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INICIATIVA PARA LA INTEGRACION DE LA INFRAESTRUCTURA REGIONAL SURAMERICANA

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## **FIRST MEETING OF IIRSA'S EXECUTIVE TECHNICAL GROUP FOR THE "EXPORTS THROUGH POSTAL SERVICES FOR MSMEs" PROJECT**

May 19th, 2009

### *Document of Conclusions*

#### **1. OBJECTIVE OF THE MEETING AND MATERIALS**

The first meeting of the Executive Technical Group (GTE) for IIRSA's "Exports through Postal Services for MSMEs" Project, held on May 19th in Buenos Aires, Argentina, had the following purposes:

- (i) Present the progress made by IIRSA's member countries regarding this project, particularly where "Exporta Fácil" was implemented;
- (ii) Revise the work methodology developed for this project, particularly the lessons learned in the countries where pre-diagnosis and implementation activities were conducted;
- (iii) Design by consensus a work plan for the Project Technical Group, with the involvement of all the actors participating in the regional work group.

The official call for participation in the event, the final sessions' agenda, the presentations made, and the list of participants are available in the section of IIRSA's Web page devoted to this project: [www.iirsa.org/exportafacil.asp](http://www.iirsa.org/exportafacil.asp). Below is a summary of the topics discussed in the different working sessions, the main conclusions, and the next steps to be followed within the framework of the project.

#### **2. SESSION 1: STATE OF PROGRESS OF IIRSA'S EXPORTS THROUGH POSTAL SERVICES FOR MSMEs" PROJECT**

##### Objectives of the session:

1. Present the current status of the project in the different IIRSA's member countries, addressing for each particular country (a) the expectations regarding the continuity of the project; (b) the availability of financial resources to conduct the actions planned for 2009; and (c) the critical issues in the implementation of the project and the suggestions for overcoming them.
2. Revise the project stages foreseen for 2009 and adjust the schedule vis-à-vis the resources available and the developments in the first half of this year.

Summary of situation at the regional level

The status of the project at the regional level was presented jointly by Rose Mary Antunes, advisor to the Ministry of Communications of Brazil, and by Serrana Bassini, Secretary General of the Postal Union of the Americas, Spain and Portugal (UPAEP), who portrayed a regional context where 10 of the 12 IIRSA's member countries show concrete progress in the pre-diagnosis and development of an adaptation of "Exporta Fácil." The following is the situation as of May 2009:

- 2 countries have implemented "Exporta Fácil" (Brazil and Peru);
- 1 country is conducting a pilot implementation of "Exporta Fácil" (Uruguay);
- 4 countries have concluded the pre-diagnosis phase (Argentina, Colombia, Ecuador and Venezuela), and are defining or preparing a pilot implementation of "Exporta Fácil;"
- 1 country is currently in the pre-diagnosis phase (Chile);
- 2 countries have requested to carry out the pre-diagnosis during 2009 (Bolivia and Paraguay);
- There is a regional work group, made up of technical experts from Brazil, Peru and Uruguay, which can support the activities to be conducted during the following months in the countries where progress is being made in the implementation process of "Exporta Fácil."

The table below summarizes the situation described above.

<b>Country</b>	<b>Stage 1 Preparation</b>	<b>Stage 2 Implementation</b>	<b>Stage 3 Follow-up</b>
<b>Argentina</b>	In progress		
<b>Bolivia</b>	In preparation		
<b>Brazil</b>	☑	☑	☑
<b>Chile</b>	In progress		
<b>Colombia</b>	☑	In preparation	
<b>Ecuador</b>	☑	In preparation	
<b>Guyana</b>			
<b>Paraguay</b>	In preparation		
<b>Peru</b>	☑	☑	In progress
<b>Suriname</b>			
<b>Uruguay</b>	☑	☑	In preparation
<b>Venezuela</b>	In progress		

### The next activities to be undertaken at the regional level

After presenting the current status of the project at the regional level, the main actions to be carried out in the course of the project work plan for 2009 were agreed upon with the aim of strengthening the regional work group and the progress of the project:

- *Setting-up of the Executive Technical Group at IIRSA*, and definition of its internal working dynamics. For more details on this activity, please refer to the conclusions of Session 3.
- *Development of the Second Course for Consultants involved in the project*, to take place in September 2009. For more details on this activity, please refer to the conclusions of Session 4.
- Development of new functionalities of “Exporta Fácil,” to be presented in the Workshop on IIRSA’s “Exports through Postal Services for MSMEs Project and Related Services.”
- Development of projects associated with “Exporta Fácil” to strengthen compliance with its objectives, particularly the services: (a) Foreign Trade Information System; (b) new modes of transport; and (c) Exporter’s University.

The documents describing the scope of each of these associated projects will be made available to the countries so that they can express their intention to participate in or contribute to their development.

After presenting the current status of the project at the regional level, details of the status of the project at the national level were offered for each of the countries that have made progress in the project during the last months.

### Summary of situation by country

After presenting the current status of the project at the regional level, the main developments in the project at a country level in the last twelve months were described, particularly the activities included in the project work plan for each country, with special emphasis on those activities that could create synergies at the regional level as well as the innovations that each country is introducing in its own adaptation of “Exporta Fácil.”

Below is a summary of the main topics dealt with in the order in which they were discussed. For more information, please refer to the complete presentation delivered in this session, which is available at the section of the Web site devoted to this event.

- **PERU** (current status presented by Juan Luis Kuyeng, PROMPERÚ)
  - o **Main developments and results of the project:** (a) Consolidation of the system through an expansion to 68 offices providing the service and 24 regions benefiting from it; (b) Confirmation of the good results obtained during the first year and eight months of the service, with more than 800 users, 5,700 remittances and USD 2 million in FOB exports; (c) Introduction of improvements to the system, including the availability for users of self-insurance, a guide on packings and packaging and development of a single portal; and (d) Participation of the Peruvian equipment in the implementation of “Exporta Fácil” in Uruguay.
  - o **Challenges ahead:** (a) Obtaining an increase of the export limit from USD 2,000 to USD 5,000 and USD 10,000; (b) Consolidating the system and its users within the context of the global economic crisis; (c) Increasing the export base through promotion activities for SMEs; (d) Developing services and related solutions.

- **URUGUAY** (current status presented by Paola Piedrabuena, Uruguayan Postal Service)
  - o *Main developments and results of the project:* (a) Pilot implementation of the system and launch in the first quarter of 2009; (b) Positive participation of custom brokers in the project; (c) Approval of a USD 3,500 limit for the system.
  - o *Challenges ahead:* (a) Training of beneficiaries; (b) Developing origin certificates at a differential price; (c) Obtaining export tax exemption for the system users; (d) Developing a customized insurance service.
  - o Finally, in the section of the lessons learned during the implementation, emphasis was given to the importance of involving trade unions or private associations in the project, such as the custom brokers and teleworkers in Uruguay. This translates into a united effort through the establishment of networks. Along this line, it is important to note that implementing the project at the Postal Service is not sufficient, but rather new actions are required to be developed so as to stimulate the export base once the project is implemented.
  
- **COLOMBIA** (current status presented by Juan Camilo Granados, Colombian National Planning Directorate)
  - o *Main developments and results of the project:* (a) Awareness raising activities and involvement of the main actors in the project; (b) Conduction of the pre-diagnosis of the project in the third and fourth quarters of 2008; (c) Subscription of the Memorandum of Understanding between Colombia and Brazil by the end of 2008; and (d) Joint declaration of the Governments of Colombia and Brazil on the intention to jointly work in the development of the project during 2009.
  - o *Challenges ahead:* (a) Conducting the technical visit of Colombia to Brazil in July 2009; (b) Beginning the project design and implementation stage, to be carried out in the third and fourth quarters of 2009; and (c) Defining the financing method to complete the investment necessary for the development of the subsequent activities of the project (USD 360,000 pending).
  
- **BRAZIL** (current status presented by Rose Mary Antunes, Brazilian Ministry of Communications)
  - o *Main developments and results of the project:* The Brazilian team noted that “Exporta Fácil” Brazil is a mature system that, in a context of economic recession, shows a need to continue developing systems and services to enable its continued evolution. An important development was the expansion of the export limit to USD 50,000 per remittance.
  - o *Challenges ahead:* Along this line, the Brazilian team is proposing the development of new functionalities for “Exporta Fácil” to accompany the evolution of the MSMEs that utilize this service. Such activities may be undertaken in coordination with the rest of the countries having “Exporta Fácil” in place.
  
- **CHILE** (current status presented by Claudio Canales and Hyndra Palma, Chilean Postal Service, and Oscar Rojas, Ministry of Economy)
  - o *Main developments and results of the project:* (a) In the fourth quarter of 2008, efforts were made to raise the awareness of the main governmental agencies related to the development of the project in Chile with the aim of promoting their participation in the next stages of the project; and (b) Development of the first pre-diagnosis phase in April 2009.

- **Challenges ahead:** (a) Conducting the second pre-diagnosis phase in the third quarter of 2009; and (b) Defining the financing method to develop the next stages of the project in Chile in the event that the pre-diagnosis yields a positive result.
- **Lessons learned:** The project must be a “country project” and receive the support of other national institutions involved in the process. In the case of Chile, a few years ago an attempt to implement an “Exporta Fácil” was made with negative results precisely because it had not been conceived as a “country project,” but rather as the project of a single institution—the Postal Service. In this new occasion, the Ministry of Economy is leading the project. It is deemed necessary to make the relevant adjustments to actually have a simplified process with less paperwork, i.e. exporter-friendly.
- **ARGENTINA** (current status presented by Ángela Guariglia, IIRSA’s National Coordination in Argentina)
  - **Main developments and results of the project:** (a) Awareness raising among institutions and establishment of an inter-institutional work group; (b) Performance of the pre-diagnosis in 2007, with positive results.
  - **Challenges ahead:** At present there is a strong political support to make progress in the project. It is important to modify some specific aspects that may make the design and implementation of the project move forward. In the case of Argentina, the country has made progress in the pre-diagnosis phase and in the preparation for the “diagnosis” and “service design” phases. Once the main aspects of the service to be implemented are decided (*export amounts, tax exemption, customs issues and logistics aspects*), the financing method for the subsequent stages of the project will have to be established.
- **PARAGUAY** (current status presented by Rosmary Cuquejo de Monges, Paraguay General Postal Directorate)
  - **Main developments and results of the project:** With the support of Brazil through a technical cooperation, at present Paraguay is involved in the improvement of its postal sector (PIDEP), which may be the basis for developing the project in the future. The country is interested in carrying out this project as a way for MSMEs (80-85% of the companies in the country) to get new business opportunities.
  - **Challenges ahead:** Conducting the pre-diagnosis of the project in the fourth quarter of 2009 to decide the path to follow in the medium- and short-term with a view to implementing the project in the future.

There being no further discussions, the session was adjourned by agreeing that the above-mentioned activities will be conducted in accordance with the work plan of the project, which is attached to this document of conclusions of the GTE and which will be adjusted as per the comments received from the delegations participating in the meeting.

### **3. SESSION 2: COMMENTS ON THE WORK METHODOLOGY APPLIED TO THE PROJECT BASED ON IMPLEMENTATION EXPERIENCES IN PERU AND URUGUAY**

#### Objective of the session:

1. Present proposals for improving the current work methodology on the basis of the contributions and experiences of the Project Coordinators in Peru and Uruguay and the Brazilian team.

### Summary of the lessons learned from the work methodology applied to the project:

- The FOMIN-UPAEP team presented the main lessons learned in the development of a regional technical cooperation for the pilot implementation of “Exporta Fácil” in Peru and Uruguay. The following lessons learned are particularly worth mentioning:
  - o *Importance of the political/strategic management of the project.* It is important that public institutions adopt this project as their own so that it becomes a “country project,” integrating this and other supplementary projects, and that the different challenges faced during the implementation be overcome.
  - o *Importance of working with the markets of destination,* so that the system is recognized abroad and the periods for entry into the main receiving markets are reduced. In this regard, the role that the UPAEP may play was highlighted, given the participation in this agency of the postal services of Spain and the United States.
  - o *Importance of escalating the knowledge generated;* adjusting it to the reality of the new countries is one of the big challenges of the project, especially as the demand for implementing “Exporta Fácil” increases in a greater number of IIRSA’s member countries.
- Next, the Brazilian Postal Service team presented the work methodology of the project as well as the lessons learned from its implementation in Uruguay (see the relevant presentation), with emphasis on the following topics:
  - o *Importance of managing the timelines* and avoiding a lengthy time lapse between two activities, so that the work group and the institutions involved in the implementation of “Exporta Fácil” continue experiencing progress without having the feeling that there are obstacles that may affect the evolution of its implementation.
  - o *Importance of managing the expectations* among the authorities, thus avoiding their negative impact on the implementation of the project due to the loss of credibility in the process or in the team working in the implementation of “Exporta Fácil.”
  - o *Making clear that the project is developed by the national team* and not by the cooperation team. In line with this, it is important to prepare the respective institutions to assume the project management.
  - o The following *success factors* were noted: (a) the importance of exploring the creation of synergies among the activities developed by each group of actors; (b) making clear that the pilot launch of the project is not its conclusion, but rather the beginning of a new stage of service strengthening during which new actors must be incorporated, continuous improvement must be introduced, and the exporters’ base must be further widened; and (c) the importance of strengthening the regional team of the project so as to continue providing support to the countries that wish to implement “Exporta Fácil.”

### Summary of the main topics of the discussions held at the round table:

- Regarding the cooperation agreement, it was explained that this is a document to be signed once the pre-diagnosis has been carried out and provided that the conditions are favorable for continuing with the project. In this sense, the document was deemed important, as it formalizes the commitment among the countries and gives a political dimension to the work being conducted.
- As regards the work methodology, the stage during which the action plan of the project is in effect was clarified, which allows each individual institution to make progress in its outstanding

- As early as the pre-diagnostics, some aspects that require improvement can be already identified, and the country can begin working on them.
  - A more in-depth analysis of these aspects is performed during the diagnostic stage (six weeks). In the course of the two subsequent weeks, the country should prepare its own work plan, with the support of the cooperators where necessary.
  - Next, and taking this work into account, the work plan for each institution is presented.
  - The cooperation group already has some elements defined with respect of “what an *exportafácil* must be.” In this regard, each country shall present its weaknesses in the different aspects, which shall be resolved in the design and implementation stage.
- As to the scope of the pilot implementation in Peru and Uruguay, it was explained that its objective is to show the efficiency of the system and to attract the interest of all the actors towards strengthening the service, for which reason the scope depends on each country. Thus, whereas in Uruguay the pilot implementation was restricted to three offices, in Peru it was carried out at 10 to 15 offices that later were expanded by order of the President. Similarly, the characteristics of this pilot implementation are contingent on the reality of each country. Thus, while in Uruguay there are many interfaces of the same information system, in Peru there is only one, which makes the system more robust and less prone to failures.
  - In relation to a question on the relevance of the Postal Service of each country for the success of the system, the following was clarified:
    - In Uruguay, the Postal Service already serves as a social services provider for the Government. These services usually require some infrastructure, and this is the reason for which the Uruguayan Postal Service already had the minimum infrastructure necessary for “Exporta Fácil.” The offices offering this kind of services will already have a foundation for implementing “Exporta Fácil.”
    - In the case of Peru, one concern was to generate benefits for the Postal Service, either by improving its image or by introducing new sources of benefits, which would strengthen the sustainability of the system.
    - In some cases, it may be necessary to make some investments to guarantee the availability of the service, as is the case of the servers for the Web systems developed in Uruguay.
    - Finally, regarding the regional work group, it was agreed that the project is at a new expansion stage. There is a clearer view of the importance of the project for each country as well as of the methodology for adjusting “Exporta Fácil” to the reality of each country, which has made possible a higher level of appropriation of the project.
    - In this sense, the Presidency of the Executive Steering Committee, exercised by the Argentine delegation, said that it is within this new GTE where these kinds of experiences must be exchanged, for which reason the proposal was made to transform this GTE into a space that should continuously work through channels to be defined and that should build on the lessons learned in each country. The GTE could help in: (a) the implementation of “Exporta Fácil” at the regional level; (b) the implementation of related services as new countries become incorporated into the project; (c) the undertaking of developments to supplement “Exporta Fácil;” and (d) the establishment of the necessary rules at the regional level.

#### **4. SESSION 3. PRELIMINARY DISCUSSION ON A DRAFT DOCUMENT ON THE TECHNICAL GROUP'S OPERATION AND DEFINITION OF THE WORK PLAN**

##### Objectives:

1. Define the working method of the GTE;
2. Establish the actions of the Work Plan for the Technical Group and propose an agenda of meetings.

##### Proposal for the operation of the GTE

- Argentina proposed to work on a document, together with the Brazilian delegation, that should serve as a basis for discussion. The lines of activity that this document would include are as follows:
  - The GTE would have a secretariat that would be held by the country in charge of the Presidency of the Executive Steering Committee each year —Argentina in 2009 and Brazil in 2010.
  - Define a clear link by country and establish the format for remote meetings. This method would be very different from the operation of the other IIRSA's GTEs. The aim of this would be to have a more continuous and regular working dynamics.
  - Establish a delegation responsible for each line of activity, so that the leadership of each of these lines is assumed by a particular country.
  - Then, the parties responsible for each initiative would be defined.
- o This proposal was accepted by the participants, therefore, this working paper will be made available to them as soon as possible.

There being no further discussions, the session was adjourned, with the presentation by the Argentine and Brazilian delegations of their GTE operation draft document outstanding.

##### Presentation of the work plan for 2009:

- The draft work plan for 2009 is attached to this document. The main activities included in it, according to the discussions, are worth mentioning:
  - o Regional activities:
    - Create the Executive Technical Group. (2Q)
    - Organize a course for "Exporta Fácil" consultants. (3Q)
    - Establish regional work groups to initiate the development of related services. (3Q y 4Q)
    - Establish expert groups to participate in the technical cooperation teams to provide support to the countries.
  - o Uruguay
    - First monitoring visit (4Q)
  - o Peru
    - Second monitoring visit (4Q)



- Colombia
  - Visit of the Colombian team to Brazil (week starting July 6th)
  - Start the technical cooperation (August)
- Chile
  - Pre-diagnosis visit (2Q y 3Q)
- Other pre-diagnostics:
  - Bolivia
  - Paraguay
- The possibility of implementing “Exporta Fácil” in two additional countries, among the ones that are ready to begin the process, was included in the work plan.

There being no further discussions, the session was adjourned, with the submission of the comments on the project work plan for 2009 by the participating delegations outstanding.

## **5. SESSION 4. PREPARING THE SECOND COURSE FOR EXPERTS INVOLVED IN THE PROJECT**

### Objective:

1. Develop a draft agenda for the Second Training Course for Consultants involved in the Project and define who the participants will be.

### Proposed curriculum for the course:

- The proposal for the Course for Consultants was presented by the Brazilian delegation (see the presentation attached).
- The main difference in this new edition is that not only the “consultant” teams but also the “consulted” teams will be trained, for which the course will be targeted for a wider audience.
- Along this line, it was noted that it would be important to include the requirement that the persons participating in the course be available after the implementation of the project in their country and, should it be deemed convenient, provide training in other countries that wish to implement “Exporta Fácil.” The stakeholder would be the country itself.
- In this regard, it was agreed to present a more detailed proposal in the weeks to come, including the estimated cost of organization so that the funding needed may be clearly established and the allocation of funds to the different CCT and UPAEP institutions as well as to the delegations participating in the course may be defined.
- Additionally, it was agreed to take the examination of the previous course as the basis for preparing the curriculum of this new edition so as to build on the 2008 experience.

There being no further discussions, the session was adjourned, with the submission of a more detailed proposal for the course and its estimated organization course by the Brazilian delegation outstanding.