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ORGANIZATIONAL RESTRUCTURING PROPOSAL FOR THE “DIRECCIÓN GENERAL DE
PROMOCIÓN DE COMERCIO EXTERIOR E INVERSIÓN” IN HONDURAS

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ACRONYMS

CRT	USAID Regional Trade Program for CAFTA-DR
DGPCEI	Dirección General de Promoción de Comercio Exterior e Inversión
DGIEPC	Dirección General de Integración Económica y Política Comercial
DICTA	Dirección de Ciencia y Tecnología Agropecuaria
FICOHSA	Banco Financiero Comercial Hondureño S.A.
FIDE	Fundación para la Inversión y el Desarrollo de Exportaciones
GOH	Government of Honduras
NAP	National Action Plan for Trade Capacity Building
PROCHILE	Dirección de Promoción de Exportaciones (Chile)
PROCOMER	Promotora de Comercio Exterior de Costa Rica
REXHON	Registro de Exportadores de Honduras
SIC	Secretaría de Industria y Comercio
SMEs	Small and Medium Enterprises
SOW	Scope of Work

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I. EXECUTIVE SUMMARY

The objective of this assignment was to prepare a proposal for restructuring of the Honduran General Directorate for the Promotion of Foreign Trade and Investment (DGPCEI), to enable it to implement its mandate fully and effectively. For this purpose, CRT conducted a detailed analysis of the Directorate's current functions, structure and management, as well as the legal framework governing its activities and the political environment in which it operates.

The results of the analysis indicate that the DGPCEI faces a severe shortage of financial, human and material resources, preventing it from fulfilling its mandate. Furthermore, the creation of other governmental and private entities with similar mandates puts into question government support for the DGPCEI. As a result, any proposal to restructure the agency will not be successful unless there is an explicit commitment from the Government of Honduras (GOH) to provide the DGPCEI with the necessary political support and adequate financial and human resources.

Legal Framework and Political Environment

The statutory authority supporting the functions of the DGPCEI is very general and does little to provide the agency with direction, focus and authority. Additionally, in 2006 the congress passed a decree creating the Honduras Foreign Trade Institute, a government agency with a mandate that largely overlaps with the role of DGPCEI. While this agency has never been operationalized, its establishment clearly shows confusion in the definition and direction of export and investment development efforts in Honduras.

Role and Functions

The DGPCEI ideally should perform three key functions in order to carry out its statutory responsibilities of improving foreign investment and exports.

1. Export promotion: including activities directed at increasing the level of exports, such as the development and management of the country's export strategy, organization of and attendance at fairs and undertaking trade missions, training current and potential exporters in export related topics, acting as a broker between buyers and sellers, and organizing outreach events.
2. Market Intelligence and Information: gathering and dissemination of selected data on specific markets for current and prospective exporters and investors; preparation of market analyses; identification of potential business opportunities; and publishing and distribution of information through printed publications, web sites and electronic and print media.
3. Investment Promotion: increasing foreign investment in the country through the development and implementation of a national investment promotion strategy, including the development of policy and regulatory proposals to create incentives for investment; preparation and dissemination of investment promotion materials; design and implementation of investment promotion campaigns in selected countries; organization of official missions; and provision of brokering services for potential investors.

Unfortunately due to the lack of resources, the DGPCEI has only been able to carry out its export promotion responsibilities.

Organizational Climate and Structure

In addition to the lack of resources, the DGPCEI does not have a strategic plan establishing priorities to help it allocate its scarce resources, defining its organizational structure, and outlining its lines of authority and responsibility. This lack of direction and planning has resulted in an organization that is understaffed and reactive and ad hoc in its activities. There is little formal organizational structure, clear lines of authority or specific divisions of labor. In addition to the agency Director, the DGPCEI has a staff of seven employees, with no differentiation in level or responsibilities; all have the title of Export Promoter. To compensate for this situation, staff have created an informal structure, dividing the work among themselves with the tacit approval of the Director.

Among the staff, there are two senior professionals who are well qualified and experienced in export and investment promotion. The remaining employees are junior, and while committed and energetic, they require intensive training to upgrade specific technical skills relevant to their work.

Restructuring Proposal

Based on these and other findings, CRT prepared a restructuring proposal aimed at strengthening the capacity of the DGPCEI. The proposal outlines the basic functions that the Directorate should perform, and calls for the creation of three distinct departments or units to carry out export promotion, market intelligence and investment promotion functions, respectively. The proposal also provides recommendations for a new organizational structure, along with a staffing grid and position descriptions that will better equip the agency to perform its role.

Successful implementation of the restructuring proposal will involve the following steps:

1. Development of a strategic plan where the Directorate's mission, vision, objectives and priorities are well defined, serving as a roadmap for the agency. This plan, covering a period of between 1 and 3 years, should identify the necessary human, material and financial resources, define strategies and actions, set time lines and establish benchmarks to evaluate performance and results.
2. Present the draft strategic plan, including proposed budget and organizational structure, to the SIC and other cognizant authorities with the goal of obtaining their support and commitment of resources for its implementation.
3. Once support and resources are secured, the DGPCEI should begin implementation of the plan. This should begin with a training needs assessment of current staff and recruitment of additional qualified employees to fill the expanded job roster. At the same time, the proposed organizational structure – creating the market intelligence and investment promotion units- should be put in place. Similarly, new job descriptions should be authorized, providing staff members with clear responsibilities and reporting lines and performance standards. Finally, a communications strategy needs to be developed.

II. INTRODUCTION

The General Directorate for Treaty Applications in the Secretariat of Industry and Commerce (SIC) requested technical assistance to help the “Dirección General de Promoción de Comercio Exterior e Inversiones” (DGPCEI), the export and investment promotion agency of the Government of Honduras (GOH), to strengthen its institutional and operational capacity. Public institutional capacity building in the area of export and investment promotion is a priority goal of the National Action Plan to Strengthen the National Capacity (NAP), and this report and recommendations have been prepared in direct response to that goal.

The Scope of Work (SOW) underscores the importance of reinforcing the institutional capacity of the DGPCEI, citing its “vital relevance given the mandate established by” its statutory authority to work to take full advantage of the opportunities created by the various free trade agreements to which Honduras is a signatory.

This diagnostic focuses on the legal framework under which the DGPCEI operates within the SIC, as well as the functions and responsibilities carried out by the Director and staff. Specifically, it is intended to provide a review of the agency’s functions and structure, draft a series of position descriptions for the technical personnel and recommend changes in the organizational architecture that will lead to enhanced performance and efficiencies.

III. OBJECTIVES AND APPROACH

The specific *objectives* of the SOW call for the:

- Review of the current situation in terms of the legal framework governing the Directorate and its functions, with the objective of proposing a redesign of the present organizational structure.
- Review of the functions and competencies of the staff to assist the Directorate in improving its hiring practices.
- Recommendation of a new organizational structure to help the Directorate improve its capacity to carry out its role more effectively.

The *methodological approach* used was straightforward, including:

- Interviews with all personnel, except for one junior staff member who was absent during the entire consultancy.
- Conduction of job audits.
- Interviews with key private sector associations, the SIC leadership, other SIC directorates and other GOH agencies (for a complete list see Appendix).
- Review of pertinent Directorate documents, including budgets, curricula vitae, publications, reports and the DGPCEI web site.

- Participant observation.

IV. MAJOR FINDINGS

The major recurrent theme throughout this study has been an agency significantly handicapped by the lack of resources, specifically funds. Most, though not all, of the problems confronted by the DGPCEI may be traced back to its inability to implement its mandate fully and effectively because it has insufficient financial, human and material resources.

Specific findings include:

- A lack of strategic and action planning that has made more rational allocation of scarce resources difficult, consequently impeding more effective management of the agency.
- A significant lack of technical training for junior staff eager to improve their skills.
- An energetic staff committed to the mission of the DGCPEI, frustrated by the lack of resources and support.
- Weak communications internally within the agency itself, as well as the SIC, and externally, especially with key private sector associations and relevant government agencies.
- An inability to expand contacts directly with small and medium enterprises (SMEs) to provide training and brokering services due to the lack of resources. Similarly, insufficient resources to attend key trade fairs (with one exception) and lead trade missions abroad.
- An inadequately organized Directorate that has resulted in functional and management inefficiencies and little presence or well-defined image.
- Lack of a market intelligence unit within the Directorate, a critical function of an export promotion agency.
- Almost no investment promotion activities except as incidental to a very few export promotion initiatives, as the result of the lack of budget resources.
- Some modest accomplishments, chief among them the publication of the *El Exportador* trade magazine, other promotional materials, and the management of the annual Presidential Exporter's Award.
- An absence of political will to support the DGPCEI, specifically to provide it with the resources it requires to carry out its mandate in full effectively.

V. ANALYSIS

A. Context

In order to understand the situation in the DGPCEI, it is essential to put it into the larger institutional and systemic context in which it operates. The fact of the matter is that it is seriously constrained from implementing its mandate fully and effectively due to a set of circumstances largely beyond its control. Perhaps the most debilitating factor is a chronic lack of budget. For the last fiscal year it received 1.9 million lempiras, or about US\$100,000.¹ This amount is used to underwrite salaries for the Director and seven professional staff, travel and per diem, publications, communications and associated administrative and office costs. By contrast, the DGPCEI's sister office, the Directorate for Economic Integration and Trade Policy (DGPCIE), which negotiates all foreign trade agreements, had a budget last year of 32.5 million lempiras, or approximately US\$1.7 million. This poses the question why so much money is disproportionately spent on negotiating trade agreements only to have the key government agency mandated to promote the potential benefits of the treaties severely underfunded. This will be addressed in more detail subsequently in the report.

B. Legal Framework

A review of the legal framework in which the DGPCEI operates provides additional context to the analysis. While the statutory authority does not particularly constrain the Directorate from performing its functions, it does little to provide guidance and focus. The authority granted to the DGPCEI is minimal - one paragraph long - and very general, mandating the agency to:

...formulate a strategy directed at improving foreign investment and exports, deal with issues related to the promotion of exports and foreign and domestic investment, identify productive activities with export potential, prepare information for publication of documents related to exports and investment, including electronic information, and advise the Secretary and Under Secretary of State in areas of their competence.²

By contrast, the authorizing legislation for the Costa Rican equivalent of the DGPCEI, PROCOMER, is eight pages long, detailing its authority, functions and structure. Moreover, the statute sets out funding authority to support PROCOMER through the imposition of a US\$3.00 fee for each customs declaration, in addition to a budget line item and other sources of support.³ The absence of a detailed legal framework and budget authority for the DGPCEI seems to be a cause and effect of what appears to be a lack of a firm commitment on the part of the GOH to export and investment, at least with respect to the DGPCEI.

¹ The president has yet to submit his budget to the congress, so all agencies are receiving funds based on last fiscal year's budget amounts.

² República de Honduras, "Reglamento de Organización y Funcionamiento y Competencia del Poder Ejecutivo, Artículo 56, inciso 8," N.D. (Author's translation)

³ República de Costa Rica, Ley de Creación del Ministerio de Comercio Exterior y de la Promotora del Comercio Exterior, Ley No. 7638, published in La Gaceta No. 218, Nov. 13, 1996.

In addition, the congress created the Honduras Foreign Trade Institute in 2006.⁴ However, while the Institute exists in statute, it has never been operationalized. On paper it actually duplicates not only DGPCEI activities, but those of the “Dirección General de Integración Económica y Política Comercial” (DGIIEPC) as well. In fact, the functions assigned to the Institute in large measure mirror the mandate of SIC’s Sub-Secretariat for Economic Integration and Foreign Trade. It was not made clear why the Institute was established, other than perhaps to have an autonomous agency administer international trade agreements and coordinate foreign trade policy (which does not appear to exist) - in addition to implementing the functions of the DGPCEI and DGIIEPC.

There is no indication of how it was to (or will) coordinate with the SIC. The decree states that the Institute will be responsible for international trade in the areas of treaty negotiation and administration, research and training as well as other areas to be assigned by regulation. It is instructive to note that the Minister of the SIC is a member of the Institute’s board, along with the minister of Foreign Affairs, Finance, and Agriculture, along with a representative from the micro enterprise sector and 3 three representatives from the private sector. This at least gives the Institute the advantage of having a forum that includes the key actors involved in export and investment promotion, unlike the DGPCEI.

This is a confusing situation and symptomatic of some of the problems confronting the DGPCEI. As the Institute is not actually functional, the potential for duplication of efforts, confusion in mandates and authorities and competition for budget have not become issues. But should the Institute become operational, it will no doubt cause confusion and could even put into doubt the existence of the DGPCEI, as there would be no obvious need for two agencies carrying out the same functions.

To complicate matters even further, the Vice Minister indicated that he was developing PROHONDURAS, a concept inspired by PROCHILE, the highly regarded export promotion organization in Chile. He said this was just an idea - at least for the moment.⁵

Finally, there is the Foundation for Investment and Export Development (FIDE), which is a not-for-profit organization that is actively engaged in export development activities and that actually drafted the national export plan - Plan Nacional de Exportaciones Honduras 2008-2020 - with financial support from the IDB. While FIDE can complement the activities of the DGPCEI, it is curious at best that it and not the GOH’s export promotion agency drafted the plan. This raises the question of the government’s commitment to a vigorous export development effort as an integral part of an economic development strategy.

C. Role and Functions

The role of the DGPCEI is spelled out in the authorizing decree, however broad it may be. A review of the Directorate’s functions provides more specificity to what it has been mandated to do, including:

- Promote exports through fairs, trade missions, events such as the Presidential Exporter’s Award, and seminars for current and potential exporters;

⁴ República de Honduras, La Gaceta, Decreto No. 343-2005, February 4, 2006.

⁵ Interview with Jaime Turcios, Vice Minister, SIC, May 29, 2009.

- Develop productive working relationships with key embassies to assist in export and investment promotion; and
- Promote investment through distribution of information and promotion of policy and regulatory reforms to create incentives.

Still, there are several areas that require strengthening (or need to be established), including critical export and investment promotion tasks, before the DGPCEI can effectively implement its mandate, produce results and have a positive impact. These include:

- Gathering market intelligence;
- Conducting market analyses;
- Updating and disseminating information on potential opportunities to producers;
- Formulating proposals for policy and regulatory reforms; and
- Producing materials for specific investment promotion initiatives.

The fact of the matter is that the Directorate engages in only some of these activities because it does not have the financial, human and materials resources to implement fully its mandate. The DGPCEI, for example, does not have an investment promotion unit, virtually ignoring one of its two principal responsibilities. The decision by default has been to concentrate its meager resources on export promotion, and even there it is lacking.

The actual functions of the DGPCEI include:

- Trade Fairs: Due to the meager budget for trade fairs (US\$3000.00), one person from the agency is able to attend only one key trade fair, “Fruit Logistica”, in Berlin. Aside from that, staff works with embassies and companies in attending other out-of-country fairs, mostly in Central America, and assist in putting together individual appointments (*ruedas de negocio*) for exporters with potential buyers, where resources and opportunities permit. The lack of adequate funding has deprived the Directorate of being able to fulfill effectively one of its most important functions.
- Trade Missions: A similar situation exists with respect to trade missions. While the Directorate works with local enterprises to support them on trade missions, and receives missions from overseas, staff is not able to travel abroad, once again crippling their effectiveness.
- Updating and Disseminating Information: While one senior staff member essentially coordinates this activity, junior staff also contribute to updating and distributing information and fielding questions called in by companies. Indeed, one of the responsibilities of export promotion agencies is to deal with concerns of and questions from companies and the public at large. However, as there is relatively little outreach, this function has been minimal. Still, more than 30 databases were reported to be used in capturing data to be used by exporters.

- **Promotional Materials:** One of the more successful endeavors of the DGPCEI has been *El Exportador*, its quarterly publication on exports. It is a bi-lingual (Spanish-English) glossy publication that contains a range of articles and other information relevant to exporters and importers. While the English translation needs polishing, the magazine in general portrays a positive and professional image. By the same token, the Directorate publishes booklets and brochures of similar quality. Interestingly, some of these have been directed at potential investors, one of the few initiatives of the agency that is not export oriented. The DGPCEI maintains a web page which is located on the SIC web site. Aside from the general need to redesign it, make it more informative and have information in English as well as Spanish, the Directorate needs to have its own web site apart from the SIC site where it is difficult to identify and access. It is essential for potential investors as well as exporters to be able to have quick and easy access to information and not be discouraged by having to hunt for the appropriate windows or links.
- **Training and Outreach:** The DGPCEI holds seminars for exporters and potential exporters across a range of relevant issues. While there is outreach, it is limited, once again due to the significant lack of resources. This is a key function that requires substantially greater support.
- **Presidential Exporter's Prize:** This award has become a coveted emblem of achievement for exporters. It serves partially as a visible incentive to companies to consider exports or to increase their efforts at exporting, especially of non-traditional products. The FICOHSA bank sponsors the competition, underwriting the costs of attending an international fair of choice for the winner. The award is one of the more tangible achievements of the DGPCEI.
- **Project Development:** The Directorate does seek external resources for specific projects from donor agencies. One of the senior staff members is basically responsible for this activity, although he has not been assigned any specific or formal authority. To date, few resources have been acquired, although proposals have been drafted and submitted.
- **Exporters Registry:** FIDE maintains REXHON - the registry of Honduran exporters who pay a fee to register their company profiles, products and services on the FIDE web site. This is the kind of service that the Directorate should have been providing (and does but to a much more limited extent), and is yet another example of a weak commitment to the Directorate as made clear in the lack of adequate resources to provide the full range of services to exporters and investors.
- **Market Intelligence:** The most obvious and significant functional deficiency of this Directorate is the lack of a market intelligence capacity. This is a major weakness, as good market intelligence is the cornerstone of an effective export promotion effort. While some of the data acquired in the updating and dissemination process is useful in gathering market intelligence, it is incidental to what should be a separate unit within the Directorate. The PROCOMER example is instructive here. The Costa Rican export promotion agency has a set of information services, including market intelligence, the Exporter Information Center, the Virtual Information Center and

PROCOMER Digital. The importance of the role of market intelligence and related information cannot be stressed enough.

D. Organizational Climate and Structure

D.1. Planning

Some of the problems faced by the DGPCEI are due to a lack of direction and communications. On a macro level there is no export or investment policy as such. There is the national export plan that was drafted to help strengthen trade capacity in Honduras.⁶ But it simply calls for a restructuring of the DGPCEI while providing no policy guidance. This deprives the DGPCEI of a strategic framework in which to operate. Similarly, there is no strategic or work plan for the agency. The absence of direction has resulted in an organization that is basically reactive and ad hoc in its activities, lacking clearly established priorities to focus efforts and govern efficient allocation of scarce resources. One staff member did draft an unsolicited proposed strategy, but there has never been a response from management. It is vital that an agency with the kinds of resource challenges faced by the DGPCEI have a carefully crafted strategic action plan with precisely defined priorities and objectives to be able to effectively implement its mandate and achieve results.

The lack of planning has also resulted in unclear functional responsibilities of staff. The organizational chart reflects no division of labor or specific responsibilities. Staff is left mostly to their own devices in defining their job responsibilities. Management is tacit rather than decisive. A more rational structure and pro active administration - along with training and an increase in budget - could help the Directorate improve its performance and results.

D.2. Communications

There is a lack of communication within the DGPCEI. There are no scheduled staff meetings. Meetings, such as they are, tend to be few (1-2 per month), and deal with a specific issue. As a result, staff are not clear what is happening in the agency and therefore not able to understand how best to contribute their efforts to the Directorate's goals. In addition, staff indicated there is no feedback on their activities and performance to help guide them. Instead, the two senior staff members provide direction by default to their five more junior colleagues. There is no delegation of authority, so when the Director is absent, there is no one authorized to make official decisions.

External communication is comparatively better, but still lacking. Several private sector leaders were uninformed about DGPCEI activities. There is no communications strategy per se, and no organized relationships with private sector associations or clusters, such as the one the Directorate of Agricultural Science and Technology (DICTA) in the Secretariat of Agriculture maintains with producer chains as part of its mandate to promote agricultural exports. Similarly, there is no organized awareness campaign to build support for exports as a development strategy. Instead there are random efforts at outreach to exporters, mostly through seminars and similar events, aside from the quarterly publication and dissemination of *El Exportador*, and other, non-scheduled, informational materials.

⁶ FIDE, "Plan Nacional de Exportaciones, Honduras 2008-2020," December 2007.

There is communication with embassies, but it tends to be desultory and unclear. The DGPCEI is keenly aware of the need to work through the Honduran embassies in key trading partner countries, especially the US, but the relationship with the missions should be clarified and the respective roles defined and respected. This could be accomplished by the Director taking the initiative to seek increased and more systemic interaction with the Secretariat of Foreign Relations.

D.3. Human Resources

Aside from the Director, the DGPCEI has a staff of 7 professionals, one of whom has a chronic illness and is absent for sustained periods. There are two senior staff, well qualified for their positions and who have the requisite education, skills and experience. The remaining five employees are junior. Three have degrees in trade related disciplines, and another one is completing a degree in education. Participant observation indicated that all staff are bright, committed and energetic professionals. There is, however, an urgent need for training to upgrade specific technical skills. Staff has been requesting training, but the budget is too limited to be able to underwrite most of the attendant costs. At least one of the senior staff mentors his junior colleagues, helping to provide them with the skills they need to grow professionally; but this is an ad hoc situation.

The Director indicated he does not select his staff. Instead they are appointed through the SIC human resources department at the direction of the Minister or Vice Minister. This makes it difficult for him to choose the personnel he believes are the most qualified for a particular position. Part of the problem is that there are no position descriptions to provide selection criteria. In addition, the Directorate is clearly understaffed, given the reach of its mandate. Once again, the budget is simply not available to staff the agency adequately.

The Director has only marginal contact and little to no consultation with the Vice Minister and Minister, reporting that he meets with them only three to five times per year. He views his job as coordinating the staff, working with the private sector to increase the number of companies attending fairs, coordinating and reviewing promotional materials, including the web site, participating in relevant events and checking export and investment promotion data.

All staff members have the title of Export Promoter; that is, there is no formal differentiation between and among staff, assigning specific responsibilities that correspond to the various functions and activities of the Directorate. Instead, staff members have divided the work among and by themselves with the tacit approval of the Director. One senior professional has taken the lead in the preparation and publication of *El Exportador*, seeking external resources and selling advertisements in the magazine. He also participates as the DGPCEI's official representative in fairs, as does the other senior staff member. The latter actually coordinates the fairs in addition to trade missions, *ruedas de negocio* and the annual Exporter's Award event.

The junior staff spends most of their time collecting information for the web site and various publications. One serves as a kind of administrative assistant as well.⁷ There was near universal concern that the quality of the work that is being performed is not sufficient because junior staff in particular have not received

⁷ She was absent due to illness during the entire consultancy and therefore not able to be interviewed.

the necessary training to improve their performance. The Director agrees, but says he does not have enough budget to provide the requisite training.

D.4. Material Resources

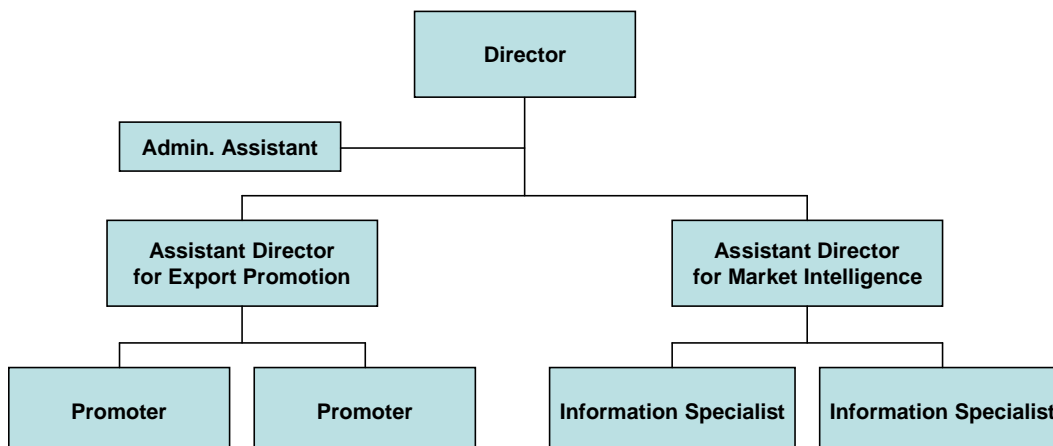
Not surprisingly, there is a lack of adequate material resources. Equipment is old, insufficient and out-of-date. For example, there is only one telephone in the entire office on which outside calls can be made, both local and international. For an agency that depends so heavily on external communications, this is extremely burdensome and cost-inefficient. Office space is inadequate, about 600 square feet for 8 persons, who sit in small cubicles next to each other. The Director has a private office which is approximately 200 square feet. The facilities clearly do not lend themselves to outside visitors, except for the Director's office. While this may not pose too much of a problem with respect to local exporters, the offices certainly do not present the kind of image that otherwise would be expected for receiving potential foreign investors.

E. Structure

The DGPCEI reports to the SIC Vice Minister for Economic Integration and Foreign Trade. The Directorate itself has a flat organizational structure with the Director at the top and all the staff of Export Promoters on one line below. Structurally there is no differentiation among or between staff, although there are two senior professionals who act as de facto supervisors to the more junior staff. No formal differentiation of responsibilities and reporting lines exist. And there is no separate unit for investment promotion. That activity is incidental to export promotion activities such as trade events, according to the Director.

While an office of only 8 persons should not be too highly structured, there nevertheless should be a much clearer and rational system in place than the current one, and it should reflect actual circumstances. Graph 1 below illustrates an organizational structure that mirrors the established division of labor as determined by the job audits performed by the consultant. Formalization of the structure should permit more effective management of the Directorate, clearer expectations of job requirements, and established lines of responsibility and authority.

Graph 1. Current Informal Organizational Structure



F. Results

Despite all the obstacles faced by the DGPCEI, it has been able to achieve some tangible results. In 2008 these were reported to include:

- Coordination of the Exporter's Award event - as an incentive for companies to export or expand exports and to serve as a visible symbol of the work of the Directorate.
- Hosting of the National Congress of Exporters that is sponsored by Banco FICOHSA and attended by SMEs as well as students, in addition to the larger exporter firms.
- Continued publication of *El Exportador*.
- Publication of "Why Invest in Honduras" promotional brochure.
- Three seminars, one each on barriers to exports, requirements for exporting within Central America and the impact of the free trade agreement with Taiwan on investment and trade.
- Training workshop on the formulation of export plans.
- Visits to 40 companies
- Publication of export promotion fact sheets to be used by companies visiting trade fairs and undertaking trade missions.
- Attendance at five trade shows and one employment fair
- Extension of 14 investment certificates representing a total of US\$ 2.4 million.
- Preparation and placement in the web site on how to do business in Honduras.

The DGPCEI has obvious weaknesses, but as already noted these have been, to a significant degree, the result of external circumstances. The will to perform and achieve results clearly exists. What appears to be lacking is the larger political will to provide the Directorate with the resources it needs.

VI. RESTRUCTURING PROPOSAL

As mentioned throughout this report, the DGPCEI requires a complete overhaul in order to perform the functions it has been created to carry out. The current limitations it faces are severe and there will need to be a strong political will to provide it with the financial and human resources it urgently requires. In that regard, it is important to highlight that no restructuring proposal will be successful without the prior commitment of increased financial resources from the GOH for the Directorate's enhanced operation.

Building on the assumption that adequate resources will be assigned to the DGPCEI to perform its functions, this section outlines a restructuring proposal, detailing the scope of the functions the DGPCEI should carry out, and the corresponding organizational structure and human resources for this purpose.

A. Scope of Functions

The basic functions that the restructured DGPCEI would offer are the following:

- Develop and/or update the country's Export Strategy.
- Promote exports through fairs, trade missions, events such as the Presidential Exporter's Award, and seminars for current and potential exporters.
- Develop productive working relationships with key embassies and Honduran Commercial Attachés to assist in export and investment promotion.
- Gather and provide market intelligence information to current and potential exporters, by conducting market analyses and disseminating information on potential opportunities.
- Develop and/or update the country's Investment Strategy, including policy and regulatory reforms to create incentives for investors.
- Promote investment through the distribution of information to potential foreign and local investors, and lead official missions to attract investments in targeted sectors.
- Develop materials for specific investment promotion initiatives.

B. Organizational Structure

To implement its mandate effectively, we recommended that DGPCEI adopt a streamlined organizational structure divided in three areas (see Graph 2 below). Each area would encompass specific technical functions and would need to be allocated adequate resources, both human and material.

The recommended areas include:

1. Export Promotion

This area, would be in charge of all activities related to promoting exports, including the developing the country's export strategy, organizing fairs and trade missions, training current and potential exporters in export related topics, and organizing other events such as the Presidential Exporter's Award.

The area would be staffed by an Assistant Director for Export Promotion, who would lead a team of between 2 and 4 professionals working in the areas of trade fairs and missions, company relations and awards, and certification.

2. Market Intelligence and Information

This unit would be in charge of all activities related to gathering and disseminating market intelligence for current and prospective exporters, including: conducting market analyses, identifying potential business opportunities, and developing publications and other means of information dissemination easily accessible to the export community.

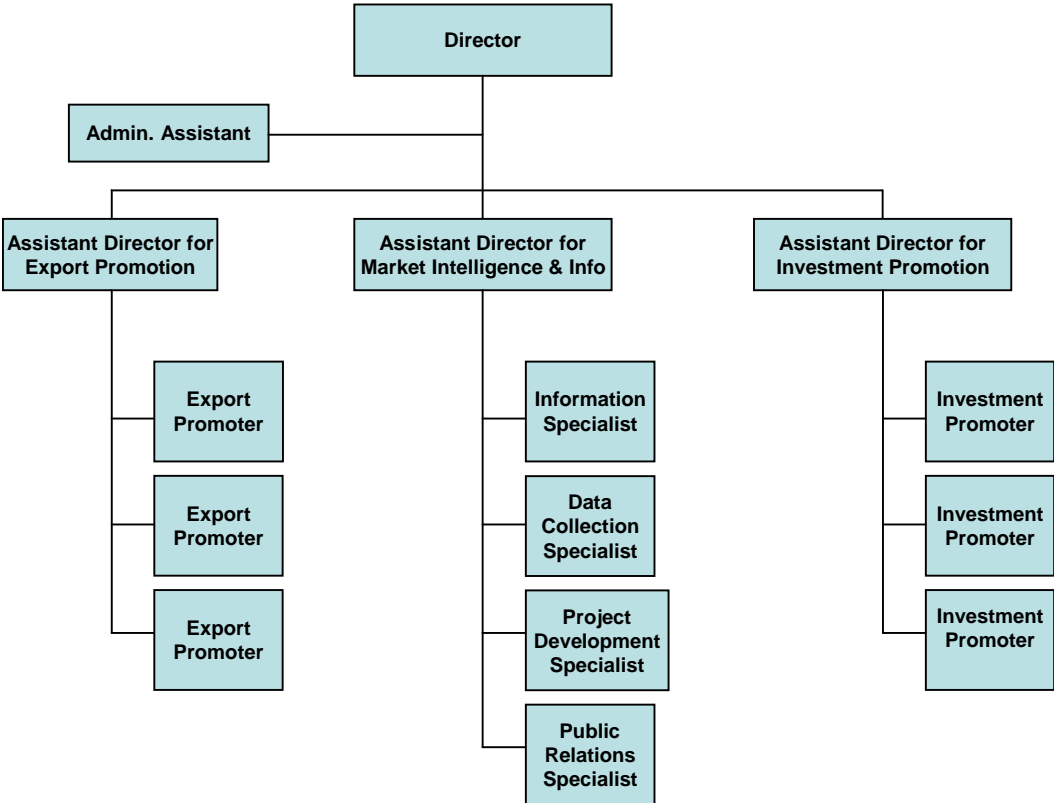
The unit would be staffed by an Assistant Director for Market Intelligence and Information and a team of between 3 and 5 professionals.

3. Investment Promotion

This unit would be responsible for developing and implementing a national investment strategy, including the development of policy and regulatory proposals to create incentives for investment. This unit would also promote domestic and foreign direct investment through the provision of information, the development of investment promotion materials and campaigns, and the organization of official missions.

The unit would be staffed by an Assistant Director for Investment Promotion and a team of between 2 and 4 professionals.

Graph 2. Proposed Organizational Structure for DGPCEI



C. Human Resources

A key step in the restructuring process of DGPCEI entails evaluating its current human resources to determine the number of additional employees it will need to recruit to perform its functions effectively. This will require a detailed assessment of the capabilities of existing staff to determine if they are well

suited to carry out the required work. The assessment will also identify areas where current staff requires training in order to strengthen their technical knowledge in areas relevant to their responsibilities.

As depicted in the proposed organizational structure, the Directorate requires a core team of staff to carry out its basic functions. In our view this team should be conformed by the following positions:

Director: Responsible for the overall direction and leadership of the DGPCEI, including management of human resources, finances and budget, planning, operations, communications and external relations. Responsible for maintaining positive working relationships with senior government and private sector officials and ensuring effective agency performance and positive results.

Assistant Director for Export Promotion: Responsible for the overall management of the Export Promotion Unit, including supervision of Promoters, liaison with key private sector associations and clusters, individual export companies and potential exporters, as well as foreign and international business chambers and organizations. Responsible for the range of export promotion activities dealing with company relations, management of the President Exporter's Award, trade fairs and mission and certification processes.

Export Promoters (3): Responsible for working with the Assistant Director for Export Promotion across the range of responsibilities involving trade fairs, trade missions, company relations, the Presidential Exporter's Award and certifications.

Assistant Director for Market Intelligence and Information: Responsible for the overall management of the Market Intelligence and Information Unit, including supervision of Information Specialists, unit operations, liaison with relevant government agencies and private sector organizations. Responsible for the collection and analysis of market data, publications, and public outreach.

Information Specialist: Responsible for working with the Assistant Director for Market Intelligence across the range of responsibilities involving market research, publications and public outreach.

Data Analyst: Responsible for working with the Assistant Director for Market Intelligence and Information across a range of activities involved in market research, publications and public outreach. The Data Analyst is expected to coordinate with his/her counterparts in the DGPCEI in the collection and sharing of information.

Project Development Specialist: Responsible for working with the Assistant Director for Market Intelligence and Information across a range of activities involved in identifying and developing opportunities for investment and export promotion related projects and seeking the appropriate resources for implementation.

Public Relations Specialist: Responsible for working with the Assistant Director for Market Intelligence and Information across a range of activities involved in publishing and disseminating relevant information on investment opportunities in Honduras and to help to promote exports to key foreign markets. Encourage investment in the country as a profitable and secure environment in which to do business and develop an image and brand for Honduras as a reliable exporter and profitable place to invest.

Assistant Director for Investment Promotion: Responsible for the overall management of the Investment Promotion Unit, including supervision of all personnel, liaison with key private sector associations and clusters, individual companies and potential investors, as well as foreign and international business chambers and organizations. Responsible for the range of investment promotion activities dealing with investor and company relations, trade fairs, investor/company missions and data base maintenance, information collection and development of relevant promotional materials.

Investment Promoters (3): Responsible for working with the Assistant Director for Invest Promotion across the range of responsibilities involving identification and development of investors, attendance to trade fairs and investment missions, local company relations and development of promotional materials.

Detailed descriptions of the positions' responsibilities, as well as the required qualifications to fulfill them are included in the Appendix to this report.

D. Recommended Actions

To carry out the restructuring proposal successfully, we recommend that DGPCEI takes the following actions:

1. Develop a strategic plan where the Directorate's mission, vision and objectives are well defined, serving as a roadmap for the agency. This plan, covering a period of between 1 and 3 years, should identify the necessary resources, human, material and financial, needed to implement it. Accordingly, the organizational structure and staffing recommended in this report would serve as inputs for the development of the plan.
2. Present the strategic plan, including proposed budget and organizational structure, to SIC and other authorities with the goal of obtaining their support and commitment of resources for its implementation.
3. Once sufficient resources are secured, DGPCEI should begin implementation of the plan. Key to this will be implementation of the proposed restructuring of the agency, assessing the capabilities of the current staff to perform their new functions and responsibilities, identifying gaps that will require training of current staff and recruitment of additional employees, and hiring new employees. Implementation will also require adopting the proposed organizational structure –creating the market intelligence and investment promotion units; providing staff members with clear responsibilities, reporting lines and performance standards; developing a communications strategy; and conducting the relevant staff technical training.

In the Appendices to this report we present an illustrative Gantt chart with an estimated timeline for the execution of the proposed restructuring.

VII. CONCLUSIONS AND RECOMMENDATIONS

Overall, there is little question that the DGPCEI is significantly handicapped due to serious budget constraints. Without the necessary resources - financial, human and material - it will not be possible for

the Directorate to implement its mandate fully and effectively. The conclusions and recommendations need to be considered in light of that fact.

A. External Factors

Conclusion: The lack of an adequate budget has constituted a major impediment to the ability of the DGPCEI to carry out its mandate fully and with greater impact and results.

Recommendation: The GOH needs to reconsider its commitment to the DGPCEI and make the decision whether or not to support it with the resources it needs. There may be alternatives such as the Foreign Trade Institute that the government may want to support instead of the Directorate. Costa Rica offers an example in the use of a fee imposed on custom declarations to support financially its export promotion agency, a similar kind of arrangement for DGPCEI should be considered by the GOH.

Conclusion: There are other organizations mandated to deal with export promotion which effectively dilutes the presence of the DGPCEI. In the private sector, FIDE was the beneficiary of support from the IDB to promote exports, and in fact prepared the National Export Plan. This raises the question of what then is or should be the role of the DGPCEI, the putative public agency coordinating export promotion. Similarly, the codification of the Honduras Foreign Trade Institute into law almost makes the Directorate obsolete, and certainly duplicative. However, the fact that the Institute has never been operationalized has made this a moot point for the time being.

Recommendation: Once again, the GOH should review its commitment to export promotion as a central economic development strategy and take steps to rationalize the roles of the various organizations involved.

Conclusion: The legal framework is very general and grants minimal authority to the DGPCEI. While it has proven to be sufficient for the Directorate's work to date, a more detailed statute could help strengthen the Directorate and provide it greater strategic direction. It could also include authorization of a dedicated revenue source.

Recommendation: The SIC should consider reviewing the legislation to see if there are ways to strengthen it, perhaps using PROCOMER as a model, working with the appropriate executive authorities to prepare draft bill for consideration by the Congress.

B. Internal Factors

Conclusion: There is no market intelligence unit or specifically spelled out market intelligence function, depriving the Directorate of one of the most basic functions of an export promotion agency. While staff collects information on markets, it is not presented in the form of well structured market intelligence analyses.

Recommendation: Within the context of a complete restructuring of the DGPCEI, a market intelligence unit should be created and staffed accordingly.

Conclusion: There is no investment promotion unit. With very few exceptions, investment promotion as such, tends to be an incidental part of isolated export promotion activities.

Recommendation: Within the context of a complete restructuring of the DGPCEI, an investment promotion unit should be created and staffed accordingly. Alternatively, the Director, in consultation with the Vice Minister, needs to review the feasibility of carrying out investment promotion activities within the current resource constraints. It may be more effective to concentrate the few resources of the Directorate on a small, manageable set of priority activities dealing with export promotion rather than attempting to do both export and investment promotion with few or no positive results.

Conclusion: The absence of a strategic and/or action plan makes management of the DGPCEI more difficult and dilutes effectiveness. There is confusion among staff with respect to what the objectives and priorities are, as none have been established as part of a plan. Moreover, there is no framework in which to make rational resource allocation decisions or provide organized management guidance to staff.

Recommendation: The DGPCEI should take immediate steps to develop and implement strategic and action plans that outline the vision and objectives of the Directorate, as well identify the resources to carry them out. This would best be accomplished using a professional facilitator - budget allowing.

Conclusion: There is no communications strategy, resulting in ad hoc and ineffective communications. The exceptions are *El Exportador* and other promotional materials developed by the agency.

Recommendation: A communications strategy needs to be developed and implemented. It should be predicted on the objectives and priorities of the strategic plan and identify target audiences, define relevant messages, select the most appropriate media for delivery and determine the most effective messengers. By the same token, communications with key institutional actors need to be systematized. Internally, there needs to be weekly staff meetings to review what each member of the staff is doing, receive feedback and direction from management, discuss issues and plan for the week ahead.

Conclusion: There is an urgent need to upgrade staff technical skills and provide clearer management direction. Staff are undertrained, have little direction or feedback from management and as a consequence are not utilized to maximum efficiency.

Recommendation: Updated position descriptions need to be provided for each staff member, including the Director. These need to specify clearly the responsibilities and scope of work of each employee as reflect current needs and responsibilities. In addition, efforts need to be redoubled to try to acquire resources - internal as well as external - to provide necessary training, especially for junior staff. The Director also needs to provide feedback on employee performance on a scheduled basis - 2 to 3 times per year. All staff needs to be made aware of lines of responsibility and authority, and the Director needs to delegate authority formally to a senior staff member in his absence.

Conclusion: The current organizational framework does not adequately reflect the functions and functional relationships within the Directorate. This is partly the result of the absence of updated position descriptions to determine how and where to fit personnel into an organizational structure, or even how to arrange the structural framework in the first place. Position descriptions ideally need to be designed - or at least finalized - to reflect priorities, objectives and activities as consistent with a strategic plan.

Recommendation The DGPCEI needs to redesign its present organizational structure to reflect accurately the Directorate's functions and functional relationships as determined by the job audits and mandate (see Recommended Organizational Chart).

APPENDIX 1. POSITION DESCRIPTIONS

POSITION:

Executive Director

SUMMARY:

This full-time position is responsible for the overall direction and leadership of the DGPCEI, including management of human resources, finances and budget, planning, operations, communications and external relations. The Executive Director is also responsible for maintaining positive working relationships with senior government and private sector officials, ensuring effective agency performance and positive results, ensuring quality control and overseeing effective implementation of the legal mandate governing the Directorate. In addition, the Executive Director works to maximize staff performance by providing clear direction, essential support and full feedback to all personnel. He/she is also responsible for ensuring effective communications within the agency as well as with its clients and the public at large, convincingly articulating the vision and mission of the Directorate.

QUALIFICATIONS:

An advanced degree in business, economics, public administration, communications or related discipline. At least ten years working experience in a senior management position in government or private business, preferably in investment and/or export promotion or closely related field; knowledge of trade-related economic development; experience working with foreign nationals; strong experience working with private sector associations, both local and international; demonstrated ability to manage professional staff and interact successfully with colleagues. Ability to read, write and speak English.

DUTIES AND RESPONSIBILITIES:

- Provide overall leadership to and management of the DGPCEI.
- Oversee the development and implementation of strategic and action plans for the agency, reviewing progress quarterly against established benchmarks and overseeing necessary corrective actions.
- Oversee development of agency budget, tracking of outlays and authorization of expenditures.
- Take lead in strengthening working relations with key public agencies, including the DGPCIE, DICTA, the Secretariat of Foreign Relations and others that impact exports and foreign direct investment.
- Take lead in developing and maintaining relationships with key private sector associations and clusters.
- Serve as primary agency spokesperson.
- Supervise development and implementation of agency communications strategy.

- Provide direction to staff, detailing responsibilities and expectations and provide feedback on performance. Ensure scheduled and frequent communication with staff.
- Ensure quality control of all DGPCIE products and services, both with respect to export and investment promotion activities, as well as compliance with all applicable SIC procedures and reporting requirements.
- Delegate directly responsibilities to senior staff.
- Oversee development of proposal for new project initiatives and take the lead in maintaining relationships with international donor agencies.
- Oversee formulation of policy, regulatory and/or institutional reforms to facilitate greater export and investment activities.
- Provide any additional management as may be necessary to ensure the effective performance of the Directorate as consistent with its legal mandate and direction from the Vice Minister for Foreign Trade.

REPORTING AND ORGANIZATIONAL RELATIONSHIPS:

The Executive Director reports directly to the Vice Minister of SIC for Foreign Trade. He/she will coordinate activities with the DGPCIE within the SIC, and other government agencies that impact export and investment.

POSITION:

Assistant Director for Market Intelligence and Information

SUMMARY:

This full-time position is responsible for overall management of the Market Intelligence and Information Unit, including supervision of Information Specialists, unit operations, liaison with relevant government agencies and private sector organizations. The Assistant Director is also responsible for the collection and analysis of market data, publications and public outreach. This is a key function of the DGPCEI that requires excellent analytical and writing skills, knowledge of how markets work and overseas experience.

QUALIFICATIONS:

An advanced degree in economics, business, social science or related discipline. At least seven years experience working in economic analysis with emphasis on market intelligence and/or export and investment promotion. Outstanding written and oral communication skills; knowledge of foreign markets, especially the U.S. and Central America; knowledge of the international donor community and experience in preparing project proposals; demonstrated ability to liaise successfully with collegial institutions. Fluency in written and spoken English required.

DUTIES AND RESPONSIBILITIES:

- Provide overall management guidance to the Market Intelligence and Information Unit.
- Support the Executive Director in meeting the priorities, goals and objectives of the DGPCEI as consistent with the Directorate's strategic and action plans.
- Establish and oversee a market intelligence capacity for the Directorate, identifying the markets to be examined, developing and applying the appropriate analytical methodologies, creating the necessary data bases, ensuring timely, informative and accurate market analyses and specific information.
- Direct and edit publication of *El Exportador*, promotional materials and DGPCEI reports.
- Supervise updating of information on web site; be responsible for design changes on the web site.
- Support the Export Promotion Unit by providing necessary information, analysis and other materials and assistance as required.
- Support Executive Director in identifying a formulating proposals for appropriate policy, regulatory and/or institutional reforms to facilitate greater export and investment activity.
- Provide necessary information to Honduran embassies seeking to promote exports and investment.
- Maintain contacts with international donor agencies and coordinate preparation and submission of project proposals for external resources.
- Participate in trade fairs and trade missions as instructed by the Executive Director.

REPORTING AND ORGANIZATIONAL RELATIONSHIPS:

The Assistant Director for Market Intelligence and Information reports directly to the Executive Director. He/she maintains close working relations with the Assistant Director for Export Promotion.

POSITION:

Information Specialist

SUMMARY:

This full-time position is responsible for working with the Assistant Director for Market Intelligence across the range of responsibilities involving market research, publications and public outreach. The Information Specialist is expected to exercise self-initiative, demonstrate flexibility and have excellent interpersonal skills.

QUALIFICATIONS:

A university degree, preferably in business, economics, social science or similar discipline. At least three years working experience, preferably in an organization dealing with export and/or investment promotion, research, information or similar field. Proficiency in reading and speaking English required.

DUTIES AND RESPONSIBILITIES:

- Assist the Assistant Director in updating data bases, acquiring specific information, collating and tabulating data, and assembling reports and provide other information gathering and analytical support as required by supervisor.
- Assist the Assistant Director in preparing *El Exportador*, promotional materials and reports for publication. Arrange dissemination logistic.
- Assist the Assistant Director in maintaining and updating the DGPCEI web site, modifying its design when necessary and monitoring hits.
- With the supervision of the Assistant Director and where necessary, assist the Export Promotion Unit in development and implementation of communications campaigns and public outreach initiatives.
- Work with the Assistant Director in preparing proposals for donor financing, conducting research and collecting relevant data.
- Perform all other relevant activities as may be necessary and assigned by the Assistant Director, including assisting in initiatives with staff in other agency offices.

REPORTING AND ORGANIZATIONAL RELATIONSHIPS:

The Information Specialist reports directly to the Assistant Director for Market Intelligence and Information. He/she will work closely with the other Export Promoter in carrying out his/her duties.

POSITION:

Project Development Specialist

SUMMARY:

This full-time position is responsible for working with the Assistant Director for Market Intelligence and Information across a range of activities involved in identifying and developing opportunities for investment and export promotion related projects and seeking the appropriate resources for implementation. The Project Development Specialist is expected to coordinate with his/her counterparts in the DGPCEI in the collection and sharing of information; he/she is expected to exercise self-initiative, demonstrate flexibility and have excellent inter personal skills. Proficiency in written and spoken English is required.

QUALIFICATIONS:

A post graduate university degree, preferably in business, economics, social science or similar discipline. At least seven years working experience, preferably in an organization dealing with donor agencies and focused on export and investment promotion, economic development and/or similar field. Proficiency in reading, writing and speaking English required.

DUTIES AND RESPONSIBILITIES:

- Develop and manage donor opportunity tracking system to monitor and identify potential project opportunities and donor requirements.
- With the PR Specialist, develop DGPCEI qualifications materials for inclusion into proposals for funding projects.
- Similarly, develop and update templates for budgets, proposals and other relevant materials.
- Develop and maintain productive working relationships with key donors, including USAID, IDB, CAF, IBRD, foundations and corporations.
- Manage the preparation and packaging of proposals, including the technical, qualifications, personnel and management sections. Oversee preparation of the budget.
- Manage and/or assist in the management of specific donor funded projects, ensuring adequate performance monitoring and, where required, evaluation.
- Work closely with the Public Relations Specialist in developing and projecting a favorable image
- Perform all other relevant activities as may be necessary and assigned by the Assistant Director, including assisting in initiatives with staff in other agencies.

REPORTING AND ORGANIZATIONAL RELATIONSHIPS:

The Project Development Specialist reports directly to the Assistant Director for Market Intelligence and Information. He/she will work closely with other staff of all Units in carrying out his/her duties.

POSITION:

Public Relations Specialist

SUMMARY:

This full-time position is responsible for working with the Assistant Director for Market Intelligence and Information across a range of activities involved in publishing and disseminating relevant information on investment opportunities in Honduras and to help to promote exports to key foreign markets, including the Central American region, and encourage investment in the country as a profitable and secure environment in which to do business. It is also to develop Honduras as a brand and design an image of the country as a reliable exporter and profitable place to invest. The Public Relations Specialist is expected to coordinate with his/her counterparts in the DGPCEI in the collection and sharing of information. He/she is to exercise self-initiative, demonstrate flexibility and have excellent inter personal skills.

QUALIFICATIONS:

A university degree, preferably in communications, marketing, business, social science or similar discipline. At least five years public relations or similar working experience, preferably in an organization dealing with export and investment promotion, marketing, sales and/or similar field. Proficiency in reading, writing and speaking English required.

DUTIES AND RESPONSIBILITIES:

- Assist the Assistant Director in developing, implementing and updating a public outreach strategy targeted at specific investor and exporter audiences.
- Cultivate and maintain productive working relationships with members of the media, including media, including select foreign media representatives: provide journalist and editor training on export and investment issues.
- Supervise call center to respond to related export and investment inquiries, answer general questions from the public and refer callers to specific relevant public agencies or other sources of information where appropriate.
- Craft messages, identify the most appropriate and effective messengers and coordinate dissemination of messages through radio and TV public service announcements, talk shows, newspaper columns and on-line services. Oversee design and updating of the DGPCEI web site.
- Implement “piggyback marketing” through identification and recruitment of private sector associations and chambers in Honduras and key foreign markets.
- Help coordinate and design presentations for trade shows and missions as well as power point presentations.
- Design and develop a Honduras brand identification; help create an image of Honduras as a favorable and profitable place to do business.
- Assist the Assistant Director in preparing investment and export promotional materials and reports for publication in Spanish and English, as well as presentations, including assisting in translation.
- With the supervision of the Assistant Director and where necessary, assist the Investment Promotion and Export Promotion Units in the development and implementation of specific communications/promotion campaigns and public outreach initiatives.

- Assist in maintaining communications with the appropriate commercial attaches in the various Honduran embassies, especially in the U.S. and E.U., promoting the Honduras brand and image.
- As instructed by the Assistant Director, provide assistance in designing and conducting the Exporter's Awards Ceremony.
- Perform all other relevant activities as may be necessary and assigned by the Assistant Director, including assisting in initiatives with staff in other agencies.

REPORTING AND ORGANIZATIONAL RELATIONSHIPS:

The Public Relations Specialist reports directly to the Assistant Director for Market Intelligence and Information. He/she will work closely with other staff of the al;l Units in carrying out his/her duties.

POSITION:

Data Analyst

SUMMARY:

This full-time position is responsible for working with the Assistant Director for Market Intelligence and Information across a range of activities involved in market research, publications and public outreach. The Data Analyst is expected to coordinate with his/her counterparts in the DGPCEI in the collection and sharing of information. He/she will exercise self-initiative, demonstrate flexibility and have excellent interpersonal skills.

QUALIFICATIONS:

A university degree, preferably in business, statistics, economics, social science or similar discipline. At least five years working experience, preferably in an organization dealing with investment promotion, research, information and/or similar field. Proficiency in reading, writing and speaking English required.

DUTIES AND RESPONSIBILITIES:

- Assist the Assistant Director in developing and updating relevant data bases on selected markets, acquiring specific information, collating and tabulating data and assembling reports, and provide other information gathering and analytical support as needed. Where required, translate information into Spanish.
- Identify, track and quantify market demand for selected Honduran goods and services.
- Coordinate closely with the Export Promotion Unit in identifying markets and market segments for information gathering.
- Through the Assistant Director, provide data and analyses to the Export and Investment Promotion Units as required.
- Liaise with appropriate counterparts at FIDE and other private and public sector organizations involved in export promotion to identify information needs.
- Similarly, maintain communications with commercial attaches in key markets to seek assistance in identifying and accessing data sources.
- Under supervision of the Assistant Director, provide information and analyses to other government agencies.
- Provide information and analyses to the Public Relations Specialist on specified issues, as required.
- Perform all other relevant activities as may be necessary and assigned by the Assistant Director, including assisting in initiatives with staff in other agencies.

REPORTING AND ORGANIZATIONAL RELATIONSHIPS:

The Investment Information Specialist reports directly to the Assistant Director for Market Intelligence and Information. He/she will work closely with other staff of the Investment Promotion unit in carrying out his/her duties.

POSITION:

Assistant Director for Export Promotion

SUMMARY:

This full-time position is responsible for overall management of the Export Promotion Unit, including supervision of Promoters, liaison with key private sector associations and clusters, individual export companies and potential exporters, as well as foreign and international business chambers and organizations. The Assistant Director is responsible for the range of export promotion activities dealing with company relations, management of the President Exporter's Award, trade fairs and mission and certification processes. This is a core function of the DGCEI and requires excellent organizational and sales skills.

QUALIFICATIONS:

An advanced degree in business, economics, social science, communications or related discipline. At least ten years experience in export and/or investment promotion, either as a government official or in the private sector with a business association or export enterprise. Excellent oral and written communications, organizational and interpersonal skills; ability to make professional presentations; firm knowledge of Honduran export requirements and processes; experience in organizing and participating in trade missions and trade fairs; experience in providing or managing export and investment training events for companies. Fluency in written and spoken English required.

DUTIES AND RESPONSIBILITIES:

- Oversee outreach to companies in Honduras wishing to participate in trade fairs providing relevant information, assisting with logistics and arranging for meeting between Honduran companies and foreign importers.
- Support the Executive Director in meeting the priorities, goals and objectives of the DGPCEI as consistent with the Directorate's strategic and action plans.
- Coordinate with the Market Intelligence Unit in acquiring necessary information for companies interested in exporting to different markets.
- Assist as instructed by the Assistant Director in preparation of *El Exportador* magazine.
- Manage organization of trade missions, facilitating to participants the necessary market information, coordinating all logistics and arranging for *ruedas de negocio* or appointments with individual companies abroad interested in importing Honduran goods and services.
- Liaise with Honduran embassies to identify export opportunities.
- Arrange for training workshops and seminars on export related issues for businesses, especially small and medium enterprises.
- Provide information and guidance to exporters with respect to certifications, standards and processes involved in exporting goods and services.

- Oversee acquisition of information from individual companies with respect to their export needs, activities and achievements with respect to exports.
- Oversee and organize the annual Presidential Exporter's Award ceremony; outreach companies to participate in the contest.

REPORTING AND ORGANIZATIONAL RELATIONSHIPS:

The Assistant Director for Export Promotion reports directly to the Executive Director. He/she maintains close working relations with the Assistant Director for Market Intelligence and Information.

POSITION:

Export Promoter

SUMMARY:

This full-time position is responsible for working with the Assistant Director for Export Promotion across the range of responsibilities involving trade fairs, trade missions, company relations, the Presidential Exporter's Award and certifications. The Export Promoter is expected to exercise self-initiative, demonstrate flexibility and have excellent interpersonal skills.

QUALIFICATIONS:

A university degree, preferably in business, communications, public relations or similar discipline. At least three years working experience, preferably in an organization dealing with export and/or investment promotion, sales, marketing or similar field. Fluency in written and spoken English required.

DUTIES AND RESPONSIBILITIES:

- Assist the Assistant Director in preparing for trade fairs by collecting and collating relevant information, coordinating trip logistics, ensuring that fair related promotional materials and show paraphernalia are appropriately packaged and provide other logistical support as required by supervisor.
- Assist the Assistant Director in preparing for trade missions by assembling the appropriate information, coordinating trip, hotel and attendant logistics for both Honduran missions going abroad and foreign missions visiting Honduras and ensuring that attendant mission participant needs are met.
- Assist the Assistant Director in maintaining and updating company rosters, arranging logistics for seminars and workshops, recruiting participants, coordinating meetings and ensuring relevant information is collected, packages and distributed.
- Participate in development and implementation of communications campaigns and public outreach initiatives as required.
- Under the guidance of the Assistant Director assist clients in identifying, obtaining and complying with all necessary export certificates and regulations.
- With the Assistant Director, coordinate logistics for the annual Exporter's Award ceremony.
- Perform all other relevant activities as may be necessary and assigned by the Assistant Director, including assisting in initiatives with staff in other agency offices.

REPORTING AND ORGANIZATIONAL RELATIONSHIPS:

The Export Promoter reports directly to the Assistant Director for Export Promotion. He/she will work closely with the other Export Promoter in carrying out his/her duties. Proficiency in reading and speaking English required.

POSITION:

Assistant Director for Investment Promotion

SUMMARY:

This full-time position is responsible for overall management of the Investment Promotion Unit, including supervision of all personnel, liaison with key private sector associations and clusters, individual companies and potential investors, as well as foreign and international business chambers and organizations. The Assistant Director is responsible for the range of investment promotion activities dealing with investor and company relations, trade fairs, investor/company missions and data base maintenance, information collection and development of relevant promotional materials. This is a core function of the DGCEI and requires excellent organizational and sales skills.

QUALIFICATIONS:

An advanced degree in business, finance, economics, social science or related discipline, or the equivalent in fifteen years of direct experience. At least ten years experience in export and/or investment promotion, either as a government official or in the private sector with a business association or export enterprise. Excellent oral and written communications, organizational and interpersonal skills; firm knowledge of Honduran investment laws, regulations and processes; experience in organizing and participating in investment workshops and seminars; experience in providing or managing export and investment training events for companies. Fluency in written and spoken English required.

DUTIES AND RESPONSIBILITIES:

- Oversee outreach to companies in Honduras wishing to participate in investment promotion activities, ensuring provision of relevant information, assisting with logistics and arranging for meetings between Honduran companies and foreign investors.
- Support the Executive Director in meeting the priorities, goals and objectives of the DGPCEI as consistent with the Directorate's strategic and action plans.
- Coordinate with the Market Intelligence Unit in acquiring necessary information for companies interested in seeking domestic and foreign direct investment (FDI).
- Coordinate organization of trade missions with Assistant Director for Export Promotion, facilitating to participants the necessary market information, and arranging for *ruedas de negocio* or appointments with individual and institutional investors.
- Liaise with Honduran embassies to identify investment opportunities.
- Arrange for training workshops and seminars on investment related issues for businesses, especially small and medium enterprises.
- Provide information and guidance to exporters with respect to laws, regulations and processes governing investment and capital repatriation in Honduras.

- Manage assistance to potential investors in conducting pre-investment feasibility studies, providing information, brokering meetings with companies and ensuring follow-up where required.

REPORTING AND ORGANIZATIONAL RELATIONSHIPS:

The Assistant Director for Investment Promotion reports directly to the Executive Director. He/she maintains close working relations with the Assistant Director for Market Intelligence and Information and the Assistant Director for Export Promotion.

POSITION:

Investment Relations Specialist

SUMMARY:

This full-time position is responsible for working with the Assistant Director for Invest Promotion across the range of responsibilities involving identification and development of investors, attendance at trade fairs and investment missions, local company relations and development of promotional materials. The Relations Specialist is expected to exercise self-initiative, demonstrate flexibility and have excellent interpersonal skills.

QUALIFICATIONS:

University degree, preferably in business, communications, public relations or similar discipline. At least three years working experience, preferably in an organization dealing with export and/or investment promotion, sales, marketing or similar field. Excellent interpersonal skills and ability at public speaking. Ability to speak, read and write English proficiently is essential.

DUTIES AND RESPONSIBILITIES:

- Assist the Assistant Director in preparing for investment promotion events and missions as well as trade fairs by working with the Investment Information Specialist to identify and collating relevant information, coordinate trip logistics, review and edit promotional materials, ensure that mission and show paraphernalia are appropriately packaged and provide other logistical support as required by supervisor.
- Work with local companies interested in acquiring domestic and foreign direct investment, assisting management o development and package the appropriate company information, help broker *ruedas de negocios* and provide follow-up services as may be required.
- Assist the Assistant Director in preparing for investment missions by assembling the appropriate information, coordinating trip, hotel and attendant logistics for both Honduran missions going abroad and foreign missions visiting Honduras and ensuring that mission participant needs are met.
- Assist the Assistant Director in maintaining and updating company rosters, arranging logistics for seminars and workshops on investment for local companies and prospective investors, recruiting participants, coordinating meetings and ensuring relevant information is collected, packages and distributed.
- Participate in the design, development and implementation of investment promotion communications campaigns and public outreach initiatives as required.
- Ensure web site investment related information is updated and current and input necessary data.
- Under the guidance of the Assistant Director assist clients in identifying, obtaining and complying with all necessary investment certificates and regulations.

- Accompany potential investors on visits to Honduras and specific companies of interest. Provide necessary follow-up with investors and companies.
- Help develop and maintain “leads” tracking system.
- Perform all other relevant activities as may be necessary and assigned by the Assistant Director, including assisting in initiatives with staff in other agency offices.

REPORTING AND ORGANIZATIONAL RELATIONSHIPS:

The Investment Promoter reports directly to the Assistant Director for Investment Promotion. He/she will work closely with the other personnel in the Investment Promotion Unit, as well as all DGPCEI staff as may be necessary in carrying out his/her duties.

APPENDIX 2. ILLUSTRATIVE IMPLEMENTATION SCHEDULE

Dirección General de Promoción de Comercio Exterior e Inversión
Illustrative Gantt Chart for Organizational Restructuring

Task	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
<i>Develop Strategic Plan</i>												
Define Directorates Mission, Vision and Objectives												
Using CRT recommendations finalize functions and organizational structure												
Develop budget required to achieve objectives, carry out identified functions, and staff organizational structure												
Develop performance targets and monitoring plan												
<i>Present Strategic Plan to SIC</i>												
Explain the current limitations that DGPCEI faces, and present the strategic plan as a tool that will enable the Directorate to perform its mandate effectively												
Present the enhanced organizational structure and explain the benefits of adopting it												
Present budget reflecting the resources needed to implement the strategic plan												
Secure SIC's support and resources to implement the plan												
<i>Implement Strategic Plan</i>												
Formally create the enhanced organizational structure for the Directorate												
Assess current staff technical capabilities to determine gaps between the new structure needs and the available resources												
Recruit and hire new employees												
Develop and implement training plan for current and new staff												
Develop communications strategy												
Monitor performance of staff on a periodic basis												
Monitor Directorate's performance based on identified indicators and plan.												

APPENDIX 3. SOURCE DOCUMENTS

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APPENDIX 4. INTERVIEWED PERSONS

In addition to the Executive Director and entire staff less of the DGPCEI, the following persons were interviewed.

Ruben J. Ayes Paz,, Comisión para la Defensa y Promoción de la Competencia

Dominique Billeda, former Executive Director, DGPCEI

Benjamin Bográn, Executive Director, COHEP

Joel Castillo, General Manager, FENADUANA

Fredis Alonso Cerrato, Secretary of State for Industry and Commerce

Efrain Corea, Technical Director, Comisión para la Defensa y Promoción de la Competencia

Ann Dunnaway, Planning and Projects Chief, DICTA, S

Julieta García, Agribusiness Chief, Secretaria de Agricultura y Ganadería

Oscar Lanza Rosales, President, Comisión para la Defensa y Promoción de la Competencia

Jorge Alberto Martinez Navas, Comercial Director, CONSISA

Guillermo Matamoros, Regional Operations Manager, Honduran Manufacturers Association

Juan Manuel Moya M., President, AmCham Honduras

Cristina G. Rodríguez, Director, COHCIT

Jorge A. Torres, General Manager, Zamorano Agroindustrial

Jaime Turcios, Viceminister for Trade and Integration, SIC

Jerónima Urbina, Executive Director, Dirección General de Política Comercial e Integración Integral, SIC

Vilma Sierra de Fonseca, Executive President, FIDE