	24,916	9,839	90,856	8,327
Total	242,235	43,097	56,720	25,523	185,513	17,574

CENTROMYPE-USAID EXPRO FUND in \$

Area	Total Awarded	Total Disbursed	Fast Track Awarded	Fast Track Disbursed	"Normal Mechanism" Awarded	"Normal Mechanism" Disbursed
Earthquake	184,673	132,180	60,339	41,704	124,334	90,476
Non-Earthquake	82,377	47,162	39,304	22,517	43,073	24,645
Total	267,050	179,342	99,643	64,221	167,407	115,121

TOTAL USAID EXPRO RELATED FUNDS IN \$

Area	Total Awarded	Total Disbursed	Fast Track Awarded	Fast Track Disbursed	"Normal Mechanism" Awarded	"Normal Mechanism" Disbursed
Earthquake	311,135	157,111	92,143	57,388	218,991	99,723
Non-Earthquake	198,150	65,328	64,220	32,356	133,929	32,972
Total	509,285	222,439	156,363	89,744	352,920	132,695

As of June 30, 2004, 64 initiatives by MSME's have been awarded by the USAID EXPRO-FOEX Fund (37 earthquake and 27 non-earthquake). These initiatives related to the USAID EXPRO-FOEX Fund have been executed by 49 different MSME's. Additionally, 108 initiatives by MSME's have been awarded by the USAID EXPRO-CENTROMYPE Fund (66 earthquake and 42 non-earthquake). These initiatives related to the USAID EXPRO-CENTROMYPE Fund have been executed by 90 different MSME's.

Through the USAID EXPRO related funds (Fast-Track and normal mechanism vehicles) and other activities within the USAID EXPRO portfolio the project will be able to exceed the number of firms which are to receive assistance.

To demonstrate USAID EXPRO's initiatives and deliverables in regards to new generated exports by individual MSMEs please see Annex 1 & 2. Annex 2 also presents companies who have received some form of technical assistance by either USAID EXPRO staff or USAID EXPRO technical consultants and are forecasted to receive funds from either FOEX or CENTROMYPE; later producing export results. The same annex lists each firm who has received assistance from USAID EXPRO and if the firm has begun to export.

Please note, costs associated with earthquake and non-earthquake areas have at times been estimated.

MANAGEMENT INFORMATION

Project Startup

The USAID EXPRO office is fully operational.

Staffing

Below lists the USAID EXPRO long-term employee roster:

Long-Term Technical Experts

Phil Rourk – Chief of Party, Expat

Gerardo Tablas – Trade and Marketing Specialist, Local

Federico Aguilar – Business and Finance Specialist, Local

Vicente Rivas - Business and Finance Specialist, Local

Lisa Alley – Trade Specialist, Expat

Luis Alfaro – Grants Manager and Finance Specialist, Local

Hector Rafael Renderos – Grants Manager and Finance Specialist, Local

Long-Term Local Support Staff

Ana Ruth Cruz – Information Technology Specialist

Guillermina Barrios – Administrative Assistant

Ana Silvia Ayala – Accountant

Gilberto Garcia Vásquez – Driver

Jose Gómez Gonzales – Driver

Maria Nathalia Torres - Housekeeper

Management Visits

There were no management visits by the Nathan Associates home office during the quarter.

Annual Timeline of Activities

The implementation of project activities appears to be holding fairly closely to schedules established in the First Year Annual Work Plan. Exceptions have been noted under each result and activity.

As for priorities for the upcoming year, USAID EXPRO proposes to continue supporting aggressive export-marketing activities including the continuation/extension of the following:

- Participation in twenty-nine trade fairs and ten commercial missions targeted for the next 12 months
- European Joint Ventures Promotion Program to include additional sectors (tailored-clothing and processed food products) and new countries (Italy, Germany, and Scandinavia)
- Development of a systematic and regular program of buyer missions to El Salvador patterned after the successful Wal-Mart experience

USAID EXPRO proposes to begin work in the next 12 months on the construction of a permanent commercial infrastructure for Salvadoran MSMEs, including:

- Consolidation of the USAID EXPRO Export Advisors Network and formalization of its structure to permit its independent expansion and financial sustainability
- Implementation of the Salvadoran Design Center proposal
- Continued Support for the development and strengthening of export trading companies, including but not limited to producer-controlled organizations currently being formed with USAID EXPRO support
- Initiation of efforts to develop longer-term retailing relationships and distinct product identities for Salvadoran exporters in US and other export markets

The following areas will also be targeted in the next 12 months:

- Institutional Capacity Building – USAID EXPRO will be focusing on growing the relationship with EXPORTA and insuring the workplan is implemented.
- Alliance Formation – USAID EXPRO will further the European Joint Venture program and in doing so will form additional alliances in the new targeted markets such Scandinavia and Italy.
- Market Studies – the next market studies to be implemented will be focused on the organic and natural meat industry, guitar industry, and the tourism industry.
- Service Providers – USAID EXPRO will move forward with expanding the amount of Coffee Cuppers available in El Salvador, continue training the business consultants associated with the Joint Units of Export for Salvadoran SME's activity and pursue the established relationship with the Management Consultants Association here in El Salvador.

Progress on Alliance Formation

As indicated above, progress on alliance formation is somewhat slower than that of other project activities, but we believe that this is natural during the project startup period, and that alliance formation will develop quickly once aggressive implementation of international marketing activities in the following quarter.

LEVEL OF EFFORT

Although quarterly level-of-effort projections were not prepared as part of the USAID EXPRO project budgeting process, it has been concluded that the expenditure of consulting resources are on target. This is due to the fact that USAID EXPRO staff is fully operational and the majority of goals to be reached are on schedule. In addition, to monitor and track all Expat, CCN, and TCN levels of effort a consultant LOE matrix has been designed. This tracking system records all allocated and dissolved LOE, and is updated by USAID EXPRO and submitted to USAID/EI Salvador on a monthly basis.

LESSONS LEARNED AND RECOMMENDATIONS

USAID EXPRO was able to consolidate and continue excellent working relations with all major counterpart agencies and client groups during this quarter, and further strengthen its internal organization and systems. We believe the project's second full quarter with all grant funds active was largely successful, and that the end of the first half of 2004 shown substantial progress towards the achievement of project objectives.

Date Initiated	Activity	Initiative Supported
Mar-04	Analysis of Sugarcane Candy Nutritional Properties	Assessment of export capacity
Mar-04	Support for Indigo Growers Association	Assessment of export capacity
Oct-04	U.S. & European based Marketing Advisor Network	Business contracts and sales expanded
Apr-04	European Joint Venture and Co-Production Program	Business contracts and sales expanded
Oct-03	FOEX and CENTROMYPE Grant Manuals	Design of operation and management plan
Dec-04	Strengthening Salvadoran Design Capabilities & Cluster Formation	Increasing MSME competitiveness & Private sector association support
Dec-03	Organic Certification of 16 Agro Industry Companies	Increasing MSME competitiveness
Oct-04	Electrical Engineer Cluster	Increasing MSME competitiveness & Private sector association support
Oct-04	Software Development Cluster	Increasing MSME competitiveness & Private sector association support
Mar-04	Quality and Production Improvement for Salvadoran Guitar Makers	Increasing MSME competitiveness
Nov-04	Support for cooperation between Uruguayan and Salvadoran Software Exporters	Increasing MSME competitiveness
Apr-04	Joint Units of Export for Salvadoran SME's	Increasing MSME competitiveness
May-04	Wal-Mart Conference on Competing in the US Latin Food Markets	Increasing MSME competitiveness
Apr-04	Packaging Re-Design for 16 Enterprises' Products	Increasing MSME competitiveness
Mar-04	Support for testing alternative preservation methods for loroco	Increasing MSME competitiveness
Feb-04	Launch of www.expro.org	Information Dissemination
Feb-04	Development of Marketing and Public Relations Strategic Plan	Information Dissemination
Jun-04	EXPRO Monthly Newsletter	Information Dissemination
Feb-04	Sponsored Trade Fair Participation of 5 EXPORTA Staff Members	Institutional capacity building
Feb-04	Sponsored Trade Fair Participation of 4 CENTROMYPE Staff Members	Institutional capacity building
Nov-03	Promotion Support for CENTROMYPE Export Promotion Fund	Institutional capacity building
Dec-04	Launch of FOEX and CENTROMYPE co-financing funds & Expedited "Fast-Track" mechanism	Institutional capacity building
Dec-03	Re-Design of FOEX website	Institutional capacity building
Dec-03	Assistance for Trade Point Catalog	Institutional capacity building
Dec-03	Completion of FOEX and CENTROMYPE grant manuals	Institutional capacity building
Feb-04	Increasing the Capacity of Camara de Comercio	Private sector association support
Feb-04	Increasing the Capacity of COEXPORT	Private sector association support
Feb-04	Increasing the Capacity of ASI	Private sector association support
Feb-04	Increasing the Capacity of CENDEPESCA	Private sector association support
Feb-04	Increasing the Capacity of FUNDAPYME	Private sector association support
Feb-04	Increasing the Capacity of the Specialty Coffee Association of El Salvador	Increasing MSME competitiveness & Private sector association support
Feb-04	Increasing the Capacity of CAMAGRO	Private sector association support
Feb-04	Increasing the Capacity of FUSADES	Private sector association support
Dec-03	Labor Standards-WRAP Certification Program for El Salvador	Study
Dec-03	Fruit Juice and Concentrate Study	Study
Oct-03	Export Promotion Best Practices Comparative Study	Study
Jan-04	Support Strategies for the Specialty Coffee Sector	Study
Dec-03	Furniture Market Study	Study
Mar-04	Salvadoran MSME Current Financial Status	Study
Feb-04	Technical Feasibility of Trout Farming in Chalatenango	Study
Apr-04	Design Center Feasibility Study	Study
Oct-04	Implementation of IICA Export Platform to FMI Trade Show	Training
Jan-04	Design of Training Program and Course Curriculum for 1000 Micro and Small Enterprises	Training
Dec-04	Seminar for Exporters on Alternative Financing Mechanisms	Training
Feb-03	Seminar on Trade Show Selling Techniques for the European Organic Product Market	Training
Dec-03	Expo Comida Latina SME Debriefing and Trade Fair Training	Training
May-04	Implementation of Micro and Small Enterprise Training Program	Training
Mar-04	Training class on natural dye techniques of gourds	Training
Mar-04	Seminar on trade show selling techniques for Specialty Coffee Growers	Training
Oct-04	Sponsorship of 26 Students to ISEADE	Training
May-04	Implementation of seminar for CENTROMYPE on USAID policies and procedures	Training

*Note this chart does not include trade fairs or commercial missions which are reported in Annex 2

FIRM	Start-Up Date	Product Type	Initiative Supported (see table appendix to correspond number to General Guidance by EXPRO Staff)	Trade Show	Trade Mission	Mkt Compt. (w/o consultant)	MSME Training	\$ Provided (Earthquake)	\$ Provided (Non-Earthq.)	\$ in Exports (Earthquake)	\$ in Exports (Non-Earthq.)
1	Biocientifica	Apr-04	Manufacture	1	x			0	6,936	0	0
2	Drogueria Hermel	Mar-04	Cosmetics & Pharmaceutical	1	x			6,936	0	9,991	0
3	Productos Alimenticios Parma	Apr-04	Food Products	1	x			6,936	0	0	0
4	PROESAL	Apr-04	Food Products	1	x			6,936	0	10,000	0
5	Klean Chemical	Feb-04	Manufacture	1	x			6,936	0	0	0
6	Pansal	Mar-04	Food Products	1, 27	x			8,686	0	0	0
7	Don Alvaro	Mar-04	Agricultural Products	1	x			6,936	0	290,000	0
8	Promotora Multiple	Mar-04	Food Products	1	x			6,936	0	0	0
9	COEXA	Feb-04	Food Products	1	x			6,936	0	20,000	0
10	Cuellar	Dec-03	Food Products	26		x		2,500	0	1,674	0
11	CODIPA	Apr-04	Manufacture	26,27	x	x		0	4,250	0	41,540
12	Bella Terra S.A. de C.V.	Apr-04	Manufacture	21	x			1,104	0	0	0
13	Artesanias San Ignacio	May-04	Manufacture	21	x			0	1,104	0	0
14	Panificadora La Merced	Apr-04	Food Products	21	x			0	1,104	0	0
15	Industrias UMABER	Mar-04	Manufacture	21	x			0	1,104	0	0
16	Servicios Integrales Creativos	Apr-04	Service	21	x			1,104	0	0	0
17	Party Piñatas y Confetis	Apr-04	Manufacture	21	x			0	1,104	0	0
18	Ricarfelli	Apr-04	Manufacture	21	x			0	1,104	0	2,000
19	Asociacion de Añileros los Nonualcos	Apr-04	Agricultural Products	5	x			1,104	0	0	0
20	Calzado Tagat	Feb-04	Manufacture	21	x			0	1,104	0	0
21	Grupo Gerencial Prime	Apr-04	Service	21	x			1,104	0	2,000	0

FIRM	Start-Up Date	Product Type	Initiative Supported (see table appendix to correspond number to General Guidance by EXPRO Staff	Technical Consultant	Trade Show	Trade Mission	Mkt Compt. (w/o consultant)	MSME Training	\$ Provided (Earthquake)	\$ Provided (Non-Earthq.)	\$ in Exports (Earthquake)	\$ in Exports (Non-Earthq.)
22	Industrias wendy	Mar-04	Manufacture	21	x				0	1,104	0	30,000
23	Mobiliaria Tubular	Apr-04	Manufacture	21	x				0	1,104	0	0
24	Artesanias Muebles de Caña	Mar-04	Manufacture	21	x			1,104	0	0	0	0
25	Espacios Digitales	Mar-04	Service	21	x			1,104	0	0	0	0
26	PROEXAL	May-04	Food Products	27		x			1,750	0	0	0
27	Laboratorios ESEBE	May-04	Cosmetics & Pharmaceutical	28		x			1,872	0	552	0
28	Quindeca	May-04	Manufacture	21,31	x	x			3,340	0	6,550	0
29	Cuatro M. S.A. de C.V.	May-04	Specialty Coffee	29		x			0	2,832	0	0
30	CASAL S.A. de C.V.	May-04	Specialty Coffee	29		x			0	2,832	0	7,350
31	Cooperativas Las Cruces	Jan-04	Specialty Coffee	23			x		0	1,817	0	0
32	Exportadora el Volcan	Jan-04	Specialty Coffee	23,24		x	x		3,822	0	0	0
33	Seters Ingenieros	Jan-04	Service	25		x			2,085	0	0	0
34	Mayprod S.A. de C.V.	Feb-04	Manufacture	25		x			0	2,085	0	0
35	Agropecuaria La Laguna	Apr-04	Agricultural Products	1		x			0	1,347	0	0
36	Industrial de Alimentos y Postres	Apr-04	Food Products	1		x			1,347	0	10,251	0
37	Representaciones Diversas	Apr-04	Food Products	10				x	1,347	0	0	0
38	Panaderia SINAI	Apr-04	Food Products	1		x			0	1,347	0	0
	Cherry S.A. de C.V.	Apr-04	Manufacture	1		x			5,311	0	0	0
39	Virtual Graphix	May-04	Service	33	x		x		11,202	0	0	0
40	Santa Eduvigis	Oct-03	Food Products	33	x		x		0	5,432	0	49,523
41	Clasicos Roxsil	May-04	Manufacture	33	x		x		601	0	7,119	0

FIRM	Start-Up Date	Product Type	Initiative Supported (see table appendix to correspond number to General Guidance by EXPRO Staff)	Technical Consultant	Trade Show	Trade Mission	Mkt Compt. (w/o consultant)	MSME Training	\$ Provided (Earthquake)	\$ Provided (Non-Earthq.)	\$ in Exports (Earthquake)	\$ in Exports (Non-Earthq.)
42	G. Prempere	May-04	Service	33	x	x			0	4,825	0	1,200
43	Indusola	May-04	Manufacture	33	x	x			1,892	0	23,256	0
44	Tecoloco.Com	May-04	Service	33	x	x			20,098	0	12,500	0
45	Exporsal	Jun-04	Manufacture	33	x	x			11,305	0	405,573	0
46	Algiers Impresores	May-04	Service	33	x	x			3,213	0	60,092	0
47	Inversiones Carrousel	May-04	Manufacture	33	x	x			0	2,850	0	0
48	Wolsh	Jun-04	Food Products	33	x	x			0	19,667	0	0
49	Sal y Pimienta	May-04	Service	20,33	x	x	x		11,981	0	0	0
50	Web-Informatica S.A. de C.V.	Jun-04	Service	33	x	x			8,575	0	0	0
51	Gina Palmera	Jun-04	Manufacture	30		x			809	0	0	0
52	Industrias Bengala	Jun-04	Manufacture	33	x	x			0	6,138	0	0
53	G. y G. Factible	Nov-03	Food Products	1,4		x			0	8,023	0	0
54	Corporacion Primavera (Pasteleria Lorena)	Nov-03	Food Products	4		x			0	1,087	0	16,479
55	Pasteleria Fortuna de Pan	Nov-03	Food Products	4		x			1,087	0	0	0
56	Pan Miga	Nov-03	Food Products	4		x			1,087	0	0	0
57	Biscuit Factory	Nov-03	Food Products	4		x			1,087	0	0	0
58	Exportadora Canales Rodriguez	Nov-03	Food Products	4		x			1,087	0	62,500	0
59	Ferelis S.A. de C.V.	Nov-03	Food Products	4,21	x	x			2,191	0	0	0
60	Tropix S.A. de C.V.	Nov-03	Food Products	4		x			1,087	0	35,000	0
61	Zelosa S.A. de C.V.	Nov-03	Agricultural Products	4		x			1,087	0	0	0
62	Asci S.A. de C.V.	Nov-03	Food Products	4		x			0	1,087	0	0

FIRM	Start-Up Date	Product Type	Initiative Supported (see table appendix to correspond number to General Guidance by EXPRO Staff	Technical Consultant	Trade Show	Trade Mission	Mkt Compt. (w/o consultant)	MSME Training	\$ Provided (Earthquake)	\$ Provided (Non-Earthq.)	\$ in Exports (Earthquake)	\$ in Exports (Non-Earthq.)		
63	Samaritana S.A. de C.V.	Nov-03	Food Products	4,27			x			0	2,837	0	26,179	
64	Alimentos Cuscatlan	Nov-03	Food Products	4			x			0	1,087	0	0	
65	Toty's Gourmet	Nov-03	Food Products	4, 21			x	x		2,191	0	0	0	
66	Lacteos Metapan	Nov-03	Food Products	4,33			x	x	x	0	21,955	0	0	
67	Tipicos Margoth	Nov-03	Service	4,33			x	x	x	1,587	0	0	0	
68	Cakes Carrousel	Nov-03	Food Products	4			x			0	1,087	0	0	
69	Casa Bazzini	Nov-03	Food Products	1,2,4,27			x			8,548	0	172,478	0	
70	Garmol	Nov-03	Food Products	4,10			x		x	1,567	0	43,592	0	
71	La Fuente	Nov-03	Food Products	4			x			1,087	0	0	0	
72	La Negrita	Nov-03	Food Products	4			x			1,087	0	30,000	0	
73	Atlacatl Foods	Nov-03	Agricultural Products	1,4			x			8,023	0	97,063	0	
74	Pasteles de El Salvador	Nov-03	Food Products	4			x			1,136	0	58,014	0	
75	B y M Importaciones	Nov-03	Food Products	4			x			1,087	0	0	0	
76	Multipros	Oct-03	Specialty Coffee	5,10,11			x	x		x	4,898	0	9,000	0
77	Aprainores	Oct-03	Other Organic	1,5,3,27			x	x		x	11,400	0	0	0
78	Cooperativa La Union	Oct-03	Specialty Coffee	5			x			x	1,614	0	906	0
79	Tepeyac	Oct-03	Specialty Coffee	5,11			x	x		x	5,014	0	0	0
80	El Olvido	Oct-03	Specialty Coffee	5,11			x	x		x	4,400	0	45,000	0
81	SHUCHIL	Oct-03	Other Organic	3,5,11			x	x		x	0	2,464	0	14,307
82	Casa Frida	Oct-03	Other Organic	5			x			0	614	0	0	
83	Asociacion de Añileros de Oriente	Oct-03	Other Organic	5			x			0	614	0	0	

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84	Fundación ABA (San Jorge)	Oct-03	Specialty Coffee	5	x				0	614	0	0
85	Zenzontle	Oct-03	Other Organic	5,11	x	x			4,400	0	225,000	0
86	UPREX	Oct-03	Specialty Coffee	5	x		x		614	0	0	0
87	Ortisaes	Oct-03	Specialty Coffee	5	x		x		614	0	0	0
88	Santa Isabel	Oct-03	Specialty Coffee	5	x		x		614	0	0	0
89	Pahnas	Oct-03	Food Products	10			x	x	480	0	125,400	0
90	INTEMAQ	Oct-03	Manufacture	10				x	480	0	250,000	0
91	Kalish World	Oct-03	Manufacture	10				x	480	0	0	0
92	Recitex S.A. de C.V.	Oct-03	Manufacture	10				x	480	0	84,507	0
93	TOROGOZ S.A. de C.V.	Oct-03	Manufacture	10				x	480	0	0	11,542
94	Pharma Lab.	Oct-03	Cosmetics & Pharmaceutical	10				x	480	0	0	0
95	Tejemet S.A de C.V.	Oct-03	Manufacture	10				x	480	0	0	0
96	DIMELCA S.A. de C.V.	Oct-03	Manufacture	10				x	0	480	0	0
97	Maderas y Metales S.A. de C.V.	Oct-03	Manufacture	2,10,33	x	x	x	x	0	4,124	0	50,587
98	Mama Gallina Restaurante	Oct-03	Service	10				x	0	480	0	0
99	RIDI S.A. de C.V.	Oct-03	Manufacture	10				x	480	0	88,392	0
100	Latin Kraft Artesanias	Oct-03	Manufacture	10				x	480	0	7,677	0
101	FUDEFA	Oct-03	Service	10				x	480	0	0	0
102	La Canasta	Oct-03	Food Products	9,10			x	x	647	0	16,536	0
103	Proserquisa	Oct-03	Food Products	10				x	0	480	0	0
104	Laboratorios Farmaceuticos ENMILEM	Oct-03	Cosmetics & Pharmaceutical	10				x	480	0	0	0

FIRM	Start-Up Date	Product Type	Initiative Supported (see table appendix to correspond number to General Guidance by EXPRO Staff	Trade Show	Trade Mission	Mkt Compt. (w/o consultant)	MSME Training	\$ Provided (Earthquake)	\$ Provided (Non-Earthq.)	\$ in Exports (Earthquake)	\$ in Exports (Non-Earthq.)	
105	Limesal	Oct-03	Agricultural Products	10				x	480	0	0	0
106	DICAME	Oct-03	Manufacture	10,21	x	x			0	1,584	0	30,371
107	Borboletas	Oct-03	Manufacture	9				x	167	0	0	0
108	Creaciones Infantiles	Oct-03	Manufacture	9				x	167	0	5,000	0
109	Industrias Americanas	Oct-03	Manufacture	9				x	0	167	0	0
110	Network Travel, S.A. de C.V.	Oct-03	Service	9				x	167	0	7,225	0
111	PAN MAMA CHELA	Oct-03	Food Products	12				x	167	0	0	0
112	Fapmosa	Oct-03	Manufacture	9				x	0	167	0	0
113	Salva Mex Designs	Oct-03	Manufacture	9				x	167	0	4,840	0
114	Proinca S.A.	Oct-03	Food Products	9				x	0	167	0	0
115	Ortiza S.A. de C.V.	Oct-03	Specialty Coffee	9				x	0	167	0	0
116	Lovaina S.A. de C.V.	Oct-03	Manufacture	9				x	0	167	0	0
117	Racor	Oct-03	Food Products	1,9			x	x	0	5,478	0	269,651
118	Editorial Lis	Oct-03	Manufacture	9				x	167	0	9,000	0
119	Cia. Industrial Alimentaria	Oct-03	Food Products	9				x	0	167	0	0
120	Arte Focal	Oct-03	Manufacture	9				x	0	167	0	5,637
121	Multicolor Diseño Grafico	Jan-04	Manufacture	12				x	245	0	0	0
122	RED ART	Jan-04	Manufacture	14			x	x	3,000	0	5,498	0
123	APECAFE	Jan-04	Specialty Coffee	11				x	1,518	0	31,185	0
124	Origenes	Jan-04	Other Organic	3,11				x	0	5,600	0	905
125	Dismatel	Feb-04	Manufacture	2				x	1,150	0	9,978	0

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126	Healthco	Jan-04	Food Products	1,2,15,26								
									13,550	0	11,900	0
127	Laboratorios Combisa	Feb-04	Cosmetics & Pharmaceutical	2								
									0	1,150	0	24,000
128	Tecnologia del Ambiente	Jan-04	Service	2								
									1,150	0	0	0
129	Artesanias el Bambu	Feb-04	Manufacture	6,21								
									0	1,104	0	5,180
130	Calzado Guerrero	Feb-04	Manufacture	6,21	x	x						
									0	1,104	0	5,507
131	INDUZASA S.A. de C.V.	Feb-04	Manufacture	6,21	x	x						
									0	1,104	0	2,345
132	Calzado Albert	Feb-04	Manufacture	6,21								
									0	1,104	0	6,398
133	PROCAR	Feb-04	Food Products	21								
									1,104	0	0	0
134	Artex Bata	Feb-04	Manufacture	21								
									1,104	0	0	0
135	Industrias Diversas, S.A.	Mar-04	Manufacture	1,17	x		x					
									7,831	0	59,000	0
136	Panaderia Celsita	Jan-04	Food Products	21								
									1,104	0	0	0
137	Panaderia Chavez	Jan-04	Food Products	21								
									1,104	0	0	0
138	Industrias Blandon	Feb-04	Manufacture	6,21	x	x						
									0	1,104	0	54,524
139	Industrias Chequen	Feb-04	Manufacture	6,21	x	x						
									0	1,104	0	0
140	Artesanias Moje	Feb-04	Manufacture	21								
									0	1,104	0	288
141	El Comienzo	Mar-04	Specialty Coffee	3,24								
									3,005	0	0	0
142	Software Alliance	Feb-04	Service	21								
									1,104	0	0	0
143	Arquitectura Tranzo	Feb-04	Manufacture	21								
									3,604	0	0	0
144	Biocnologia de El Salvador	Feb-04	Food Products	3,21								
									2,104	0	0	0
145	Industrias Laford	Feb-04	Manufacture	3,33								
									0	8,147	0	4,030
146	SCAES	Mar-04	Agricultural Products	3								
									1,000	0	0	0

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147	Frutos del Sol	Feb-04	Food Products	1,3						7,936	0	950	0
148	ISMARSA	Mar-04	Agricultural Products	6,16	x		x			900	0	200,001	0
149	PROTECNO	Feb-04	Manufacture	2,3,6,26,33	x	x	x	x		10,375	0	222,500	0
150	FORMOSA	Mar-04	Agricultural Products	6,16	x		x			900	0	0	0
151	PINSAL	Feb-04	Manufacture	2,26,31			x	x		0	5,886	0	134,000
152	Palacio	Feb-04	Food Products	1,2,20			x			0	9,946	0	2,159
153	VAPE	Feb-04	Agricultural Products	15			x			2,979	0	50,000	0
154	Ideas Promocionales	Feb-04	Agricultural Products	20			x			1,308	0	0	0
155	COMEL	Feb-04	Food Products	20,32,33		x	x	x		0	7,638	0	204,770
156	Everest S.A.	Apr-04	Specialty Coffee	6,23,24,29	x		x	x		0	6,654	0	9,000
157	Cofinanzas S.A. de C.V.	Apr-04	Specialty Coffee	6,24,29,33	x	x	x			6,508	0	246,400	0
158	Francisco S.A.	Apr-04	Specialty Coffee	6,24	x		x			0	2,005	0	84,645
159	Proexcafe	Apr-04	Specialty Coffee	6,24	x		x			0	2,005	0	44,023
160	Café Himalaya	Apr-04	Specialty Coffee	6,23,24,29	x		x	x		6,654	0	28,000	0
161	Urrutias State Coffee	Apr-04	Specialty Coffee	6,23	x			x		1,817	0	5,716	0
162	Laussane	Apr-04	Specialty Coffee	6,24,29	x		x			4,837	0	21,777	0
163	COEXCA	Apr-04	Specialty Coffee	6,23,24	x		x	x		2,005	0	5,631	0
164	ESMAR	Apr-04	Specialty Coffee	6,23,24	x		x	x		0	3,822	0	32,313
165	Moldymet	Apr-04	Manufacture	25			x			1,750	0	0	0
166	Promein	Mar-04	Manufacture	25			x			0	1,750	0	0
167	Industria Mecanicas RAF	Apr-04	Manufacture	25			x			0	1,750	0	0

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168	Cerro De flores	Mar-04	Agricultural Products	19					850	0	18,219	0
169	CAPOSA	Mar-04	Agricultural Products	19					850	0	52,861	0
170	INVERPLAN	Mar-04	Agricultural Products	19					850	0	0	0
171	GCM	Mar-04	Service	18					0	1,561	0	6,000
172	ALIESCO	Dec-03	Food Products	6	x	x			n/a	n/a	0	0
173	PROLACSA	Nov-03	Food Products	6	x	x			n/a	n/a	0	0
174	Don Ramon	Dec-03	Food Products	6	x	x			n/a	n/a	0	0
175	Cadesal	Dec-03	Food Products	6	x				n/a	n/a	8,403	0
176	Sabores Instantaneos Salvadoreños	Dec-03	Food Products	6	x				n/a	n/a	0	32,585
177	Granja Jovels	Dec-03	Agricultural Products	6,8	x				n/a	n/a	0	27,500
178	Apiarios San Luis	Dec-03	Agricultural Products	6,8	x				n/a	n/a	0	7,365
179	Apiarios Fernandos	Dec-03	Agricultural Products	6,8	x				n/a	n/a	0	13,088
180	Apiarios Menjivar	Dec-03	Agricultural Products	6,8	x				n/a	n/a	0	12,685
181	Apiarios Pedro Arnoldo Gonzales	Dec-03	Agricultural Products	6,8	x				n/a	n/a	0	6,500
182	Apiarios Montoya	Dec-03	Agricultural Products	6,8	x				n/a	n/a	0	22,000
183	Farmaceutica RODIM	Dec-03	Cosmetics & Pharmaceutical	6		x			n/a	n/a	0	0
184	Inversiones Hospitalarias	Nov-04	Service	6,33	x	x			6,294	0	1,529	0
185	SOCOAGRO	Dec-03	Agricultural Products	6	x	x			n/a	n/a	0	0
186	Crio Inversiones	Nov-03	Food Products	1,6	x		x		0	5,311	0	0
187	Artesanos del Rey	Dec-03	Manufacture	6,26	x		x		2,500	0	0	0
188	AGROTEC	Dec-03	Agricultural Products	6	x	x			n/a	n/a	75,000	0

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189	San Marino	Dec-03	Agricultural Products	6,33	x	x			800	0	0	0
190	FACOPADES	Nov-03	Food Products	6	x				n/a	n/a	0	0
191	ACOTEL	Nov-03	Food Products	6	x				n/a	n/a	0	0
192	SOCOPRONT	Oct-03	Agricultural Products	6	x				n/a	n/a	0	0
193	Molina Hermanos	Dec-03	Manufacture	6	x	x			n/a	n/a	0	0
194	Bio Tric	Sep-03	Agricultural Products	6	x				n/a	n/a	0	0
195	Kreef	Dec-03	Food Products	6	x	x			n/a	n/a	0	0
196	LOROCOSAL	Oct-03	Agricultural Products	6,8	x				n/a	n/a	0	0
197	INFOSGROUP	Oct-03	Service	6	x			x	n/a	n/a	0	65,000
198	NETSTUDIO	Oct-03	Service	6	x			x	n/a	n/a	0	8,000
199	SOFTTRADING	Oct-03	Service	6	x			x	n/a	n/a	0	0
200	David Guzmán	Oct-03	Service	8	x	x			n/a	n/a	0	0
201	E SOFT	Oct-03	Service	6	x			x	n/a	n/a	0	0
202	PROMENADE	Oct-03	Food Products	6	x			x	n/a	n/a	0	0
203	Ricardo Paggi, Gerente General	Oct-03	Manufacture	6	x				n/a	n/a	0	0
204	Outdoor Products	Oct-03	Manufacture	6	x				n/a	n/a	0	0
205	Manuel Gonzales	Oct-03	Service	8	x	x			n/a	n/a	0	0
206	Herrera Industrias	Oct-03	Service	8	x	x			n/a	n/a	0	9,044
207	Ernesto Fiallos	Oct-03	Service	8	x	x			n/a	n/a	0	0
208	Gerardo Martínez	Oct-03	Service	8	x	x			n/a	n/a	0	0
209	Enrique Castro Huevo	Oct-03	Service	8	x	x			n/a	n/a	0	0

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210	Anabella de Mejía	Oct-03	Service	8	x	x		x	n/a	n/a	0	0
211	Andrea Perez	Oct-03	Service	8	x	x		x	n/a	n/a	0	0
212	Águeda Rivera	Oct-03	Service	8	x	x		x	n/a	n/a	0	0
213	Patricia Mayorga	Oct-03	Service	8	x	x		x	n/a	n/a	0	0
214	Xiomara López	Oct-03	Service	8	x	x		x	n/a	n/a	0	0
215	Coralía Altamirano	Oct-03	Service	8	x	x		x	n/a	n/a	0	0
216	Ma Luisa Angulo	Oct-03	Service	8	x	x		x	n/a	n/a	0	0
217	Beatriz de Aguilar	Oct-03	Service	8	x	x		x	n/a	n/a	0	0
218	Jimmy Fuentes	Oct-03	Service	8	x	x		x	n/a	n/a	0	0
219	Guillermo Bonilla	May-04	Service	8	x	x			n/a	n/a	0	0
220	Claudia Colindres	Oct-03	Service	8	x	x		x	n/a	n/a	0	0
221	Francisco Molina	Oct-03	Service	8	x	x		x	n/a	n/a	0	0
222	Lourdes Mena	Oct-03	Service	8	x	x		x	n/a	n/a	0	0
223	Julio Yañes	Oct-03	Service	8	x	x		x	n/a	n/a	0	0
224	Gabriela Larios	Oct-03	Service	8	x	x		x	n/a	n/a	0	0
225	Connie Aguilar	Oct-03	Service	8	x	x		x	n/a	n/a	0	0
226	Jorge Arguett	Oct-03	Service	8	x	x		x	n/a	n/a	0	0
227	Gustavo Trigueros	Oct-03	Service	8	x	x		x	n/a	n/a	0	0
228	Cristina Alcaine	Oct-03	Service	8	x	x		x	n/a	n/a	0	0
229	CANADES	Dec-03	Food Products	6,33	x	x		x	3,280	0	0	0
230	Edmundo Arevalo	Oct-03	Service	8	x	x		x	n/a	n/a	0	0

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231	Dagoberto Valdivieso	Oct-03	Service	8	x	x			x	n/a	n/a	0	0
232	Vidal Sal3n	Dec-03	Service	6	x					n/a	n/a	0	0
233	Group - Paneleros de San Vicente (21 companies in group)	Nov-Dec 03	Agricultural Products	8	x	x			x	n/a	n/a	0	0
234	Industrias Caricia	May-04	Manufacture	6,7	x	x				n/a	n/a	0	50,000
235	Bexcafe	May-04	Specialty Coffee	6	x					n/a	n/a	0	0
236	Naranjas San Jos3 (flowers)	Oct-03	Agricultural Products	6	x					n/a	n/a	0	0
237	GEMUSE S.A. de C.V.	Dec-03	Agricultural Products	6	x	x				n/a	n/a	9,200	0
Total To-Date (June 30, 2004)									\$339,986	\$197,408	\$3,300,436	\$1,430,220	
Total for Previous Quarterly Report (Ending March 30, 2004)									\$193,870	\$39,991	\$1,240,597	\$462,508	

**TOTAL Estimated USAID
EXPRO Spending for
Deliverables**

\$537,394

**TOTAL Exports Generated
by USAID EXPRO**

\$4,730,656

** allocation of costs to earthquake and non-earthquake areas
have been estimated*