ACTION FICHE FOR CENTRAL AMERICA

1. IDENTIFICATION

<table>
<thead>
<tr>
<th>Title/Number</th>
<th>Regional Programme for cross-border integrated local development in the Gulf of Fonseca (DCI-ALA / 2011 / 022-840)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total cost</td>
<td>EUR 22,630,000</td>
</tr>
<tr>
<td>EU contribution</td>
<td>EUR 20,000,000</td>
</tr>
<tr>
<td>SG-SICA contribution</td>
<td>EUR 2,630,000</td>
</tr>
<tr>
<td>Aid method / Method of</td>
<td>Project approach, partially decentralised management</td>
</tr>
<tr>
<td>implementation</td>
<td>Financing Agreement signed with SG-SICA</td>
</tr>
<tr>
<td>DAC-code</td>
<td>43010 Sector Multisectorial Aid</td>
</tr>
</tbody>
</table>

2. RATIONALE

2.1. Sector context

The European Union puts clear emphasis on multilateralism, regional integration and social cohesion as the main priorities for policy dialogue and cooperation with Latin America. For Central America in particular, and over the period 2007–2013, the Commission’s cooperation focuses primarily on regional integration as a priority.

The Central American Integration System (SICA) is the institutional framework for regional integration in Central America and was created by the States of Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama. The SICA was established on December 13, 1991, by the signing of the Protocol to the Charter of the Organization of Central American States (ODECA) -or Tegucigalpa Protocol-, which amended the Charter of ODECA, signed in Panama on December 12, 1962, and formally came into operation on February 1, 1993. The System was designed taking into account past attempts for regional unification as well as lessons learned from a history of political crisis, belligerent conflict and dictatorial rule in Central America.

Since the revitalisation of the Central American integration process in the early 1990s, the process of regional integration has made relatively steady progress on the political, economic and social fronts. Historically, the Central American regional development agenda has focused on the process of political and economic integration; however, during the last two decades these initiatives have also been complemented by numerous regional development treaties, strategies and programmes in the fields of sustainable development, social integration and democratic security.

Central America has its own internal political orientations for addressing problems in cross-border regions. In particular, Gulf of Fonseca spans three Central American countries (Honduras, Nicaragua, El Salvador) and has a special relevance due to the common problematic it needs to address, as reflected in the Declaration of Managua\(^1\), which aims to

---

\(^1\) “Gulf of Fonseca, Peace, Sustainable Development and Security Zone”, signed in October 2007 by the Presidents of El Salvador, Honduras and Nicaragua, and ratified in April 2010.
enhance and expand cooperative relations between Nicaragua, Honduras and El Salvador in the framework of Central American integration process, looking for enhanced cross-border cooperation and partnership for sustainable development, security and peace. Gulf of Fonseca is located at the Pacific Ocean with a coastline of 409 km and is one of the eleven priority areas for biodiversity conservation in Central America. It has an important area of 1,100 km² of mangroves and 19 declared protected areas. The economy of the area mainly relies on fishing, aquaculture and agriculture. Despite its high biological and environmental value, Gulf of Fonseca faces high levels of poverty, environmental concerns and limited administrative and technical resources for sustainably exploiting its full economic potential.

Thus, promoting cross-border development in the Gulf of Fonseca is fully coherent with both SICA objectives and its regional integration policies as well as the EU priorities set for the region. In this sense, the 2009 Mid-Term Review (MTR) of the EU 2007-2013 Central American Regional Strategy Paper (RSP) encourages, in particular, to take stock from projects implemented in the Central American border areas in order to empower local populations on the regional integration process. Inside the RSP, the 2011-2013 Regional Indicative Paper II (RIP II) clearly underlines this need as (sic) “making regional integration a more solid process (...) in which case it will support the sustainable development in vulnerable border areas, prioritising issues related to transport, energy, climate change, use of natural resources, reduction in risk, adaptation in key economic sectors and generation of employment”.

During the formulation process, it was found that Gulf of Fonseca is a cross-border region needing to address three main problems. Firstly, the region suffers from low living standard, with high levels of poverty, poor employment opportunities having an impact in the level of migration and drug trafficking thus with high levels of insecurity and violence. Secondly, a considerable environmental degradation and loss of marine, coastal and land resources in the region is increasing. Poor water management and high pollution levels, weak natural disaster risks management as well as deterioration of soil and ecosystems are nowadays obstacles for attaining a proper and sustainable cross-border territorial development. And thirdly, the remarkable institutional weakness in the region, with a limited involvement of local and national authorities, low capacity in land management, organisation and coordination as well as the absence of a planning instrument with an integrating sub-regional focus.

The project will address the above problems in line with the objectives of the Managua declaration.

2.2. Lessons learnt

There is a large experience of EU cross-border projects in the Central American region and therefore many useful lessons drawn. The most relevant ones to be taken into account while formulating this project are:

- Operative and financial institutional structures of the project should be kept simple and non-dispersed. A basic but strong project implementation structure should be clearly defined.
- Civil society is involved throughout the evolution of the project.

---

2 (sic) General Treaty of Central American Economic Integration, for promoting regional economic integration as agreed on the October 1993 “The harmonious and balanced promotion of sustained economic, social, cultural and political development of the member States and of the region as a whole”.
Project funds should respond to the principle of equity between the three countries depending upon demographic density, degradation of resources and partner involvement. Political commitment of the authorities involved in the project is strongly sought in order to improve the appropriation and sustainability of the action.

2.3. Complementary actions

Ongoing EU projects in Central America complementary to the proposed project:

* Fortalecimiento de las capacidades locales para adaptación al cambio climático en el Gulf of Fonseca (2011-2016) implemented with EU funds by CIDEA-UCA, Budget: EUR 1.68 million
* Conservación y gestión efectiva de la biodiversidad marina con mejora de condiciones de vida para el sector de pesca artesanal en comunidades del ecosistema trinacional Gulf of Fonseca (2011-2014) implemented with EU funds by Amigos de la Tierra –España, budget: EUR 1.76 million.
* Programa Regional de Sistemas de Información en Seguridad Alimentaria y Nutricional (PRESISAN), 2010-2013 budget: EUR 3 million.
* Programa Regional de Investigacion e Innovacion Agricola de Centroamérica (PRIICA), (2010-2014) Budget: EUR 5 million.

Other regional or multi-country projects from other donors related to specific components:

* Programa Regional para el Gestión de Recursos Acuáticos y Alternativas Económicas - MAREA (2010-2014) implemented by USAID, Budget: USD 11.7 million.

2.4. Donor coordination

International donors providing support to the SICA are some EU Member States (Spain, Germany, France, Finland, Sweden, Denmark and Austria) and other relevant donors (USA, Taiwan, Japan, Switzerland, Norway and Mexico). The EU, the Spanish AECID and Taiwan provide specific support to SICA’s institutional system, while others do it on a sector-based approach including capacity-building components (e.g. German Cooperation). Some donor coordination sectoral round tables are operational at SICA but no overall coordination exists. The EU Delegation has already expressed interest in supporting the creation of a regional round table under the leadership of SG SICA, an idea that has been welcomed and supported by the other donor agencies.

At present, donor coordination within SICA falls under the responsibility of a unit with limited financial and human resources. This department received in the past support through EU PAIRCA I project in order to develop a matrix of donors and a database on all the cooperation projects for all the Secretariats along SICA. Further work for a real policy of harmonisation and alignment is currently supported through EU PAIRCA II. There is no systematic information available from other SICA institutions like Corte Centroamericana de Justicia (CCJ) or Parlamento Centroamericano (PARLACEN) etc., but other donors inform about their activities with them.

Currently, there is no donor coordination mechanism in the Gulf of Fonseca. The mechanisms of coordination between public and private entities will be strengthened through result 1 and the building base will be supported by SG-SICA through other regional programs (PAIRCA – PAIRCA II).
3. DESCRIPTION

3.1. Objectives

The project overall objective is to foster Central American integration process through the improvement of the living standards in the Gulf of Fonseca cross-border region via an integrated sustainable development and management plan. The specific objective is to attain sustainable development and sustained economic growth by reinforcing regional and local institutional capacity building -through the provision of technical expertise and assistance- in the Gulf of Fonseca, a high environmental value cross-border tri-national region.

3.2. Expected results and main activities

The project is structured around the achievement of four main results. Due to the horizontal and regional nature of the project, a comprehensive logical framework included in the Technical and Administrative Provisions of the project has been defined with precise activities and sub-activities for each result.

The four results to be achieved are the following:

Result 1. Regional integration is reinforced at cross-border level through the establishment of coordination mechanisms between local public institutions and players with regional authorities; a cross-border identity is articulated. This result aims to strengthen the local and sub-regional leadership of local players (governments, regional associations and/or non-state actors) in order to have the capacity to lead the sub-regional development. Particularly, it seeks to facilitate, support and strengthen the process of progressive integration of cross-border institutions around the sub-region.

Result 2. Local and sub-regional regulatory frameworks are harmonised and aligned, its implementation supported. This result aims to improve the local governance so that the citizens and authorities at all levels of management (community, municipal, national, sub-regional and supra-national) are able to formulate and implement policies, plans and regulations that seek the improvement of social, economic and environmental conditions in the area and to align them to the regional policies related to local development.

Result 3. Capacities of institutions (regional, national and local) acting at cross-border level as well as sub-regional players to provide adequate public services linked with sustainable development are strengthened. Through this result, the project will support and encourage the creation of conditions and capacities between the public institutions and other key players in the three countries in order to improve coverage and quality of the support services required to complement the economic investments made by the organized citizens and synergies with the economic development strategy at both levels, local and sub-regional.

Result 4. The competitiveness and sustainability of cross-border economy is enhanced, new value chains are identified and women and youth employment creation is fostered. This result seeks to implement a set of activities to support the diversification of production in the Gulf of Fonseca in the areas that reveal greater potential in order to reduce the pressure on land and coastal marine resources. It is envisaged to support the identification of new economic alternatives other than the coastal marine prioritizing those actions aimed at economic empowerment of women and young people considering the provision of equipment, infrastructure, technical assistance, value addition, market access, organization and capacity building.
These results may be achieved through the outputs obtained from the following activities (common/horizontal for all the results) in three main action lines:

1) **Provision of technical assistance to identify and to elaborate:**
   a) setting-up the global indicators baseline for monitoring
   b) an integrated sustainable development plan
   c) economic development alternatives/activities and new value chains
   d) potential market access for new products/services developed in the region.
   e) job sources and/or entrepreneurship earmarking women/youth.
   f) a cross-border development and identity strategy.
   g) pilot projects in land planning, agriculture, environment, waste and wastewater management, clean technologies, soil protection, etc.
   h) alignment strategy with other donors acting in the area

2) **Provision of expertise to enhance and/or reinforce:**
   a) existing regulatory framework in sectors key to the region
   b) land planning and use in municipalities
   c) management plans for local authorities
   d) municipal and community institutional setup
   e) articulation of coordination mechanisms between local and regional authorities and regional players.
   f) alignment to policy framework of regional institutions
   g) presence of regional institutions
   h) cross-border and EU good practices exchange

3) **Provision of financial mechanisms addressed to public and private sectors for:**
   a) basic equipment and infrastructure
   b) vocational training
   c) decision-making tools
   d) private-public partnership
   e) demonstrative and pilot actions on clean technologies, environmental management and protection (particular emphasis on soil recovery, sustainable agriculture waste management, wastewater treatment and reforestation)
   f) cross-border and EU good practices exchange
   g) access to credit and promoting entrepreneurship

3.3. **Risks and assumptions**

The main assumptions are the following: a) Central American states which are signatories of the Managua Declaration continue their constructive attitude towards the regional integration process and show more commitment developing the agreements in the Declaration; b) regional and local institutions as well as civil society organisations take an active role in the process and show full interest in ownership; c) The General Secretariat of SICA (SG-SICA) continues its support and commitment to the Central American integration process, and d) the process evolves positively and Central American stakeholders remain interested in regional integration.

Among the identified risks are: a) the Gulf of Fonseca cross-border region concerned countries provide low political support to the project, which may be mitigated by an active and coordinated political involvement of the EU Delegation and SG-SICA, b) political changes that might happen at SG- SICA and its member states, c) insufficient commitment and ownership from the regional and local institutions, which will be mitigated with the
contracting for the project a strong and articulated technical assistance team involving high quality local development experts d) SG-SICA topped absorption capacity for cooperation envelopes, which is mitigated by exclusively assigning it the political coordination of the project and supporting the on-going 4-pillar assessment, e) structural limitations of the municipal and local partners to participate and implement the project adequately, and f) the existing institutional fragility at national and sub regional level. Last two risks may be mitigated once the project starts the envisaged action.

3.4. Crosscutting Issues

The main crosscutting issues of the project are: climate change, good governance, gender, youth, environment and human rights. Regarding employment, important challenges in the field of human rights are still to be faced, such as forced labour, child labour, lack of social protection and gender imbalance and inequality. Productive employment is an important mean of engaging women and youth in development of the region; a special focus on gender mainstreaming will be put through specific awareness-raising activities and the implementation of gender sensitive indicators. A broader and equal access for women and youth from civil society groups to information, policy dialogue as well as to vocational training and capacity-building activities of the project is envisaged.

Economic development vs. environmental impact needs to find the adequate balance and thus the environmental integration has been bottom-up included into productive development activities in the project. Because of the exposure of the area to natural disasters, climate change is particularly important since environmental protection and risk mitigation are strongly linked. Integration of small producers and traders from minorities and indigenous peoples will be paid particular attention.

3.5. Stakeholders

At Central American regional level: SG-SICA and other regional institutions like Comisión Centroamericana de Ambiente y Desarrollo (CCAD), Secretaría Ejecutiva del Consejo Agropecuario Centroamericano (SCAC), Centro de Coordinación para la Prevención de los Desastres Naturales en América Central (CEPREDENAC), Centro para la Promoción de la Micro y Pequeña Empresa en Centroamérica (CENPROMYPE), Organización del Sector Pesquero y Acuícola del Istmo Centroamericano (OSPESCA), Centro Agronómico Tropical de Investigación y Enseñanza (CATIE). At national level (El Salvador, Honduras and Nicaragua): the Secretariats of Planning and External Cooperation (SEPLAN); the Secretariat of Government and Justice (SG&J) in Honduras; the Vice-Ministry of Housing and Urban Development and Sub-Secretariat of Decentralisation and Territorial Development in El Salvador; the Secretariat of the Presidency in Nicaragua. At local level: regional associations and municipalities. At sector level: different workers and farmers organisations, producers and exporters, cooperatives, trade unions, federations, private companies and chambers of commerce. Civil society organisations will be involved in the project, particularly the 15 local organisations belonging to the tri-national network ACTRIGOLFO. At sub-regional level: the tri-national working commission stemming from the Managua Declaration, municipal associations COMURES (El Salvador) AMHON (Honduras) and AMUNIC (Nicaragua) and universities.

Ultimate beneficiaries are entrepreneurs/smallholders. In order to support them, the project will strengthen capacities at different levels (regional, national and local).
The direct beneficiaries of the project will be:

* **Local level:** citizens, players, local institutions and organisations, entrepreneurs' associations (cooperatives, producers associations).
* **National level:** central governments agencies with presence in the cross-border region and other public institutions related to land use, planning and management, decentralization, and economic local development.
* **Sub regional level:** Cross-border public and private entities that have been identified and other that could be integrated during the project implementation.
* **Regional level:** SICA agencies, particularly SG-SICA, CCAD, CENPROMYPE, OSPESCA, SCAC and also regional non-state actors.

4. **IMPLEMENTATION ISSUES**

4.1. **Method of implementation**

The project will be implemented using the modality of **partially decentralised management** through the signature of a Financing Agreement with Secretaría General del Sistema de Integración Centro Americano (SG-SICA) in accordance with Articles 53c and 56 of the European Union Financial Regulation.

The project implementation is articulated around two main components:

1. **Regional component,** implemented by SG-SIGA and aimed at providing the political support, the inter-institutional regional and national coordination of the operation and the alignment with Central American regional policies.
2. **Sub-regional component,** managed by the Commission, aimed at implementing sector pilot projects, providing technical assistance and expertise as well as financial mechanisms to the key public and private players involved in Gulf of Fonseca's sustainable development.

SG-SICA is the privileged partner for implementing EU-funded regional projects. Nonetheless, SG-SICA has topped-up its capacity to manage cooperation funds so currently it will be able to manage only the political coordination component of the action (Result 1).

For the second component, and as a result of the formulation process, a Project Task Force (PTF) team - to be directly contracted by the Commission - is deemed necessary. The PTF, to work closely with SG-SICA and the EU Delegation in Managua, will establish a main operating office in Managua (Nicaragua) and two secondary offices located in El Salvador and Honduras. The location and convenience of all the offices will be approved by the Commission.

In order to provide quality Technical Cooperation that supports country-led projects –regional in this case-, based on strong partner demand and focusing on achieving sustainable development results, the PTF will continuously assist the Commission services in the preparatory works, the assessment, the follow-up, the monitoring and the visibility of all actions implemented under the project. In the same line, the PTF will provide adequate technical expertise and assistance to the identified key players in the Gulf of Fonseca for the purposes of the project. The PTF will assure the coordination among the above components and, whenever required, will facilitate coordination among the Commission services and the SG-SICA. As such, partner-owned and managed project implementation arrangements will be embedded in the local and regional institutional context.
The design of this project has been done respecting the compliance of the European Commission’s quality assurance criteria for Technical Cooperation support.

A Steering Committee (SC) will be constituted. The SC will be co-chaired by SG-SICA and the Commission services and it will be assisted by the PTF. The SC will meet a minimum of 4 times per year. EU Delegations to Honduras and El Salvador as well as key development players involved in the project will be invited to participate to SC meetings which will be organised by the PTF upon request from European Commission services, and in agreement with SG-SICA.

The Commission controls ex ante all the procurement procedures except in cases where programme estimates are applied, under which the Commission applies ex ante control for procurement contracts > EUR 50,000 and may apply ex post for procurement contracts ≤ EUR 50,000. The Commission controls ex ante the contracting procedures for all grant contracts.

Payments are executed by the Commission except in cases where programmes estimates are applied, under which payments are executed by the beneficiary country for operating costs and contracts up to the ceilings indicated in the table below.

The responsible Authorising Officer ensures that, by using the model of financing agreement for decentralised management, the segregation of duties between the authorising officer and the accounting officer or of the equivalent functions within the delegated entity will be effective, so that the decentralisation of the payments can be carried out for contracts up to the ceilings specified below.

<table>
<thead>
<tr>
<th>Works</th>
<th>Supplies</th>
<th>Services</th>
<th>Grants</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; EUR 300,000</td>
<td>&lt; EUR 150,000</td>
<td>&lt; EUR 200,000</td>
<td>≤ EUR 100,000</td>
</tr>
</tbody>
</table>

4.2. Procurement and grant award procedures. Programme estimates.

1) Contracts
All contracts implementing the action must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

Participation in the award of contracts for the present action shall be open to all natural and legal persons covered by DCI Regulation.

2) Specific rules for grants
The essential selection and award criteria for the award of grants are laid down in the Practical Guide to contract procedures for EU external actions. They are established in accordance with the principles set out in Title VI 'Grants' of the Financial Regulation applicable to the General Budget. When derogations to these principles are applied, they shall be justified, in particular in the following cases:

- Financing in full (derogation to the principle of co-financing): the maximum possible rate of co-financing for grants is 80% of the total accepted costs of the Action. Full financing may only be applied in the cases mentioned in Article 253 of the Commission Regulation (EC,

3) Specific rules on programme estimates:
All programme estimates must respect the procedures and standard documents laid down by the Commission, in force at the time of the adoption of the programme estimates in question (i.e. the Practical Guide to procedures for programme estimates).

The EU financial contribution covers the ordinary operating costs deriving from the programme-estimates.
4.3. Budget and calendar

The indicative budget of the project is (in Euro):

<table>
<thead>
<tr>
<th>BUDGET</th>
<th>EU</th>
<th>%</th>
<th>BENEFICIARY</th>
<th>%</th>
<th>TOTAL</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Services*</td>
<td>1,740,000</td>
<td>8.7%</td>
<td>-</td>
<td>0%</td>
<td>1,740,000</td>
<td>7.7%</td>
</tr>
<tr>
<td>1.1 International Tech. Assistance</td>
<td>1,440,000</td>
<td>7.2%</td>
<td>-</td>
<td>0.0%</td>
<td>1,440,000</td>
<td>6.4%</td>
</tr>
<tr>
<td>1.2 Monitoring - Auditing - Evaluation</td>
<td>300,000</td>
<td>1.5%</td>
<td>-</td>
<td>0.0%</td>
<td>300,000</td>
<td>1.3%</td>
</tr>
<tr>
<td>2 Supplies</td>
<td>195,500</td>
<td>1.0%</td>
<td>-</td>
<td>0.0%</td>
<td>195,500</td>
<td>0.9%</td>
</tr>
<tr>
<td>2.1 Equipment</td>
<td>195,500</td>
<td>1.0%</td>
<td>-</td>
<td>0.0%</td>
<td>195,500</td>
<td>0.9%</td>
</tr>
<tr>
<td>2.2 Others</td>
<td>0.0%</td>
<td></td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0.0%</td>
</tr>
<tr>
<td>3 Visibility and comm.</td>
<td>210,000</td>
<td>1.0%</td>
<td>-</td>
<td>0.0%</td>
<td>210,000</td>
<td>0.9%</td>
</tr>
<tr>
<td>4 Operating expenses</td>
<td>3,951,888</td>
<td>19.8%</td>
<td>-</td>
<td>0.0%</td>
<td>3,951,888</td>
<td>17.5%</td>
</tr>
<tr>
<td>4.1 Local Personnel</td>
<td>2,419,800</td>
<td>12.1%</td>
<td>-</td>
<td>0.0%</td>
<td>2,419,800</td>
<td>10.7%</td>
</tr>
<tr>
<td>4.2 Other operating expenses</td>
<td>1,532,088</td>
<td>7.7%</td>
<td>-</td>
<td>0.0%</td>
<td>1,532,088</td>
<td>6.8%</td>
</tr>
<tr>
<td>5 Political Coordination / Contracts - Grants</td>
<td>13,600,000</td>
<td>68.0%</td>
<td>2,630,000</td>
<td>100.0%</td>
<td>16,230,000</td>
<td>71.7%</td>
</tr>
<tr>
<td>5.1 Contracts - Call of proposals</td>
<td>13,000,000</td>
<td>65.0%</td>
<td>2,630,000</td>
<td>100.0%</td>
<td>15,630,000</td>
<td>69.1%</td>
</tr>
<tr>
<td>5.2 SG-SICA political coordination</td>
<td>600,000</td>
<td>3.0%</td>
<td>-</td>
<td>0.0%</td>
<td>600,000</td>
<td>2.7%</td>
</tr>
<tr>
<td>6 Contingencies**</td>
<td>302,612</td>
<td>1.5%</td>
<td>-</td>
<td>0.0%</td>
<td>302,612</td>
<td>1.3%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>20,000,000</td>
<td>2,630,000</td>
<td>22,630,000</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Directly managed by the European Commission
** The use of contingencies is subject to prior approval of the European Commission.

The project will have an estimated total duration of 72 months, starting from the entry into force of the Financing Agreement. It will comprise an operational phase of 60 months and a closing period of maximum 12 months.

4.4. Performance monitoring

Among the tasks assigned to the PTF, and under the supervision of the Commission services, a continuous monitoring methodology, based upon the European Commission's Standard Indicators, will be established and implemented by the PTF. This methodology will focus on the outputs quality control and results-oriented monitoring and evaluation of the project.

The project will be subject to regular external ROM monitoring missions by the Commission.

4.5. Evaluation and audit

An external medium-term and final evaluation will be carried out, as envisaged in the Financing Agreement. The purpose of these evaluations is to analyze the scope and level of achievement of objectives of the project and, eventually, help to re-conduct some project actions. The final evaluation at the end of the program will assess the overall impact of the
project throughout its implementation period. In both cases, final reports will be submitted to the Commission services for approval.

There will be external audits on an annual basis for the de-centralised component, to be conducted through internationally recognized companies or accounting firms. At the end of the project, an external audit for the whole implementation period will be carried out.

An amount of EUR 300,000 is earmarked for these purposes in the Indicative Budget.

4.6. Communication and visibility

The project envisages the definition and implementation of a visibility strategy and a communication campaign focused on both the EU presence and the development of a iconographic/corporate identity for Gulf of Fonseca. Both the strategy and the campaign will ensure that local counterparts increase their appropriation of the results under a common regional identity and the EU image is widely diffused. The visibility strategy and the communication campaign of the project will be elaborated in alignment with SG-SICA in order to assure a coherent image with the Central American regional integration process and to serve as an example for similar cross-border regions.

Consequently, a visibility plan derived from the visibility strategy will be elaborated for the project in close consultation with SG-SICA. The visibility plan and the communication campaign will comply with the requirements of the Communication and Visibility Manual for European Union External Actions³.

The PTF will be responsible for elaborating the visibility strategy, the communication campaign and the visibility plan in consultation with the Commission services and the SG-SICA. The visibility strategy, the visibility plan and will be approved by the Commission services.

5. **IDENTIFICATION**

<table>
<thead>
<tr>
<th>Title/Number</th>
<th>Regional Programme to support Central American economic integration and the Implementation of the EU-Central America Association Agreement DCI-ALA/2011/22688</th>
</tr>
</thead>
</table>
| Total cost   | EUR 10 500 000  
EU contribution: EUR 10 000 000 |
| Method of implementation | Project approach – *Partly decentralised management* |
| DAC-code     | 33120  
33130 | Sector | Trade Facilitation  
Regional Trade Agreements (RTAs) |

6. **RATIONALE**

6.1. **Sector context**

The economic integration process in Central America has shown remarkable dynamism in recent years. Renewed interest in achieving real progress has been triggered by the challenges of globalization and the need to strengthen the domestic market. Thus, intra-regional co-operation fields have expanded. Among them these can be highlighted:

- The signature of the Association Agreement (AA) with the European Union on May 2010.
- The signature of an agreement in July 2010 for the joining of Panama to the Central American economic integration process.
- The Council of Economic Integration Ministers of Central America – COMIECO's decision⁴ in July 2010 to develop an action plan to deepen the regional economic integration through trade facilitation.
- The decision of Nicaragua to deposit at the Secretariat General of SICA the Framework Agreement for the establishment of a Central American Customs Union, and subscribe its Modifying Protocol, on May 2011.

The agenda faces great challenges on the simplification and standardization of customs procedures, elimination of multiple tariff payments harmonization and liberalization of trade services and an adequate application of regional legal frameworks for trade facilitation policies and mechanisms and institutional strengthening. Moreover, civil society and the private sector do not perceive themselves as owning the process and are looking for increased participation.

In this context, the **Mid Term Review (MTR)** of the EU regional strategy for Central America states that implementation methods as well as priorities established for the **Regional Strategy Paper (RSP) 2007-2013** remain adequate. Therefore, continued support to the economic integration process of Central America in the context of the implementation of the EU-Central America Association Agreement (AA) should be provided. A recommendation for the RSP's

---

⁴ COMIECO: Council of Economic Integration Ministers of CA
Regional Indicative Programme I (2011-2013) is that "priority is to be given to the deepening of customs union and to its acceptability among the main stakeholders (...). The interventions to be funded will provide a follow-up – and should complement- earlier support to SIECA\(^5\) in the framework of the customs union (UAC, CONSUAC, ADAPCCA, and PRACAMS\(^6\))."

Hence, the design of a new regional programme to promote the facilitation of intraregional trade in Central America and to encourage greater participation of all parties involved in the economic integration process is deemed necessary.

**6.2. Lessons learnt**

These specific actions will be addressed in this programme:

- **Participation of key players.** A consultation process with COMIECO and SIECA as the entities in charge of the regional economic integration has been carried out.
- **Viability of the proposal - Reduction of the work areas/indicators.** Efforts will be made so that the programme objectives are based on technical rather than political-associated products, and its logical framework contains concrete, measurable and verifiable indicators.
- **Focus on tangible results – pilot testing.** Authorities have stressed the importance of tangible presenting results to the beneficiaries. This Programme will implement pilot-testings to promote more visible actions that can have a positive reaction to the work of the EU in Central America.
- **Better coordination amongst national and regional institutions and other donors.** Besides SIECA, other SICA entities also deal with areas related to economic integration. Nonetheless, complementary actions have been limited. Therefore, better coordination will be encouraged.
- **Involvement of the private sector and the academia in the integration process.** Even when private sector is identified as beneficiary of previous projects, their direct participation in has been scarce. Attention will be given to improve knowledge and acceptability of the process.

**6.3. Complementary actions**

The programme will take into account past experiences from EU and other donors actions implemented within the region:

Ongoing EU programmes in Central America regarding regional integration and trade

- **Programme to support the creation of a regional system for quality control and the application of sanitary and phytosanitary measures in Central America (PRACAMS) - Regional**
- **II Programme to Support the Regional Integration of Central America (PAIRCA II) - Regional**
- **Facilitation Project for the participation of Guatemala in the Regional Integration Process and the Association Agreement between Central America and the EU – Guatemala**
- **Programme to support the National System of Quality in El Salvador (PROCALIDAD) – El Salvador**
- **Support Project to the business and investment climate (PRAMECLIN) – Nicaragua**
- **Assistance Cooperation Project for the strengthening of SMEs competitiveness – Nicaragua**
- **Project to support the public administration and regional integration (PAAPIR) – Honduras**
- **An identification in Panama for the design of a national initiative to strengthen the customs administration for its incorporation to the Central American Customs Union has been taken into account.**

\(^5\) SIECA: Secretariat of the Central American Economic Integration

\(^6\) UAC (EU Regional Programme (ALA/2001/3214) "Central America Customs Union Programme"; CONSUAC (EU Regional Programme (ALA/2006/18-369) "Consolidation of Central America's Customs Union"; ADAPCCA (EU Regional Programme (ALA/2004/16-839) "Support to the Design and Application of Common Policies in Central American Aid for Trade"; PRACAMS (EU Regional Programme (DCI-ALA/2009/21-513) "Programme to support the creation of a regional system for quality control and the application of sanitary and phytosanitary measures in Central America". 

13
Cooperation projects administered/coordinated by SIECA:
- *Trade Facilitation for Regional Integration* World Bank,
- *Elaboration of the trade facilitation agenda, Inter American Development Bank (IADB)*,
- *SIECA's Institutional Strengthening Programme, World Bank.*

Other regional or multi-country projects from other donors related to specific components:
- *Regional Technical Assistance Programme for Central America (CAPTAC)* – International Monetary Fund (IMF).
- *Mesoamerica Programme (Plan Puebla Panama)* - IDAB and other donors.
- *Normative and Institutional Framework for a Regional Competition Policy* - IADB.

6.4. **Donor coordination**

The role of coordination within the Economic Integration Subsystem given to SIECA is key towards obtaining better results and synergies among the economic integration institutions. For this reason, SIECA organized in April 2009 the first coordination meeting with participation of several economic integration bodies and cooperation entities in order to share information and discuss relevant challenges. One of the most relevant conclusions of this meeting was the necessity to assure better coordination in the actions. Since then, SIECA has been creating communication channels to discuss relevant issues within the entities; however a systematized mechanism in place is still required.

7. **DESCRIPTION**

7.1. **Objectives**

The programme *overall objective* is to strengthen the Central American integration process through the facilitation of intraregional trade and the development, consolidation and deepening of common mechanisms and instruments. The *specific objectives* are mostly oriented to: a) support the adoption and consolidation of mechanisms and common instruments for trade facilitation within the region and assure a proper implementation of the commitments acquired by Central America in the commercial pillar of the AA; b) raise awareness and promote participation of key players in the integration process; and c) support the coordination and strengthening of the Economic Integration Regional Institutions, the Customs Authorities/Administrations and Intermediate Customs.

7.2. **Expected results and main activities**

The main focus of the programme is to promote trade facilitation in the overall process of Central American economic integration, while contributing with the technical tools for the effective implementation of the Association Agreement and the regional economic agenda. The programme will aim to support the work underway to advance in the process of deepening economic integration, as defined in the Framework Agreement for the establishment of a Central American Customs Union, with established rules and regulations for its efficient implementation, as well as with the appropriate technical means for that purpose. However, this is seen as a long-term roadmap that goes beyond the EU cooperation itself. As a consequence, the outcomes of the programme are conceived and should be assessed from a process perspective, identifying milestones as indicators of achievement.

For ownership purposes, the programme goals and activities are indented to align to the national and regional institutions agenda, specifically to the COMIECO's action plan. Nonetheless, because the process of regional integration remains largely Government-driven and thus subject to political shifts, it is important to allow enough flexibility for the programme to adjust to the regional dynamics in order to provide appropriate and timely response to real needs.
In terms of continuity of our regional strategy, support will be given to previous EU-funded initiatives with SIECA. R1 (customs procedures and electronic platforms), R4 and R5 will give follow up to actions carried under Projects UAC and CONSUAC. R2 (transport, financial services), R3 (competition, intellectual property, trade remedy instruments, dispute settlement rulings), R4 (promotion of the economic integration) and R5 (support to institutions responsible for the economic integration process) will in parallel continue the work undergone by ADAPCCA. Moreover, it is expected to consolidate the role of ECAT within the region by using the School, whenever possible, for training purposes of the Programme as a whole.

In that context, the main expected results and its related activities envisaged for this intervention are as follow7:

**R1 Harmonization, standardization and simplification of customs procedures facilitated and customs' electronic interconnection improved in countries implementing the AA.**

A1.1. Support has been given to the regional harmonization of common customs procedures and requirements at import applicable to goods originating in Central America or in the EU.
A1.2. A pilot testing on a Single Administrative Document for Central American customs has been successfully completed.
A1.3. A pilot testing for the establishment on a common system for the reimbursement of duties has been successfully completed.
A1.4. The development of telematic platforms designed by programs UAC and CONSUAC has been completed and are in full use.
A1.5. Technical assistance has been provided to support Panama's incorporation to the Central American economic integration process.

**R2 Certain areas of Trade in Services strengthened.**

A2.1. Transport policies and regulations have been updated, harmonized and socialized.
A2.2. Methodologies for the estimation of trade statistics for services have been generated, and other regional initiatives on financial services have been supported.
A2.3. Specific proposals initiated by COMIECO on the elaboration of mechanisms or instruments for other services have been supported.

**R3 Certain complementary policies harmonized.**

A3.1. Negotiations for the establishment of a Regional Competition Regulation and its Regulating Body have been supported, including the Regulation enforcement through national competition authorities.
A3.2. Assistance to the effective application and dissemination of standard procedures, remedies and border measures for enforcing intellectual property rights has been provided and the recognition and protection of Central American geographical indications have been supported.
A3.3. Collaboration has been given for the application of trade remedies instruments and for the reinforcement of its Implementation Units.
A3.4. Dispute settlement rulings have been reinforced and disseminated, and capacities of its involved parties developed.
A3.5. Technical assistance has been provided in order to develop a Central American Single Point of Access for procurement information.

---

7 For information on OVIs and sources of verification please see Logical Framework attached.
R4 Improved knowledge and acceptability of the economic integration concept and the Association Agreement's benefits among civil society and private sector.
A4.1. Support has been given to the wide-ranging distribution of information on the benefits and potentials of regional economic integration and the AA.
A4.2. Spaces for open dialogue have been promoted and participation levels of actors involved in the economic integration process and the AA have been improved.
A4.3. Alliances have been encouraged between the economic integration process and the Academia.

R5 Regional and National Institutions responsible for the economic integration process have been strengthened.
A5.1. Support has been given to Economic Integration Ministries, Customs Offices, peripheric customs and SIECA in their participation in technical meetings, experience exchange trips, and training activities in areas relevant to the implementation of regional economic integration and the AA commitments.
A5.2. Technical assistance has been given to assess and address installed capacity needs in technical departments responsible for the implementation of the economic integration process and the AA.
A5.3. National institutions, customs offices, COMIECO and SIECA have been equipped with hardware as well as software resources, to support and complement training and capacity building actions.
A5.4. Support has been provided to SIECA's administration on the implementation of the Programme activities and on its modernization process.

7.3. Risks and assumptions
Risks for this Programme are many and can be divided into:
- **Operational risks**: overload of management capacity by SIECA, lack of willingness/capacity for coordination among institutions involved and lack of capacity to implement components by private actors and civil society organizations. **Estimated risk: MEDIUM**, mitigated by the adoption of additional resources to the Programme for its daily work as part of its TA. Moreover, a strict monitoring system is currently being developed by present projects.
- **Tactical risks** (of lack of results): lack of political will to move towards a greater degree of economic integration and harmonize policies; countries adopting positions incompatible with the deepening of regional integration. **Estimated risk: MEDIUM-HIGH**; even when countries appear committed, electoral processes in some Member States might slow down the process.
- **Strategic risks** (or impact): lack of will of authorities concerned towards the progress on Programme's Components, as well as lack of support from the private sector/academia. **Estimated risk: MEDIUM**; during implementation, Components can be changed if obsolete.

These risks are mitigated as they constitute commitments of the AA, and there seems to be a genuine interest of all parties to ratify and obtain its expected benefits foreseen in its pillars.

7.4. Crosscutting Issues
The programme focuses on the integration of trade in goods and services and its policies in Central America as main areas of intervention. However, several cross-cutting subjects -largely absent from regional economic integration projects up to date- are also identified as relevant for this proposal:
- **Support for International Trade** (Aid for Trade (AfT)): International cooperation to support market opening is clearly reflected in the programme, aiming at upgrading AfT at regional level. This will be assured by continuing EU support to the implementation of COMIECO's agenda through the enhancement of SIECA's capacity of response and coordination of actions.
- Involvement of civil society actors in the economic integration dialogue: the stakeholders related have been relatively absent in projects dealing with economic integration. Result nº 5 (see below) should involve these actors to a greater extent.

- **Gender Equality:** the actions envisaged are i) broader and equal access for men and women from civil society groups to information of and policy dialogue (Result 4 in particular), ii) equal opportunities for men and women in all training and capacity-building efforts and their participation in all programme activities.

- **Promotion in economic integration minorities:** As actors of civil society, producers and traders from minorities, indigenous peoples, women, small businessmen should be involved in the programme through regional visibility actions.

### 7.5. Stakeholders

Among the stakeholders for this programme are:

- **The Council of Economic Integration Ministers of CA - COMIECO,** as responsible for the economic integration process and coordination of cooperation projects, COMIECO is expected to set the global guidelines for the Programme's implementation.

- **The Secretariat of the Central American Economic Integration - SIECA,** as the regional institution responsible for the process of Central American economic integration, it is proposed to be the administrator of the programme and signatory of the Financing Agreement. According to the regional legal framework, SIECA will act under the mandate of COMIECO.

- **The Executive Secretariat for the Central American Monetary Council - SECMCA,** as the authority in charge of the promoting and executing the coordination and harmonization of monetary and financial policies, the General Secretariat of the Council is expected to collaborate in the execution of activities from R2 regarding statistical methodologies.

- **The Centre for Promotion of Micro and Small Enterprises – CENPROMYPE,** in charge of promoting economic integration within the SMEs, collaboration on the implementation of R4 is foreseen, in order to widen SMEs participation in the trade facilitation regional dialogue.

- **The Consultative Committee on Economic Integration - CCIE,** as a regional representative of the Central American organized private sector within the framework of the Economic Integration Sub System, it is seen as a potential collaborator in the implementation of activities included in R4 regarding the involvement of the private sector in the dialogue of economic integration issues.

All of these potential collaborations will be carried out in coordination with COMIECO.

The Regional Committees of the Economic Integration Sub-system envisaged in the AA will also be involved. They are expected to collaborate in consultations on policy discussions concerning customs and trade facilitation matters. Other stakeholders involved in the implementation of dispositions and measures derived from the Central American integration process and the AA will also be involved. Such will include the Ministers of Finances of Central American countries, other national agencies directly linked to the process and the private sector representatives and civil society organizations, including the Academia.

### 8. IMPLEMENTATION ISSUES

#### 8.1. Method of implementation

Partially decentralised management through the signature of a Financing Agreement with the Secretariat for Central American Economic Integration (SIECA), in accordance with Articles 53e and 56 of the Financial Regulation:
The Commission controls ex ante all the procurement procedures except in cases where programme estimates are applied, under which the Commission applies ex ante control for procurement contracts > EUR 50,000 and may apply ex post for procurement contracts ≤ EUR 50,000. The Commission controls ex ante the contracting procedures for all grant contracts.

Payments are executed by the Commission except in cases where programmes estimates are applied, under which payments are executed by the beneficiary for operating costs and contracts up to the ceilings indicated in the table below.

<table>
<thead>
<tr>
<th>Works</th>
<th>Supplies</th>
<th>Services</th>
<th>Grants</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; EUR 300,000</td>
<td>&lt; EUR 150,000</td>
<td>&lt; EUR 200,000</td>
<td>≤ EUR 100,000</td>
</tr>
</tbody>
</table>

The responsible Authorising Officer ensures that, by using the model of financing agreement for decentralised management, the segregation of duties between the authorising officer and the accounting officer or of the equivalent functions within the delegated entity will be effective, so that the decentralisation of the payments can be carried out for contracts up to the ceilings specified below.

8.2. Procurement and grant award procedures [programme estimates]

1) Contracts

All contracts implementing the action must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

Participation in the award of contracts for the present action shall be open to all natural and legal persons covered by the Development Cooperation Instrument (DCI) Regulation. Further extensions of this participation to other natural or legal persons by the concerned authorising officer shall be subject to the conditions provided for in articles 31(7) and (8) DCI.

2) Specific rules for grants

The essential selection and award criteria for the award of grants are laid down in the Practical Guide to contract procedures for EU external actions. They are established in accordance with the principles set out in Title VI 'Grants' of the Financial Regulation applicable to the General Budget. When derogations to these principles are applied, they shall be justified, in particular in the following cases:

- Financing in full (derogation to the principle of co-financing): The maximum possible rate of co-financing for grants is 80% of the total accepted costs of the Action. Full financing may only be applied in the cases provided for in Article 253 of the Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of the Financial Regulation applicable to the General Budget.
3) Specific rules on programme estimates:

All programme estimates must respect the procedures and standard documents laid down by the Commission, in force at the time of the adoption of the programme estimates in question (i.e. the Practical Guide to procedures for programme estimates).

The EU financial contribution partly covers the ordinary operating costs deriving from the programme-estimates. These costs include the salary and compensations of the Programme Coordinator, part of the support staff in charge of the implementation and monitoring of the Programme's components, and temporary expenses directly linked to the execution of the Programme to assure the optimal functioning of the Management Unit.

8.3. Budget and calendar

Counterpart contributions, which will all be given in kind, has yet to be discussed with the beneficiary. Despite the indicative amount of contribution by the beneficiary reflected in this sheet, the final distribution of the inputs will be defined in the Technical and Administrative Provisions (TAPs) of the Financing Agreement. An accounting mechanism for contributions "in kind" will be agreed included in the first programme estimate.

The Programme is expected to be implemented over a period of 60 months (5 years) as from the signature of the Financing Agreement in two phases: operational phase of 54 months and 6 months of administrative closure, from the date of the last signature of the financing agreement.

<table>
<thead>
<tr>
<th>CODE</th>
<th>COMPONENT</th>
<th>INDICATIVE BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Services</td>
<td>4,000,000</td>
</tr>
<tr>
<td>2</td>
<td>Supplies</td>
<td>2,150,000</td>
</tr>
<tr>
<td>3</td>
<td>Visibility</td>
<td>1,000,000</td>
</tr>
<tr>
<td>4</td>
<td>Operating costs</td>
<td>750,000</td>
</tr>
<tr>
<td>5</td>
<td>Others</td>
<td>1,800,000</td>
</tr>
<tr>
<td>6</td>
<td>Contingencies *</td>
<td>300,000</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>10,000,000</td>
</tr>
</tbody>
</table>

*Contingencies can only be used under previous approval by the European Commission.

In the "Services" component, approximately EUR 2,000,000 will be destined towards technical assistance (both local and international), EUR 400,000 for Monitoring, audit and evaluation, and the rest will be divided on capacity building and exchange of experiences activities for authorities and technicians responsible for the integration process.

In the "Others" component, approximately EUR 1,000,000 will be allocated to the pilot testings (see R1, A1.2 and A1.3) and the rest will be distributed towards activities covering the private sector participation and the alliance with the Academia.

8.4. Performance monitoring

As signatory of the Financing Agreement, SIECA will manage and monitor the overall programme under the mandate of COMIECO. It will provide personnel to act as Administrator and Accounting Officer for the programme estimates. A Coordinator to support them will also be part of SIECA's management unit.

The Programme Administrator, Accounting Officer and Coordinator will be part of a Steering Committee (SC). This Committee will meet at least two times a year in order to monitor the
implementation of activities and provide guidance to the process. It will be chaired by the Secretary General of the SIECA. A representative from the EU Delegation to Nicaragua will be appointed as observer.

The programme will provide coordination support and technical advice to the SIECA on the daily management of components. For this purpose, the EU will make available long-term technical assistance (TA) covering at least the following areas: programme coordinator with sound experience in the field of regional economic integration and trade facilitation (1); and project management, EU procedures and tendering (1). It is also foreseen to have a permanent expert in communication and visibility, plus the necessary support staff for administrative and financial matters.

Progress on actions will be regularly monitored by internal control experts, who should assess financial and operational execution. The Financial and Accounting System developed by ADAPCCA and CONSUAC will also be used. Permanent supervision will be done by the EU Delegation to Nicaragua through regular contacts with the Management Unit.

8.5. Evaluation and audit

The Delegation will conduct a mid-term evaluation to monitor the achievement of the programme objectives and results in compliance with the Financing Agreement. It should suggest and promote the implementation of changes if necessary. A final evaluation will be conducted at the end of the Programme, to better reflect the achievements and its overall impact throughout its execution. In both cases, the final reports will be submitted to the Delegation for approval.

External audits will be carried out on an annual basis by internationally recognized audit firms. At the end of the programme a comprehensive external audit covering the entire implementation period will be carried out.

8.6. Communication and visibility

In compliance with the Commission Standard Guide on Communication and Visibility\(^8\) appropriate actions will be taken to ensure an adequate visibility of the EU support. Due to the nature of the programme, a strong visibility component will be included in the project involving public events (e.g. forums, seminars) with a remarkable EU visibility. Two kinds of actions will be included in this area:

- A visibility strategy addressed to ensure that local counterparts take the necessary steps to ensure public dissemination of the programme goals and the origin of funds.
- A communication campaign addressed to raise awareness on the benefits of the economic integration and the Association Agreement (see A.4.1)

### ANNEX 1. LIST OF ACRONYMS

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>AA</td>
<td>EU-Central American Association Agreement</td>
</tr>
<tr>
<td>ADAPCCA</td>
<td>EU Regional Programme (ALA/2004/16-839) Support to the Design and Application of Common Policies in CA</td>
</tr>
<tr>
<td>AftT</td>
<td>Aid For Trade</td>
</tr>
<tr>
<td>AIC</td>
<td>Central American System for Tariffs Information</td>
</tr>
<tr>
<td></td>
<td><em>IT tool designed by Regional Programmes UAC and CONSUAC that contains the classification of tariff and non-tariff requirements mandatory for the import of goods in Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua.</em></td>
</tr>
<tr>
<td>CCIE</td>
<td>Consultative Committee on Economic Integration</td>
</tr>
<tr>
<td>CENPROMYPE</td>
<td>Centre for Promotion of Micro and Small Enterprises</td>
</tr>
<tr>
<td>CMCA</td>
<td>Central American Monetary Council</td>
</tr>
<tr>
<td>COMIECO</td>
<td>Council of Economic Integration Ministers of CA</td>
</tr>
<tr>
<td>CONSUAC</td>
<td>EU Regional Programme (ALA/2006/18-369) Consolidation of Central America's Customs Union</td>
</tr>
<tr>
<td>ECAT</td>
<td>Central America School for Customs and Taxes</td>
</tr>
<tr>
<td>GI</td>
<td>Geographic Indications</td>
</tr>
<tr>
<td>IADB</td>
<td>Inter American Development Bank</td>
</tr>
<tr>
<td>IF</td>
<td>Identification Fiche</td>
</tr>
<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
</tr>
<tr>
<td>IP</td>
<td>Intellectual Property</td>
</tr>
<tr>
<td>OVI</td>
<td>Objectively Verifiable Indicator</td>
</tr>
<tr>
<td>PRACAMS</td>
<td>EU Regional Programme (DCI-ALA/2009/21-513) Programme to support the creation of a regional system for quality control and the application of sanitary and phytosanitary measures in CA</td>
</tr>
<tr>
<td>SECMCA</td>
<td>Executive Secretariat for the Central American Monetary Council</td>
</tr>
<tr>
<td>SG</td>
<td>Secretariat General</td>
</tr>
<tr>
<td>SIAUCA</td>
<td>Central American Interconnected Unified Customs System</td>
</tr>
<tr>
<td></td>
<td><em>IT tool designed by Regional Programmes UAC and CONSUAC to facilitate control and monitoring of electronic exchange of information between Customs and Taxes Offices.</em></td>
</tr>
<tr>
<td>SICA</td>
<td>Central American Integration System</td>
</tr>
<tr>
<td>SIECA</td>
<td>Secretariat of the Central American Economic Integration</td>
</tr>
<tr>
<td>SPS</td>
<td>Sanitary and Phytosanitary Measures</td>
</tr>
<tr>
<td>TA</td>
<td>Technical Assistance</td>
</tr>
<tr>
<td>TBT</td>
<td>Technical Barriers to Trade</td>
</tr>
<tr>
<td>UAC</td>
<td>EU Regional Programme (ALA/2001/3214) Central America Customs Union Programme</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>USAID</td>
<td>United States Agency for International Development</td>
</tr>
<tr>
<td>VICE COMIECO</td>
<td>Council of Economic Integration Vice Ministries of Central America</td>
</tr>
<tr>
<td>WB</td>
<td>World Bank</td>
</tr>
<tr>
<td>WTO</td>
<td>World Trade Organization</td>
</tr>
</tbody>
</table>