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Quarterly Progress Report

Peru and Andean Trade Capacity Building Program: USAID/Facilitando Comercio

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Peru and Andean Trade Capacity Building
Program: USAID/Facilitando Comercio

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Glossary

ADSL	Asymmetric Digital Subscriber Line
AEO	Authorized Economic Operator
BASC	Business Alliance to Promote Secure Commerce (Bolivia)
CADEX	Chamber of Exporters of Santa Cruz (Bolivia)
CADEXCO	Chamber of Exporters of Cochabamba (Bolivia)
	Chamber of Industry, Commerce, Services & Tourism of Santa Cruz (Bol)
CAINCO	
CANEB	Bolivian Institute of Foreign Commerce
COO	Certificate of Origin
DIAN	Direction of National Taxes and Customs (Colombia)
DIGEMID	General Direction of Medicine and Drugs
DIGESA	General Direction of Health and Environment
FCC	Federal Communications Commission
FUNDES	Foundation for Sustainable Development
GOC	Government of Colombia
GOE	Government of Ecuador
GOP	Government of Peru
GOB	Government of Bolivia
HACCP	Hazard Analysis and Critical Control Points (Certification)
IBCE	Bolivian Institute of Foreign Commerce
IBNORCA	Bolivian Institute of Normalization and Quality
	National Institute for the Protection of Intellectual Property, Ecuador
IEPI	
INDECI	National Institute of Civil Defense
	National Institute for the Defense of Consumers and Intellectual Property
INDECOPI	
ISO	International Standards Organization
ISPS	International Ship and Port Facility Security Code
MEF	Ministry of Economy and Finance
MINCETUR	Ministry of Foreign Trade and Tourism
MINJUS	Ministry of Justice
MIS	Management Information System
MOL	Ministry of Labor
MTC	Ministry of Transportation and Communications
MVNO	Mobile Virtual Network Operators
NB	Bolivian Regulation
NCC	National Competitiveness Council
NLPL	New Labor Procedural Law
	Office of Overseas Prosecutorial Development, Assistance and Training
OPDAT	
OSIPTEL	Oversight Organism of Private Investment in

	Telecommunications
PMM	Program for Municipal Modernization
PMS	Public Management Secretariat
PTPA	Peru Trade Promotion Agreement
SADA	Customs Anticipated Clearance System
SENASA	National Service of Agricultural Sanitation
SIC	Colombian Superintendence of Industry and Commerce
SME	Small and Medium Enterprise
TLT	Trademark Treaty
USG	United States Government
SW / VUCE	Single Window of Foreign Trade

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I. Executive Summary

The Project began its second year of operations in Peru with a favorable political climate as President Ollanta Humala's administration has shown a pragmatic market-oriented economic policy that favors Trade Capacity Building activities. In that regard, the Project has begun implementing activities contemplated in the three year work plan across all six components.

On October 12th 2011, the US Congress ratified the FTA with Colombia, Panama and Korea, establishing a new scope for Project activities in Colombia. In order to support Colombia's implementation of the FTA, the Project is preparing for expanded activities in response to USAID / Colombia's request.

In the following paragraphs we present a summary of the Project's progress over the last quarter.

Labor

Recent changes within the GOP, including turnover in key positions, delayed some activities with the Ministry of Labor (MOL), Ministry of Justice (MINJUS in Spanish) and the Judiciary. However, new authorities have expressed their special interest in continuing with the work plan that is currently underway, with a focus on strengthening the inspections system.

In the Judiciary, the Project has progressed with the design and implementation of the Monitoring System of the New Labor Procedural Law's –NLPL, and has included a new activity that is considered crucial to improving judges' performance and the administration of justice through the development of a Performance Measurement System of Labor Courts.

Finally, the Labor Component Leader reviewed alongside MINJUS the implementation of a pilot exercise in order to develop a road-map towards establishing labor conciliation as another Ministry service.

Intellectual Property

During this period, the major activity under the IP Component was support for the Tenth National Inventions Contest which gathered more than 100 inventors from the cities of La Libertad, Puno, Arequipa, Ancash, Cusco, Piura, Moquegua, Junín and Lima. The contest had great coverage from the press and was considered a great success among the social networks.

Additionally, the Project continued with IP trainings for judges and innovators and with the education initiative for teachers and children.

Trade Facilitation

The Project continues supporting the promotion of the Anticipated release procedure, and is also coordinating with stakeholders to phase out barriers to logistics efficiency. This includes promoting the Authorized Economic Operator program and the improvement of the Customs guarantee. Several dissemination tasks are currently under development, including a web page and handbook in the use of anticipated release procedure, which are expected to be launched the first quarter of 2012.

The Project has also deployed significant resources to support the implementation of the Single Window for Foreign Commerce (SW /VUCE), and is currently working in the three components for the Single Window: controlled goods, port services and rules of origin. Moreover, this quarter the Project took part in and organized major trade related events including: 1) The “III Regional Conference of Single Windows in Latin América”, 2) “The International Trade Forum: Thinking in global SMEs” (Santa Cruz, Bolivia), and 3) The Global Trade Facilitation Conference and Single Window Workshop (Geneva, Switzerland) where the Peruvian delegation had the chance to present the developments of the Peruvian Single Window (VUCE).

Finally, at the end of the year, a course on Mergers & Acquisition control was organized, conducted by Fordham University, to increase the capacity of competition officials from INDECOPI.

Administrative Simplification

Several meetings took place to present and assess activities with newly-appointed officials.

Technical assistance to municipalities selected for the second year of operations has begun, with an improved strategy for the intervention based on a stronger relation with municipal council persons, who are responsible for approving reforms. In addition, planning has started to develop a virtual diploma on administrative simplification for municipal officials of small urban and large rural municipalities (Type B and rural municipalities according to MEF), which is expected to train 3,150 officials.

Finally, two reports on Civil Defense Technical Inspection in Security were presented, and will serve as input to INDECI for developing a risk matrix and a proposal to improve inspection procedures.

Medicines

Activities during this period progressed more slowly than in previous periods, due to staffing changes within DIGEMID. The Project has already met with new authorities, who have agreed to move forward with planned activities.

Telecommunications

In order to move forward with work plan activities under this component, the Project has identified and sought input from other public entities involved in and critical to the telecom sector. As a result, during the last quarter two specific tasks were carried out: (i) the identification of practices within municipalities that impede the expansion of the telecommunication infrastructure, which is to be discussed in a round table next quarter; and (ii) a legal report providing analysis of a bill which intends to improve the regulations for telecommunication infrastructure.

Bolivia

In Bolivia, the Project has continued implementing activities as planned. An activity to promote the use of Intellectual Property by MSMEs has begun. To launch the activity, a workshop was held to introduce the activity to MSMEs and explain the benefits that registering IP can have.

Trade Facilitation activities are also underway. In November, the Project supported the Chamber of Exporters of Santa Cruz in developing a three-day workshop on Trade Facilitation Practices, which counted with the presence of speakers from the World Trade Point Federation, the Latin American Integration Association (ALADI) and the Trade Facilitation's Component Leader. In addition, TORs and Memoranda of Understanding are currently being developed to begin operations with the National Chamber of Industries and the National Chamber of Bio Trade for certifying enterprises.

Colombia

Support to the Superintendence of Commerce & Industry (SIC) has continued, and has resulted in resolution of 1743 cases of oppositions, 112 cases of backlogged patent applications, and decisions on 339 cases of industrial designs. Collaboration between USAID | Facilitando Comercio and the SIC allowed Project staff to identify additional needs on existing backlogs of patents and industrial signs. Two new projects were designed and will begin in January 2012. USAID | Facilitando Comercio is also providing support to the SIC in developing the processes that will enable the SIC to offer services regionally through the chambers of commerce.

With regards to Colombian Crafts activity, to date, legal work for 20 communities has been completed and 342 members of the 20 communities have been trained on the use and maintenance of norms regarding collective brands and appellations of origin. In December, the project brought two experts to share experiences and knowledge on these areas with 164 artisans.

For the coming year the Project expects to deepen and extend work with existing and new partners in areas that support implementation of the US-Colombia Free Trade Agreement.

Ecuador

The Project has been coordinating activities with IG-DE Corporation for promoting the use of a certification brand by Cacao Arriba growers, and BASC, to certify security standards for a selected group of Micro and Small Enterprises. In addition, the Project has received a request from the Ecuadorian Institute of Intellectual Property (IEPI) to begin 3 activities for strengthening IP rights in Ecuador. The Project is awaiting USAID | Ecuador approval for the Cacao Arriba activity and the support requested by IEPI.

II. Introduction: Context

Almost six months have passed since Ollanta Humala began his term as President of Peru, and his administration has shown a tendency towards policies that are pragmatic and market oriented, focusing efforts on introducing the perspective of *social inclusion* in government activities. Thus, expectations are that commercial relations with other countries will continue to be a priority and that there will continue to be a favorable environment for trade capacity building initiatives.

Although Ollanta Humala has a rate of approval of 54%¹, the new administration is already dealing with strong social pressures, which have led to a relatively early change of Cabinet of Ministers. In this context, USAID | Facilitando Comercio (the Project) has visited newly appointed authorities to explain the Project's ongoing activities and secure their political support to carry on with them. Results have been favorable, as new authorities have stated their willingness to continue with the activities considered in the three-year work plan.

Additionally, the Project developed an internal workshop to assess its overall performance, establish priorities for 2012 and identify opportunities and constraints that might influence and affect Project activities in upcoming years. A group of specialists and counterparts were also invited to enrich the debate and provide additional perspective. As a result, the Project received very constructive feedback for defining lines of action for 2012 under all of its components.

On October 12th 2011, the US Congress ratified FTAs with Colombia, Panama and Korea, establishing a new scope for Project activities in Colombia. In that regard, the Project has responded to USAID Colombia's decision to provide additional funds to the Project with the goal of identifying new TCB activities and to start assembling a local team to manage expanded activities in Colombia. Both a Deputy Chief of Party, and a trade facilitation specialist have been hired in Colombia to support expanded activities.

In Ecuador and Bolivia, political relations with the US seem to be reaching a neutral point. Ecuador's Vice minister of Foreign Commerce recently stated that his country is looking to open trade negotiations with the US and the EU, but declared that they are not searching for Free Trade Agreements like the ones signed by Peru and Colombia. In Bolivia, a Framework Agreement was signed with the US in November, outlining a plan for political cooperation, as well as cooperation on drug-trafficking, justice, and commerce, among others. This agreement also calls for reinstating ambassadors, who were expelled from both countries in 2008, and reestablishing diplomatic relations after a period of mutual mistrust.

¹ Source: www.rpp.com.pe/2012-01-15-popularidad-de-presidente-humala-sube-a-54--segun-ipsos-apoyo-noticia_440912.html, based on an IPSOS APOYO survey. 15/01/2012

III. Technical Implementation - Peru Component

Component 1: Labor

Activity 1.1 Build Capacity to Conduct Inspections

As a result of the decentralization process, Regional Governments have been empowered to conduct inspections with more independence from central authorities. To ensure that the criteria for performing inspections are preserved, the Project supported the Ministry of Labor with the development of Guidelines to harmonize interpretation criteria in six inspection areas. In order to validate them, the Project supported a Ministry of Labor Workshop from December 15th- 17th, to discuss these interpretation criteria with supervisors, inspectors and inspection assistants from all across the country.

Topics covered included the following:

1. Methodological criteria for implementing the *primacy of reality* principle.
2. Scope of exemption from maximum legal hours: intermittent workers and workers not-subject to immediate control.
3. Criteria to evaluate the legality in a chain of intermediation.
4. Monitoring actions and employer behavior that reveal misconduct against collective bargaining.
5. Control of the responsibility to deliver information by the employer in the process of collective bargaining.
6. Scope of actions performed by the employer intended to undermine the effectiveness of the strike.

In addition, the Project has formulated an inspection protocol for determining how hiring temporary and indirect staff impacts freedom of association. Furthermore, the Project is developing guidelines to monitor compliance with labor regulation in the modern Peruvian agricultural sector, which involves non-traditional crops that are subject industrialized and traded in the external market. This analysis will consider: contract models, hours of work and remuneration, as well as labor rights, social benefits and labor conditions (safety and health for workers in the workplace). This consultancy is expected to be finished by the end of January 2012.

In support of the Ministry of Labor, from November, 21st-25th, 2011, the Project held a workshop for Regional Labor Directors and regional staff, in order to discuss and evaluate Fundamental Rights topics and a System to prevent and settle labor conflicts.

The following were the main results:

- Validation of a National Plan for Preventing Labor Disputes.

- Training for 120 members of Regional Directorates regarding the implementation of the National Plan of Prevention and Settlement of Industrial disputes.
- Technicians and regional staff trained in the Early Alert System on Industrial Disputes.
- Reports on the performance of regional staff in the prevention and settlement of labor conflicts, identifying problems, limitations, potentialities, etc.
- Strengthened capabilities of regional officials in the field of international, national and political public management, standards promotion and protection of core labor rights.
- Collection of information about problems, limitations, potential and available resources for the effective promotion and protection of fundamental rights at work.

Activity 1.2 Optimize Inspection System Procedures

As part of the efforts made for improving the Ministry of Labor's (MOL) management of information, the Project developed a study on processes within the Labor Inspections Informatics System (SIIT in Spanish). As a result, a proposal has been developed and accepted to improve the SIIT. During the first six months of 2012, a team of ten consultants will introduce specific reforms to the SIIT, covering the following topics:

1. Analysis, redesign and development of the Programming Module.
2. Design of the Reporting/Supervision Module.
3. Corrections and optimization to the SIIT.
4. Implementation of Digital Signatures.
5. Design of reports generated by the SIIT.

This initiative constitutes the most significant effort towards improving the SIIT, which the MOL has declared a priority. With this activity the Project expects to improve the prioritization of cases, the distribution of workloads among inspectors and the monitoring of each case and each inspector's performance.

Activity 1.3 Build Capacity for Conciliation

The Project has finished a proposal for implementing labor conciliation services in the Ministry of Justice's (MINJUS) conciliation centers. The proposal suggests undertaking the following:

- Profile of extrajudicial labor conciliators for MINJUS and private conciliation centers.
- Curricular proposal for training labor conciliators based on the conciliators' formation course offered by the Law Faculty of PUCP University.
- Assessment of the demand for labor conciliation services to be offered by MINJUS conciliation centers.
- Requirements for implementing the service, as well as a strategy to include different centers nationwide.

The Project is awaiting the identification of conciliators by the MINJUS to implement the proposal.

Activity 1.4 Support Implementation of the Labor Procedural Law

In July 2011, USAID | Facilitando Comercio committed to developing a Monitoring System, in cooperation with the Technical Implementation Team of the Labor Procedural Law -*ETII Laboral*- of the Judiciary, to keep track of the new Labor Procedural Law’s (LPL) implementation in 5 judiciary courts nationwide.

Since then, the Project has assembled a team to develop the following products:

- **Rapid Diagnostic** focused on changes introduced by the LPL as well as challenges and opportunities of its nationwide implementation.
- **Development of a Conceptual Framework** to define purpose, components and activities for the implementation of the LPL.
- **Definition of Monitoring and Performance Indicators** for the LPL.
- **Elaboration of a Baseline Study**

A Rapid Diagnostic has been completed and submitted to the Technical Secretariat of ETII Laboral. It has pointed out key topics that should be covered in the Monitoring System in order to provide a clear overview and feedback for the implementation process. This document has resulted from several visits to 7 judiciary courts (including 4 of 5 where the LPL is currently in force), in-depth interviews with officials in Lima, and review of relevant statistics and documentation.

Likewise, the Conceptual Framework has also been submitted to ETII Laboral, and has used the Logical Framework methodology to propose and validate the purpose, components and activities for the LPL’s implementation. The following matrix summarizes the Conceptual Framework:

Statement of the Objective	Assumptions
<i>Final Goal</i>	
Improve access to justice	Demand for better and wider coverage of justice services exists.
<i>Purpose</i>	
Better and more efficient labor justice is provided	Demand for more expedited labor justice (in terms of economy, celerity and publicity) i.e.in less time and with lower costs for the user.
<i>Components</i>	
Adequate institutional capacities for the implementation of the LPL.	
Adequate human resources for the implementation of the LPL.	

Adequate infrastructure and equipment to meet the needs for implementing the LPL.

A Monitoring and Information System is available to support the Management for implementing the LPL.

In addition, the design of Monitoring and Performance Indicators has been completed and is currently under discussion. Once the validation process is completed, the Project will focus on developing the last product of the consultancy, which is a Baseline for the selected indicators.

In addition to this consultancy, the Project has also supported the Judiciary on improving the overall implementation of the LPL. In that regard, the Project provided three foreign specialists to carry out a training event organized by the ETII Laboral called “*Series of International Conferences and Workshops on Labor Procedural Law*”, which was attended by Judges from courts where the LPL is currently in force. The ETII Laboral expressed its gratitude with an [official letter](#) to the Project.

The Project also performed a consultancy to support the ETII Laboral for developing detailed flowcharts for the application of the LPL, developed by Consultants Frezia Villavicencio and Paul Paredes.

Likewise, as part of the assistance to the Judiciary in labor topics, the Project supported the organization and development of the First Labor Plenary Meeting of Constitutional and Social Courts in order to debate key labor topics:

- Interpretation of the article N°2 of the LPL, to assess the proper way to process reposition of workers if illegally or unjustifiably dismissed.
- Responsibility of the employer, calculation of compensation in accordance with specific rights.
- Payment of overtime.

Lastly, in agreement with the Judiciary, a comparative study of costs (economic and non-economic) incurred under the former (Law N° 26636) and current (Law N°29497) Labor Procedural Laws, and under the labor administrative-contentious processes covered by the Law N°27584, will soon begin. The study will provide important information regarding:

- Cost of attempting to solve conflicts through processes covered by the former LPL.
- Costs and savings (economic and non-economic) for users using the processes covered by both LPLs.
- Duration of labor processes under both LPLs.
- Determine the effective and expected duration of hearings.
- Identify bottlenecks (current and potential) for processes under both LPLs.
- Compare indicators and statistics of both LPLs.

- Evaluate the level of satisfaction of users involved in processes under both LPLs.

The study will commence in early 2012 and results will be provided in May 2012.

Activity 1.5 Improve Statistical Information on Labor Conflicts

As stated by the President of the Judiciary in his yearly [Message to the Nation](#) (page 9, point 24.F), the Judiciary is implementing a system for assessing performance of labor judges, at all levels, to increase the productivity and quality of courts with the support of USAID | Facilitando Comercio. The Project's support will include:

- Performing an analysis of Judiciary requirements to design the software, taking into account current regulations.
- Design the Jurisdictional Performance Measurement Informatics System, including the definition of variables and performance indicators.
- Introduce the Informatics System in all judiciary districts where the NLPL is currently in force.
- Monitor the System's operation in all judiciary districts where the NLPL is currently in force.

A tender is currently underway to hire the team to perform this task.

Component 2: Intellectual Property

Activity 2.2 Improve Information Management System

The Project has two sub-activities in progress which aim to support INDECOPI in automating its proceedings and reducing examination times.

- a. *Module of generation of electronic certificates of registration and entries for the Distinctive Signs Directorate. Module to allow the display, search and printing of electronic certificates of registration and entries*

The company selected to develop this activity, Xerox del Peru S.A., and INDECOPI itself, have experienced some delays in the implementation of the processes, however the electronic certificates program is now on schedule to conclude by the end of January 2012.

- b. *Digitization of the Certificates of Registration and Entries of the Distinctive Signs Directorate*

The tender was launched in December 2011 and the activity is scheduled to start by March 2012.

Activity 2.3 Improving Technical Examinations

Manual for new examiners of the Directorate of Inventions and New Technologies

The manual is being corrected by a grammar and spelling specialist and will then be sent for layout and printing. The Project expects to begin trainings for DIN's current examiners and those interested in becoming examiners in the first semester of 2012.

Activity 2.4 Strengthen Capacity for Intellectual Property Rights Enforcement

Training for judges on IPR matters

As discussed in the previous report, trainings continued in October, reaching the same group of Judges trained in September from the zones of Lima, Callao, Northern Lima, Southern Lima and Huaral, specializing in Administrative-Contentious matters. The two remaining trainings are on Distinctive Signs (second part) and Copyrights. The Judiciary has disseminated information from the event on its [webpage](#).

Due to its success, the Project has been asked to repeat the training with Criminal Judges and to design a broader and more intensive course for the Judges that have already been trained.

The Project plans to adapt the book "Intellectual Property: Principles and Practice" written by Judy Goans to Peruvian Law in order to have it as part of the training materials. The next step will be to develop a special IP Manual for Judges.



Professor Raul Solorzano

Judges during the training

Activity 2.5 Promote Intellectual Property as a Tool of Competitiveness

a. IP Workshop for E-QUIPU's Convention

As stated in the previous report, the Project provided its cooperation to E-Quipu of Santa Maria's Catholic University of the southern city of Arequipa to have a basic workshop on patents and innovation. Following this workshop, this quarter the

Project was asked to provide its cooperation for the E-QUIPU's National Convention which gathered students from several universities.

The main subjects for the workshops were:

- a) Procedures for the proper registration of Intellectual Property in Peru.
- b) Success stories of Peruvians that registered inventions at INDECOPI.
- c) Basic training on Intellectual Property with an emphasis on Patents and Innovation.

Consultant Luis Alonso Garcia was appointed as the trainer and the participating students received the information with great interest. The Project coordinated with the Directorate of Inventions and New Technologies (DIN) of INDECOPI to have Sergio Rodriguez, Deputy Director of the DIN, and Manuel Castro, Chief of Examiners in Engineering, as speakers for the first two presentations. Approximately 30 people attended this workshop.

The Project will continue to provide IP training for E-QUIPU throughout the country.



Sergio Rodriguez, Deputy Director of the DIN, INDECOPI



Manuel Castro, Chief of Examiners on Engineer of the DIN, INDECOPI



Luis Alonso Garcia, IP expert



Part of the audience



The group with Ronnie Guerra, Chief of the I+D+I Office of the PUCP, Luis Alonso Garcia and Catherine Escobedo, IP Component Leader

The Project has been asked to repeat this kind of training at other universities and is about to develop an IP Manual for Innovators in order to have it available as training material for future participants.

b. Tenth National Inventions Contest

The Tenth National Inventions Contest ended with great success. From the 119 applications received, 106 were pre-selected, and 79 were exhibited for competition. The exhibition of inventions was inaugurated on November 28th and the Project had active participation in the preparation of the exhibition and in organizing press coverage.



Bruno Merchor, Director of the DIN; Hebert Tassano, President of INDECOPI; Elena Conterno, Chief of Party; and Catherine Escobedo, IP Component Leader at the inauguration of the exhibition of inventions

The Project's Chief of Party, Elena Conterno, was invited to be part of the Jury. The winners, listed below, were announced at the awards ceremony on December 7th, 2011.

- a) Natural Person Category: Tracheotomy tube (Dr. Oscar Patiño)
- b) Juridical Person Category: Force multiplier system (Sixto Ramos Granados S.A.C.)

The Project awarded the first place winner of the Natural Person Category with funding for enrollment in the Geneva International Invention Fair and the first place winner of the Juridical Person Category with funding for the application to register the winning invention via PCT (Patent Cooperation Treaty).



Dr. Oscar Patiño, awarded first place on the Natural Person Category and Hebert Tassano, President of INDECOPI



Sixto Ramos Granados S.A.C., awarded first place on the Juridical Person Category



Winners and authorities

As mentioned in the previous report, the Project helped to organize the Communications campaign for the contest through the event website (www.concursodeinvenciones.pe) and Facebook (www.facebook.com/concursodeinvenciones), and also helped INDECOPI with the design and printing of the event materials distributed throughout the country.

To date, the Facebook page has –13,882 fans. The web page received more than 5,000 visits leading up to the competition at the end of November 2011.

c. Study on the Economic Impact of the recognition of an Appellations of Origin for producers

The last quarterly report mentioned that a consultant had been hired to elaborate a survey to be applied among coffee producers of Villa Rica and San Martín de Pangoa.

The tender to choose the company that will perform the required surveys for the activity was launched this quarter, and CUANTO was chosen. Their work will begin in January 2012.

Activity 2.6 Raising Awareness of the Importance and Benefits of IP Rights

The Project has continued with programmed activities with the Copyrights Directorate's initiative: "Education for the creation and promotion of a culture of respect for Intellectual Property".

The workshops with teachers have continued to develop in Lima in order to increase the number of participants in this activity. In this second phase, our consultant trained 197 teachers.

Due to some delays in the signature of the MOU between INDECOPI and the Ministry of Education (signed in December) the activities of this initiative were extended until March 2012.

The consultant hired for this activity began monitoring the activities performed by the teachers to replicate what they have learned with their students. One important tool for performing this monitoring activity has been Facebook, although many teachers are still learning how to use it:

<http://es-es.facebook.com/formadoresenpropiedadintelectual>



On Facebook, both the consultant and the teachers are posting pictures and comments about their work in the classrooms:



Other important tools for monitoring the activity have been e-mail (most of the communications have been made through this medium), the telephone and visits to schools in Lima, Chiclayo, Iquitos and Piura.

The student evaluations were very good and showed that this method of delivering information has been effective. On a scale of 1 to 20 (1 being the lowest, 20 the highest), the highest grade obtained was 19 and the lowest 13. Monitoring activities are still ongoing and the school plays about IP rights will be scheduled soon.

Component 3: Trade Facilitation

This quarter, activities have been focused on the organization of and participation in large international events aimed at sharing Peru's progress as well as benchmarking Peru's practices in trade facilitation against those from other countries. Additionally, the project is planning trade facilitation activities in Colombia following passage of the free trade agreement by the US Congress.

Activity 3.1 TC Baseline Results Implementation: Improve Anticipated Clearance Procedure (SADA)

The project has taken part in several meetings with the Customs authority, MINCETUR and the NCC to discuss further measures to improve customs operations, and in particular, the anticipated release system. Many of these measures are based on recommendations from the TC Baseline study. The following initiatives have been developed over the past quarter.

a. *Design a Dissemination Strategy*

There are currently two trade dissemination tools under development which will be completed soon. The pilot web page to promote the anticipated release system was approved by Customs officials and the consultant hired for this activity is working closely working with Customs to continue refining the content. The web page should be launched during the first quarter of 2012. The handbook on the anticipated released system has already been revised by a pedagogical expert and should also be released in the first quarter of 2012. The elaboration of this handbook suffered some delays due to lengthy internal discussions within Customs.

b. *Trade workshops in 10 Peruvian cities*

Terms of Reference for this activity have been drafted and discussed with MINCETUR and Customs. The workshop will be comprised of three modules: (i) public law, (ii) customs law and (iii) anticipated release system. It is expected to be initiated in February, 2012.

Activity 3.2 Simplify Foreign Trade Procedures and Single Window (VUCE)

The project is assisting MINCETUR with the full implementation of the SW/VUCE embracing its three components: (i) controlled goods, (ii) port services, and (iii) rules of origin.

a. *Controlled products module*

The project has completed the review of all procedures from the following entities embraced in the SW/VUCE: the National Health and Environment Bureau (DIGESA), the National Bureau of Medicines and Drugs (DIGEMID), the Fishing Technologic Institute (ITP) and the Ministry of Transport and Communications. The passage of a new statute for pharmaceuticals demanded that the Project make some adjustments to the business process analysis and legal studies.

Below are the revised procedures:

Entity	Procedures embraced in the SW/VUCE	Procedures revised by the project
DIGESA	19	20
DIGEMID	44	96 (*)
ITP	10	10
MTC	7	7
SENASA	1	0
PRODUCE	1	0
TOTAL	82	133

(*) DIGEMID’s procedures increased as they were broken down by product, but this difference was not significant within the other entities.

The COP and the Trade Facilitation Component Leader held meetings with the newly appointed heads of the relevant entities – discussions centered mostly around upcoming studies. It was agreed with DIGESA, DIGEMID and ITP that the Project would provide further assistance to implement recommendations to streamline procedures. Among those entities, DIGESA has shown a remarkable commitment to making changes. The Project has responded by assembling an implementation team which is providing support to implement recommendations from the reports. Short term regulatory changes have been drafted and delivered to the Ministry of Health for approval. The same strategy is expected to be carried out at the ITP.

In addition, even though the Ministry of Education is not formally a part of the SW/VUCE, it [formally requested from USAID](#) technical assistance for performing an assessment to simplify Ministry procedures. USAID | Facilitando Comercio has begun assistance, which will include identifying procedures likely to be embraced in the SW/VUCE as well as designing an intervention plan to streamline administrative procedures according to the Project’s methodology. Work is expected to end in February 2012.

b. *Port Services module*

The final structure for this module is still being finalized; however, a legal analysis on controlled merchandise was initiated. The legal consultant hired for the analysis identified, mapped and assessed 44 procedures related to port services. The final report has been shared with incumbent public entities and the Project expects to perform the other assessments (IT and business process) as soon as MINCETUR clarifies its road map.

Below are the details of the intervention:

Entity	Procedures in SW/VUCE	Procedures assessed by Project
National Port Authority	0	6
Coast guard	0	24
Regional Health Authority	0	4
Migrations Bureau	0	3
Water authority	0	2
Tax Authority	0	5
SENASA	0	0
TOTAL	0	44

c. *Rules of Origin module*

This component has become an integral part of the interoperability with other Single Windows, such as those in Colombia and Costa Rica, which are able to share and exchange information. A three-member team is working full time to develop the module (two experts in IT and one in Rules of Origin). This module is expected to begin operating this quarter.

In addition, the Project is developing Rules of Origin handbooks intended to improve understanding of the key economic sectors within the US-Peru Trade Promotion Agreement related to rules of origin (particularly agriculture and textiles). These documents are undergoing exhaustive revision before being released, including pedagogical adaptation and a careful editing process with the goal of producing an easy-to-read tool. There is great interest from the private sector in using these publications, which are being developed in coordination with future users (workshops were useful for this purpose).

This activity has also been linked to two tasks that are ongoing: (i) the Origin module within the SW/VUCE and (ii) expansion of trade facilitation activities in Colombia, for which the GOC has requested assistance in Rules of Origin within the framework of the newly signed free trade agreement with the US.

d. International Conference on Single Windows in Lima

The increasing interest in Single Windows in Latin America led the Government of Peru to host the Third Latin American and Caribbean Regional Meeting on International Trade Single Windows (ITSW), which focused on paperless trading and risk management in trading operations (November 28 and 29, 2011). This high level event was organized by the Permanent Secretariat of SELA –Latin American and Caribbean Economic System- and the Ministry of Foreign Trade and Tourism (MINCETUR) of Peru, and the Project became a key partner not only by helping to develop the agenda, but also by bringing international experts with extensive experience on the subject to speak at the conference (Mr. William Nolle and Bryce Blegen).

The event gathered top SW policy makers from Latin America and key international organizations such including the United Nations, World Bank and IADB, among others. There were approximately 200 attendees during the two-day conference and it allowed Peru to show its progress on Single Window initiatives.

e. International Conference and workshop in Geneva.

The “Global Trade Facilitation Conference on Single Windows and Supply Chains in the Next Decade” and the workshop on “Single Window Project Planning and Implementation” took place from December 12th to 15th 2011 in Geneva. It was organized by the five United Nations regional commissions (UNECA, UNECE, UNECLAC, UNESCAP, UNESCWA), and was part of a new interregional initiative,

the "Joint UN Regional Commissions' Approach on Trade Facilitation". It was attended by over 200 representatives from government, the business community and international organizations.

The Trade Facilitation Component Leader took part in the event along with the Peruvian delegation headed by the Director of Trade facilitation of MINCETUR, Luis Torres, and the Manager of SW/VUCE initiatives, Mr. Abel Chaupis (together with Costa Rica, the Peruvian delegation was one of the few Latin American delegations taking part in the workshop).

During the workshop, the Trade Facilitation Component Leader had the opportunity to give a presentation on the Peruvian Single Window case, which generated a positive reaction given that the Peruvian case has adopted UN recommendations and is aligned with internationally accepted standards.



Component Leader of Trade Facilitation addressing a presentation on the Peruvian VUCE in the Global Trade Facilitation Conference

Activity 3.3 Facilitate Creation of a Surety System

Two Consultants, including Economist Claudia Cooper and US Customs legal expert Bryce Blegen, completed a study to analyze the current custom bond model in Peru. The Consultants discussed the findings with stakeholders in a meeting hosted by the Lima Chamber of Commerce. The study revealed the constraints to expanding the use of the surety system based on the Peruvian market size and weaknesses (i.e. informality) as well as the necessity of some sort of government support as collateral. After gathering feedback from participants, the consultants are refining conclusions and recommending next steps. The study will be delivered to Customs officials to discuss next steps and recommendations in February 2012.

Activity 3.4 Authorized Economic Operators (AEO)

The Peruvian Customs AEO team is currently monitoring a pilot program with two export companies and a warehouse. Given the private sector's interest in the

program, the Project organized a conference in cooperation with the Customs Authority on November 30th to discuss the AEO and risk management programs, featuring a presentation by international customs expert Mr. Bryce Blegen. The event gathered top decision makers from Customs, including the head of the Tax Authority Ms. Tania Quispe, who delivered the opening remarks.

There were more than 100 attendees among public and private sector stakeholders who actively discussed the development of the programs. After the conference, Mr. Blegen was invited for an in-house discussion with the Customs AEO team to assess key issues related to the implementation process.

The Project is currently developing this year's work plan for supporting the AEO program.



Mr. Bryce Blegen along with Customs officials and Project representatives

Activity 3.5 International Transactions and Competition courses

In December, a five-day course on Mergers and Acquisitions conducted by Fordham University provided specialized training to 30 members of INDECOPI's Competition Commission. The course touched on topics including the economic foundations and framework for merger control, competitive effects analysis, and vertical, horizontal and conglomerate mergers. The course received positive feedback from participants who rated the instructors through a post-course evaluation. The instructors received an average score of 4.5 out of 5, and the majority of respondents found all five course topics to be highly relevant to their positions, and were 'very satisfied' with the course overall. At the end of the course, a round table was organized to discuss the topics; among the participants were Congressman Jaime Delgado and law professors from Catholic, Lima and other universities. The Instructors found INDECOPI's staff to be very capable and motivated, but relatively inexperienced in this area, and more training was recommended.

Component 4: Administrative Simplification

Conduct baseline study on municipal regulation of business operations (Activity from First Year Workplan)

After concluding the Exploratory Study and the Rapid Field Study, the two reports were merged into one single document, intended for:

- Understanding the rationality of the operating license procedures
- Focusing and comparing the Peruvian experience with that of other countries
- Showing the Rapid Field Study results: Municipal typology and main findings
- Conclusion and Recommendations.

The document will help local governments assess and understand their granting powers and monitoring responsibilities, and therefore help them to identify and solve problems in their jurisdiction.

Consolidate information and products developed for administrative simplification (Activity from First Year Workplan)

The TRAMIFACIL working table, through the Public Management Secretariat, called a General Assembly to establish an Executive Council of TRAMIFACIL, which USAID was invited to be part of, as the single representative of International Cooperation. This event was attended by the Prime Minister Salomón Lerner and Mr. Bruce Abrahams, Deputy Director of USAID Peru, who signed the Cooperative Agreement.



Deputy Director of USAID, Mr. Bruce Abrahams, and Prime Minister, Mr. Salomón Lerner



Executive Council of TRAMIFACIL, formed by the State, Private Institutions and Cooperation

Activity 4.1 Promote Administrative Simplification

- a. Improve the bill establishing the “Law of electronic access of citizens to public services” in the framework of the Interoperability Platform Project developed by the Peruvian Government*

This bill, which has been renamed the “Law of Identity and Digital Inclusion”, is currently under review by the Legal and Budget departments of the Ministry of Economy and Finance. The Project has requested the National Competitiveness Council to appoint a meeting with officials of these two departments in order to allow the Project consultants that prepared the bill to explain its benefits in detail.

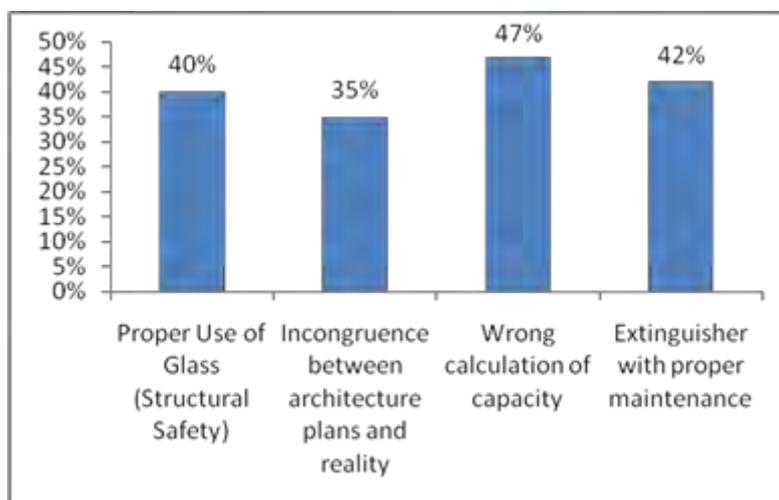
- b. Critical analysis of the verification lists used in the safety technical inspection in civil defense procedures, annex 10 of the manual for executing safety technical inspections in civil defense.*

Four consultants were hired to carry out this activity. As this subject is deeply technical, the Project has requested consultants to provide executive summaries of their reports so that key findings and recommendations are easier to appraise. These reports will be submitted to the National Competitiveness Council and to the Public Management Secretariat in order to be used as inputs for the Risk Matrix consultancy currently being carried out.

- c. Elaboration of a noncompliance chart based on the verification list for the safety technical inspection in civil defense procedures*

The activity was aimed at identifying critical aspects or noncompliance issues by enterprises regarding the procedure of Detailed Technical Inspection. It was divided into two stages, the first one consisted of filling a database of 1,500 Detailed Inspection Cases performed in Lima and the second consisting of the

database analysis by consultant Ricardo Zevallos. As part of the methodology, it is important to note that each enterprise has been classified according to its core business, so that noncompliance statistics can be more accurate in their relation with annex 10. The Following chart summarizes which are the most common types of noncompliance.



Source: USAID | Facilitando Comercio

It has been suggested to INDECI to further the analysis by introducing information from local governments that perform Basic Technical Inspections, in order to provide more inputs to the Risk Matrix and adjust the Technical Inspections Regulation.

d. Virtual diploma in administrative simplification

The Public Management Secretariat, as the institution in charge of leading the State’s modernization, requested technical support from the Project to develop the second version of the Administrative Simplification Virtual Diploma, oriented to 3,000 officials from 1,000 municipalities throughout the country. The Diploma will require attendance at a workshop to reinforce lessons learned and answer pertinent questions.

The Diploma is exclusively oriented to Local Government officials, whether professionals or technicians, who work in areas related to: rationalization, TUPA² elaboration, TUPA costing and attention of citizens at the front desk. It will last 5 months, and cover the following topics:

- I. General and Regulatory frameworks for Administrative Simplification, including a course on bureaucratic barriers developed by INDECOPI.
- II. Methodology of Simplification for procedures and administrative services.
- III. Methodology of cost determination for administrative procedures and services provided in exclusivity

² Texto Único de Procedimientos Administrativos, unified text of administrative procedures.

- IV. Improving citizens' attention and orientation
- V. Simplification, cost determination and TUPA design through the SUT – Single System of Procedures

This activity will strengthen capacities among public officials, providing them with tools and knowledge on administrative simplification, specifically in bureaucratic procedures. The Diploma will be provided by EDUCALINE, an enterprise with vast experience in Virtual Diplomas, that has already developed the first version of this Diploma.

Currently, the Registration and Application registries have been designed, introducing the possibility of virtually uploading the participant's documentation and checking identities. The Diploma program is expected to begin on February 6th 2012.



Front view of the Virtual Diploma on Administrative Simplification

e. Integration of the Costs Methodology to the Informatics Application

One of the clearest obstacles to formalizing businesses lies in the excessive cost that local governments impose for granting operating licenses, which is usually not in proportion to its real cost. This barrier exists because officials in charge of estimating its costs are not trained in the use of the Costs Methodology developed by the Public Management Secretariat.

In this regard, the Public Management Secretariat has developed a virtual informatics system to be used as a new tool for standardizing cost estimation in all public institutions, which will include the New Costs Methodology for estimating the cost of operating licenses in municipalities. To support this effort, the Project will assist with the design of 3 sets of guidelines for local, regional and

national institutions, integrating the Costs Methodology with the User Manual for the Informatics System. The main difference between them will be the type of language used for local municipalities and the cases set as examples, which will be based on the reality of each level of government. The guidelines are currently under elaboration by consultant Mirko Peraltilla.

Activity 4.2 Technical Assistance to Municipalities for Optimizing Operating License Procedures

The last two *Ordenanzas* that were pending approval from the municipalities of Jose Luis Bustamante and Jacobo Hunter were finally signed. In order to receive approval, the Project held several meetings to explain in detail the benefits of introducing the proposed changes, especially in terms of receiving financial resources if the municipalities comply with targets set by the Program of Municipal Modernization.

In addition, the Project has carried on providing technical assistance to 32 municipalities selected for the second year. A total of 14 municipalities have already signed Commitment Acts and 11 of them have approved the correspondent *Ordenanza*:

Municipality	Department
Jose Leonardo Ortiz	Chiclayo
Pomalca	Chiclayo
Monsefú	Chiclayo
Barranca	Lima
Santa Eulalia	Lima
Paita	Piura
Sechura	Piura
Moyobamba	San Martín
Nueva Cajamarca	San Martín
Corrales	Tumbes
Zarumilla	Tumbes



Signing of Agreement Act with the Municipality of Santa Eulalia

The Following charts present the comparison between the baseline indicators and the reform approved.

Comparison between Municipal Performance before and after the Reform in the EX POST procedure³

N°	Municipality	Time (hours)		Areas Involved		Steps		Cost (S/.)	
		Current	Proposal	Current	Proposal	Current	Proposal	Current	Proposal
1	Corrales	65	5	9	6	54	24	180	65
2	Pomalca	3342	1	8	4	76	19	243	53
3	Zarumilla	29	5	5	3	26	17	180	56
4	Monsefu	812	216	8	5	48	27	160	64
5	José L. Ortíz	2595	3	8	5	49	20	757	64
6	Nueva Cajamarca	1812	560	9	5	80	28	256	62
7	Santa Eulalia	3369	136	6	5	35	17	543	79
8	Moyobamba	264	52	12	8	97	43	443	82
9	Barranca	20	4	4	5	50	18	195	75
10	Paita	266	3	9	4	110	23	412	64
11	Sechura	70	2	5	3	47	17	190	69
Average		1149	90	8	5	61	23	324	66

Comparison between Municipal Performance before and after the Reform in the EX ANTE procedure⁴

³ In the EX POST procedure the inspection is performed after issuing the operating license. Only Businesses until 100 m² are able to apply to this procedure.

⁴ In the EX ANTE procedure the inspection is performed as part of the operating license procedure. Only Businesses from 101m² to 500m² are able to apply to this procedure.

N°	Municipality	Time (hours)		Areas Involved		Steps		Cost (S/.)	
		Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
1	Corrales	65	46	9	7	54	34	360	170
2	Pomalca	65	232	8	5	76	36	496	166
3	Zarumilla	42	24	6	4	42	27	260	175
4	Monsefu	827	248	8	6	48	33	410	168
5	José L. Ortiz	2595	48	8	5	49	31	757	221
6	Nueva Cajamarca	3014	768	9	6	99	40	388	188
7	Santa Eulalia	3369	737	6	6	35	23	543	345
8	Moyobamba	316	55	13	9	119	50	699	206
9	Barranca	391	92	7	7	62	29	254	217
10	Paíta	266	11	9	5	110	39	594	182
11	Sechura	70	35	5	5	45	34	250	178
	Average	1002	209	8	6	67	34	455	202

Component 5: Medicines

Coordination for different activities continued during this quarter.

Activity 5.1 Strengthen DIGEMID's capacity to Evaluate New Drug Applications

The Project contacted Dr. German Malaga, who has experience in "Medicine based on Evidence" to provide a training to DIGEMID officials. The Project is currently in the process of contracting Mr. Malaga and another consultant to undertake this activity, scheduled to start by the end of February 2012.

Activity 5.3 Raise Awareness of Counterfeit drugs and Regulations of Pharmaceuticals

The Project is currently organizing a Forum entitled: "Strategies to prevent and fight the illegal commercialization of pharmaceuticals, medical devices and sanitary products" in Iquitos. This will begin in March 2012, once staffing changes at DIGEMID have been finalized.

Component 6: Telecommunications

The Project has been working on the completion of two specific tasks (i) a Report on municipalities' practices that impede the expansion of telecommunications infrastructure and (ii) a legal analysis of a bill which intended to improve regulations for telecommunication infrastructure, thus addressing some of the problems detected in the mentioned Report.

Activity 6.1 Analyze International best practices in telecommunications regulation

The Project has hired international expert George Ford to elaborate a study regarding best practices on unbundling of network elements, which will comprise the economic and legal theories behind the original unbundling paradigm, the analysis of major US Federal Communications Commission orders and court cases and the U.S unbundling paradigm. This activity is to be concluded during the first quarter of 2012.

As set out in our work plan, the Project has prepared a Terms of Reference for the analysis of: (1) Spectrum license best practices and (2) Spectrum users' fees analysis. We are discussing the scope with the Ministry of Transports and Communications. Following the analysis, the Project plans to deliver the Report to the Ministry in order to orient their decision making processes on the topic, and disseminate the findings among public officers, academics and other stakeholders, as to promote their discussion and implementation.

Activity 6.3 Analyze and propose changes to regional regulations

The completed study casts important findings as to the municipalities' practices that impede the expansion of telecommunications infrastructure. The Project will organize a conference to discuss the findings and promote the implementation of the recommendations of the Study.

In addition, the Vice Minister of Communications requested that the Project elaborate a legal report on a Bill entitled: "Complementary Measures to Promote Public Infrastructure and Services." The Bill was intended to simplify administrative procedures for obtaining permits from municipalities related to infrastructure works and public services. The report was finished and delivered to the Minister of Transport and Communications for discussion.

IV. Technical Implementation - Regional Component

Under the regional component, activities are well under way in Colombia and Bolivia. One of the activities identified for Ecuador has already begun, and the second is soon to start, once a Memorandum of Understanding is signed (and pending USAID | Ecuador approval). In Peru and Colombia, Project activities are more focused on collaboration with government counterparts, particularly with respect to each government's efforts to implement PTPA and FTA obligations. In Bolivia and Ecuador, support is focused on activities with associations and NGOs which can implement activities to promote the use of certifications and intellectual property registers by SMEs, in order to enhance their ability to access international markets.

Bolivia

Component 2: Intellectual Property

Activity 2.1: Promote the use of Intellectual Property as a competitiveness tool.

Through this activity, the Project is supporting FUNDES (Fundación para el Desarrollo Sostenible) in the development of a new service to promote the use of IP as a competitiveness tool by MSMEs, mainly by performing training events and developing training materials. During this quarter, the companies that will be included in the activity were selected and validated by USAID Bolivia, and a Legal Counselor on Intellectual Property was hired to develop the following products:

- **Product 1:** Development of a training course for representatives of FUNDES Bolivia to transfer the training methodology.
- **Product 2:** Development of a diagnostic report and sensitization workshops.
- **Product 3:** Design and presentation of workshops for participating MSMEs.
- **Product 4:** Registration of Intellectual Property Applications in accordance with each MSME.
- **Product 5:** Submission of a Final Report.

Contracts were approved for six consultants who will develop pilot activities in La Paz, Cochabamba and Santa Cruz, implementing the methodology developed by the legal counselor. The consultants will be working with a select group of MSMEs to raise awareness of the benefits of registering their intellectual property, and will assist companies with the registration process. The following consultants have been hired:

City	Position	Consultant
La Paz	Legal Advisor Developer	Alejandro Trujillo
La Paz	Junior Legal Advisor	Esteban Santos Numbela Saavedra

Santa Cruz	Legal Advisor Developer	Carla María Molina Ayoroa
Santa Cruz	Junior Legal Advisor	Alejandro Mauricio Prieto Velasquez
Cochabamba	Legal Advisor Developer	Tom Prieto Velasquez
Cochabamba	Junior Legal Advisor	Stephania Canedo Encinas

From December 19th to 23rd 2011, an internal workshop was held by FUNDES with support of the Project for MSMES on the Implementation of IP Technology Transfer to Bolivian MSMES, which covered the following topics:

- Legal IP framework.
- Scope of IP.
- SENAPI (National Service of Intellectual Property) Systems.
- Practical Cases about registrations.



The workshop included presentations by Helga Rifarachi, training expert on Intellectual Property, Alejandro Trujillo, the legal counselor hired to undertake development of the diagnostic and training program, and representatives of FUNDES, who presented an overview of the project and administrative issues. After having disseminated the initiative that FUNDES is undertaking with the Project support to orient MSMES in the use of intellectual property rights, the selection process of beneficiary enterprises will follow.

Component 3: Trade Facilitation

Activity 3.5: Sharing of good practices in trade facilitation

The Forum on Trade Facilitation, held on November 23rd and 24th, 2011 was organized by the Chamber of Exporters of Santa Cruz and supported by USAID | Facilitando Comercio with expert speakers. The event was organized in three plenary sessions and 9 working groups.

The Project financed the participation of three speakers: Eduardo Garcia Godos (Component Leader of Trade Facilitation, USAID | Facilitando Comercio), Bruno Masier (World Trade Point Federation) and Roberto Franca (ALADI, Latin American Integration Association). The Country Coordinator, Julio Olmos, also attended the event.

The Forum included the participation of 122 members of the private sector, both local and international, who expressed satisfaction with the speakers and the forum overall, noting that of the topics covered were very relevant to their companies' work.





Colombia

Activities in Colombia began in late 2010, largely focused on intellectual property issues. At that time, a one year plan was approved for Colombia and recently, 15 additional activities have been included in the Project's three year plan.

For the coming year, in addition to the activities identified early in 2011, we expect to extend trade facilitation activities to support local partners such as The Ministry of Trade and Commerce, the Internal Revenue Agency (DIAN), the Colombian Agricultural Institute, the National Institute for Food and Medicine Surveillance, and Proexport. A complete work plan for this area will be presented in January 2012.

2.1 Support the Superintendence of Industry and Commerce (SIC) in the design of a system for providing regional services, supported by the chambers of commerce.

To help the SIC extend its service coverage regionally, USAID | Facilitando Comercio hired a consultant to design and write an operations manual to offer SIC services through the Chambers of Commerce. This manual is ready and pending approval from the SIC and the 15 chambers of commerce that participate in this project.

2.5 Continue strengthening processes for the Judiciary, training of trainers, and replication of training for more judges

The Project is closely working with the School for Judges "Rodrigo Lara Bonilla" in order to train judges on intellectual property. A basic tool to carry out these trainings will be a Copyrights Handbook, which has already been developed and is ready for printing. To date 344 judges have been trained from 12 different cities.

2.6 Support IP Registration for Colombian Artisans (Activity from First Year Workplan)

In cooperation with the organization *Artesanias de Colombia*, twenty (20) artisan communities were identified to receive assistance in obtaining collective brands or

appellations of origin. This will provide them with legal rights to protect their cultural legacy.

The Project is being carried out by lawyers contracted by the Project alongside Artesanias de Colombia. The legal study of 20 applications was carried out; and 342 artisans from the 20 communities were trained by the legal team on the responsibilities of collective brands and appellations of origin.

Additionally, for the Colombian artisans fair the Project brought two consultants who helped train 164 artisans through several workshops and gave direct advice to more than ten communities.



Workshop for Colombian artisans

2.7 Reducing IP Registration Backlogs (Activity from First Year Workplan)

USAID | Facilitando Comercio and the SIC began work to reduce the IP Registration backlog. To date 1740 cases have been studied and decided. In addition, 334 cases of industrial design were studied and decisions taken.

In December 2011, a new project was begun to help the SIC to reduce a backlog in oppositions, cancelations and repositions. Six consultants have been contracted and have begun work on this activity, scheduled to run through June, 2012.

A second project to help SIC reduce its backlog on patents was designed and is expected to begin in January, 2012.

Ecuador

In the following paragraphs we present progress to date in the activities identified for Ecuador.

Promotion of a certification brand for Cacao Arriba Growers

After the visit of our consultant to Ecuador to assess the overall situation of the Appellation of Origin Cacao Arriba, the proposal for this activity, presented by IG-DE, was adjusted to maximize the activity's impact. In that regard, the Memorandum of Understanding has been adjusted and submitted to USAID Ecuador for validation. The proposal is to promote the creation of a certification brand that provides information on the quality of the product to potential buyers.

Promotion of Secure Commerce

The Project launched and signed a Memorandum of Understanding with the Business Alliance for Secure Commerce (BASC), which will support BASC Ecuador in the training and certification of 40 SMEs with annual sales between US\$ 100,000 and US\$ 1 million. A public event to launch the program was held in Guayaquil and included the presence of several businessmen and the President of BASC world-wide.

Currently, the application process is open and enterprises are showing interest in the process; nevertheless the Project will need to strengthen its publicity in order to reach the targeted number of firms and certifications. To do so, the Project is coordinating with Pro Ecuador and USAID | PRODEL for disseminating the activity among its affiliates.

V. Communications

USAID | Facilitando Comercio has continued increasing its presence during the last quarter of 2011, gaining public exposure and access to new partners and counterparts. Also, the Project has jointly worked with members of the press and Public Relations companies, to complement the Project’s communications and dissemination activities under each component, in order to adequately present USAID’s support in each area.

The activities that gained the most public exposure during this quarter include:

- National Contest of Inventions (NCI):** The Project supported INDECOPI in the overall organization of the NCI, from its presentation held on November 28th, to the awards ceremony on December 7th. It also monitored and assessed the publications and graphics for disseminating the NCI, both in written and electronic media (a webpage and Facebook account were created, which received a total of 20,000 visits). It is worth mentioning that the Project managed a very fluent coordination with INDECOPI, especially with its Communications department, which favored wide coverage and dissemination by the press. <http://www.concursodeinvencciones.pe/> (*Annex: National Contest of Inventions*)



Webpage of the National Contest of Inventions.



Leaflet

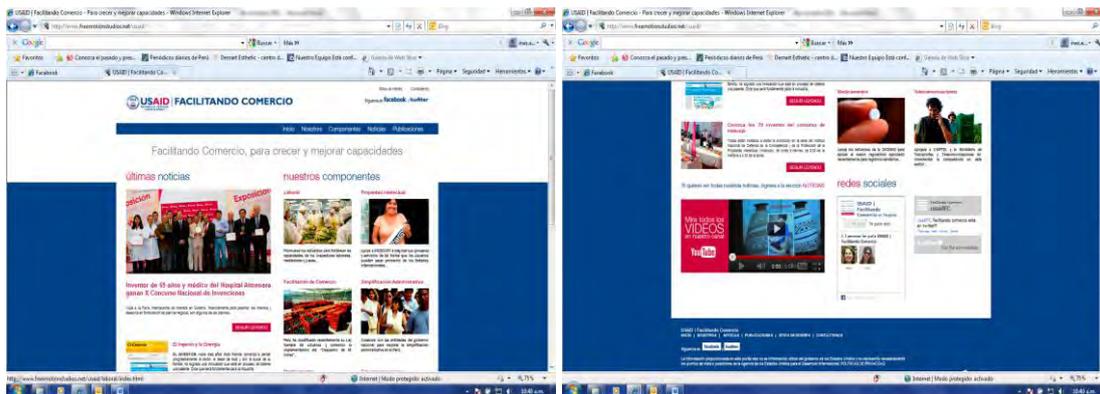


Elena Conterno, Chief of Party, in the opening ceremony.



Awards Ceremony.

- Update of USAID | Facilitando Comercio’s webpage:** In order to keep up with communications trends and respond to information requirements, the Project’s webpage has been renovated and modified to include a Youtube channel, which will help disseminate more information on Project activities and increase the number of visitors. Changes provide a friendlier design, always in accordance with USAID guidelines. The Project is awaiting USAID approval to upload the renovated page.



- Anticipated Clearance webpage:** In order to continue with the strategy set to boost the Anticipated Clearance program, a webpage was designed as a tool to facilitate its use, with the correspondent authorization and validation of Customs and the National Competitiveness Council. This webpage will favor access and use of customs services, and will be concluded during the next quarter.





- **Other activities:** Support was provided for coordinating / disseminating several activities such as: (i) trainings on IP matters for teachers and a Facebook account for IP formative influencers, (ii) workshops for justices in the Judiciary, (iii) workshops for PUCP's E-QUIPU to monitor the design of manuals and other information on the Operating License law, the third Regional Latin-American Conference on Trade and Single Windows and the re-launching of the TRAMIFACIL project, among others. ([Annex: Summary of News](#))



Consultant Lidia Moreno training teachers on IP matters and Facebook of IP formative influencers.



Training events for the Judiciary on IP matters, by specialized consultants.



IP Training for PUCP's E-QUIPU, by consultant Luis Alonso García Muñoz-Nájar.



III Regional Latin American Encounter of Single Windows



Re-launch of the TRAMIFACIL Project, with the attendance of the former Prime Minister, Salomón Lerner.