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PRA PROJECT
FINAL REPORT ANNEXES

New Private Sector Competitiveness and Poverty Reduction and Alleviation Activity

31 July 2013

This publication was produced for review by the United States Agency for International Development. It was prepared by Chemonics International.

PRA PROJECT - NEW PRIVATE SECTOR COMPETITIVENESS AND POVERTY REDUCTION AND ALLEVIATION ACTIVITY

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***COVER:** Farmer Prudencia Muñoz de Coras from Tallana Community, Acocro district, Ayacucho, airing harvested quinoa to clean it from impurities.*
***BACK COVER:** Luzmila Huarancca, Wari Urpi Manager (top row, fourth from left to right), joined by her son Randy and embroiderers' group leaders. Luzmila and husband Macedonio Palomino manage an extended network of more than 600 skillful artisans located mainly in Chuschi, Socos, and Totos, Ayacucho.*

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FINAL REPORT
ANNEXES

New Private Sector Competitiveness and
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CONTENTS

ACRONYMS

ADEX	Exporters Association
ASOPRODES	Asociación Promoviendo El Desarrollo Sostenible
ARFIP	Regional Agency for Private Investment Promotion
BDS	Business development service
CADE	Annual Executives Conference
CEAR	Rural Support Center
CEISA	Ayacucho Social Research Center
CLIN	Cost line item number
COP	Chief of party
COSESPI	Pinaya Alpaca Special Services Cooperative
DCOP	Deputy chief of party
DIGESA	General Directorate of Environmental Health
EPC	Economic promotion center
ESC	Economic service center
ESCN	Economic service center network
GDA	Global development alliance
GDP	Gross domestic product
GRADE	Development Analysis Group
HACCP	Hazard analysis and critical control points
IDESI	Informal Sector Development Institute
INIA	National Agricultural Innovation Institute
INPART	Peruvian Handicraft Institute
IPAE	Peruvian Institute for Business Action
ISUR	South Inter-Oceanic Initiative
MINCETUR	Ministry of International Trade and Tourism
MOU	Memorandum of understanding
MSMEs	Micro, small, and medium sized enterprises
M&E	Monitoring and evaluation
NTP	Peruvian Technical Standard
PDA	Alternative Development Program
PMP	Performance Monitoring Plan
PPP	Public-private partnership
PRA	Poverty Reduction and Alleviation
PROCOMPITE	Productive Competitiveness Law facility
PROMPERÚ	Peru Export and Tourism Promotion Board
RUC	Taxpayer registration number
SAIS	Social interest agrarian society
SENASA	National Agricultural Health Service
SENATI	National Industrial Labor Training Service
SIEX	Sierra Exportadora
SPAR	Peruvian society of alpacas and llamas breeders
USAID	United States Agency for International Development
VRAEM	Apurímac, Ene, and Mantaro Rivers Valley

COMMUNICATIONS AND OUTREACH

PRA in its second phase held a large number of events and communications activities. Following the PRA Communications Plan, the project set out to further position PRA as a public-private partnership (PPP) between USAID Peru, nine private partners, and one public partner, with the goal of contributing to poverty reduction by creating new jobs and generating new income for the poor in Peru's Sierra and Selva regions. This annex covers:

- PRA II launch event and the inaugurations of seven Economic Service Centers (ESCs)
- The signing of four memoranda of understanding (MOUs) and two cooperation agreements
- PRA participation in international trade fairs in Lima: Expoalimentaria, Perú Moda and, Perú Gift Show
- PRA participation in premier conferences in Peru: CADE (Annual Executives Conference), the Quality Week (the National Quality Award event), and James Riordan's conference
- PRA closeout event
- Success stories
- Press articles
- Communications tools: website, brochures, bulletins — particularly the innovative *Flash PRA* — photo bank, and the resource-rich PRAtube channel.

A.1 Project Launch and ESC Inaugurations

The successful project launch event on January 21, 2010 at the National Mining, Oil and Energy Society marked the first milestone of the second phase of the PRA project. It was a unique opportunity to reposition the already well-known "PRA" brand as one of the most successful economic development programs in Peru, with the new challenge and mandate to build alliances and partnerships to ensure its sustainability. Building on the momentum and excitement of the first PRA project, three MOUs were signed between USAID and private resource partners: Antamina and the Clinton Giustra Sustainable Growth Initiative (to fund the Ancash ESC), Buenaventura (Huancavelica ESC), and Minsur (Puno ESC).

Seven ESCs were opened and inaugurated in their corridors (see table A.1). The Ancash and the Huancavelica ESCs had been operating before PRA started its second phase.

Table A.1

PRA Launch and ESCs Opening Ceremonies

Event	Date	Press Coverage/Photographs
PRA II Launch Event (Lima)	Jan 21, 2010	Lima's TV Perú (channel 7) nightly news report on the event http://www.youtube.com/watch?v=q0mkQM8k5RA Photographs of the event http://www.youtube.com/watch?v=DXm2W4ikcs0&feature=related
Puno ESC Inauguration (Ayaviri)	May 5, 2010	Photographs of the event http://www.youtube.com/user/ProyectoPRAII#p/u/6/4Bj5TbEn3hU
Cusco ESC Inauguration (Cusco)	May 12, 2010	Photographs of the event http://www.youtube.com/user/ProyectoPRAII#p/u/15/u6Sbg75uDVk
Madre de Dios ESC Inauguration (Puerto Maldonado)	May 13, 2010	Photographs of the event http://www.youtube.com/user/ProyectoPRAII#p/u/4/_yT6Qao47Wg
Ayacucho ESC Inauguration (Huamanga)	June 9, 2010	Video of the opening ceremony http://www.youtube.com/user/ProyectoPRAII#p/u/13/i5KayBktykE
Sierra Norte de Lima-Huánuco ESC (Oyón)	November 9, 2010	Video of the opening ceremony http://www.youtube.com/watch?v=1nlJY7dLTUw
Arequipa ESC Inauguration (Arequipa)	November 18, 2010	Video: Interview with José Iturrios, PRA Project COP, at Nuevo Día program in Arequipa on the occasion of the Arequipa ESC inauguration http://www.youtube.com/watch?v=bBAJHfCKt6A Video: Interview with José Iturrios, PRA COP, at the Linea de Fuego program in Arequipa on the occasion of the Arequipa ESC inauguration http://www.youtube.com/watch?v=WZDfto7wURc
La Libertad ESC Inauguration (Trujillo)	December 13, 2010	Video: Interview with USAID's Deputy Director Andrew Herscowitz - UCV Satelital Channel - La Libertad http://www.youtube.com/watch?v=CfNrcPkJW_o

PRA II Launch Event, National Mining, Oil and Energy Society January 21, 2010

Deputy Chief of Mission U.S. Embassy James Nealon talks to Peru's Channel 7: "The first stage was a resounding success. Today we are launching the second stage, and we are confident that it will be equally successful."

After MOU signing for Ancash, Huancavelica, and Puno corridors. From left to right: PRA Chief of Party, José Iturrios; Clinton Giustra Sustainable Growth Initiative Peru Director, Camilo León; Minsur Chief of Community Relations, Luis Romero; Antamina Corporate Affairs Vice President, Pablo de la Flor; Deputy Chief of Mission, U.S. Embassy, James D. Nealon; USAID Peru Mission Director, Paul Weisenfeld; Sierra Exportadora President, Gastón Benza; and President of Lima Regional Government, Nelson Chui.

Puno ESC Inauguration, Ayaviri, May 5, 2010

From left to right: Transandina Comercial General Manager, René Zevillanos; Virgen de Alta Gracia Art Center Director, Irma Luque; USAID Peru Deputy Mission Director, Andrew Herscowitz; Ayaviri Deputy Mayor, Julieta Diaz; Sierra Exportadora General Manager, Sergio Calderón; Minsur Chief of Community Relations in Puno, Sonia Jáuregui; and PRA Chief of Party, José Iturrios.

Cusco ESC Inauguration, Cusco, May 12, 2010

From left to right: Asociación Odebrecht Executive Director, Delcy Machado; PRA Chief of Party, José Iturrios; Cusco Regional Government Economic Development Manager, Jean Paul Benavente; USAID Peru Chief of the Office of Economic Growth and the Environment, Steve Olive; President of the South Chambers Association, Fernando Ruiz Caro; and Ayni Art's Georgina Ávalos.

Madre de Dios ESC Inauguration, Puerto Maldonado, May 13, 2010

From left to right: PRA Chief of Party, José Iturrios; USAID Peru Chief of the Office of Economic Growth and the Environment, Steve Olive; President of Madre de Dios Regional Government, Santos Kaway Komori; Asociación Odebrecht Executive Director, Delcy Machado; and business community representatives Kurt Holle, Rocío Ortega and Jorge Torres.

Ayacucho ESC Inauguration, Huamanga, June 9, 2010

From left to right: USAID Peru Deputy Chief of the Office of Economic Growth and the Environment, Martin McLaughlin; Head of PRA Ayacucho ESC, Gabina Tealdo; PRA Chief of Party, José Iturrios; renowned artisan Macedonio Palomino; Ayacucho Regional Government representative, Juan Pablo Carreño Miranda; Exporters Association President of the Colorants Committee, Daniel Nakamura; and CACVRA Cooperative Administration Council President, Gregorio Pariona García.

Sierra Norte de Lima-Huánuco ESC Inauguration, Oyón, November 9, 2010

DFrom left to right: Estalin Melchor Torres, Oyón peach farmer; and Joshua Templeton, USAID/Peru Program Officer.

Arequipa ESC Inauguration, Arequipa, November 18, 2010

From left to right: Marleni Quijahuamán, Orkokraft representative; Andrew Herscowitz, Deputy Director of USAID Mission in Peru; Arón Maldonado, Vice-President of Arequipa Regional Government; Roque Benavides, General Manager of Compañía de Minas Buenaventura; Mauricio Pérez-Wicht, Laive Regional Manager; Simón Balbuena, Arequipa Mayor; and José Iturrios, PRA Project Chief of Party.

A.2 MOU Signing Events

A.2.1 Signing of MOU for Sierra Norte de Lima ESC

On July 14, 2010, Buenaventura, Raura, and Los Quenuales mining companies signed an MOU with USAID to fund PRA's Sierra Norte de Lima-Huánuco ESC. The ESC covered territories in three regions and had three offices: Oyón, Churín, and Lauricocha.

From left to right: Raura's Gonzalo Freyre; Buenaventura's Roque Benavides; USAID/Peru Mission Director, Richard Goughnour; Regional Government of Lima's Luis Custodio; and ASOPRODES (Los Quenuales)' Manuel Oswaldo Rondón and Alfredo Casas.

A.2.2 Signing of MOU between USAID and Sierra Exportadora to Renew Alliance

On October 28, 2010, USAID/Peru and the Peruvian Government's Sierra Exportadora Program renewed their strategic alliance by signing an MOU to support integration between small producers and buyers in areas of common activities. Sierra Exportadora was a USAID strategic public partner during PRA's first phase.

From left to right: Augusto Bezada, Avena Don Lucho business representative; Richard Goughnour, Director of USAID Mission in Peru; Gastón Benza, Sierra Exportadora Executive President; Bernardino Chochoca (small producer), President of the Cacao Association APCSAF; José Iturrios, PRA Chief of Party.

A.2.3 Signing of MOU between USAID, Barrick, and Poderosa to Fund La Libertad ESC's Operations

On December 13, 2010 USAID/Peru, Minera Barrick Misquichilca, and Minera Poderosa signed a strategic agreement to fund PRA activities in La Libertad corridor for a three-year period. The ESC covered activities in the following provinces: Sánchez Carrión, Santiago de Chuco, Otuzco, Pataz, and Julcán. This event also marked the formal opening of PRA's La Libertad ESC.

From left to right: Javier Caro, President of the Chamber of Commerce and Production of La Libertad; Andrew Herscowitz, Deputy Director of USAID Mission in Peru; Eva Arias de Sologuren, Chairperson of Minera Poderosa; Darrell Wagner, General Manager of Minera Barrick Misquichilca; and José Murgia, President of La Libertad Regional Government.

A.2.4 Signing of Agreement between USAID/Peru and Supermercados Peruanos

USAID/Peru and Supermercados Peruanos Company signed an MOU establishing the intention of mutual cooperation to promote the development of suppliers in the highlands and jungle of Peru. The event took place at Plaza Vea Store on July 11, 2011, with the participation of Andrew Herscowitz, Deputy Director of USAID/Peru, Norberto Rossi, General Manager of Supermercados Peruanos, public and private sector representatives, and small producers from areas involved in the agreement.

From left to right: Mariela Prado, Supermercados Peruanos Auditing Director; Norberto Rossi, Supermercados Peruanos General Manager; Andrew Herscowitz, USAID/Peru Deputy Director; Martin McLaughlin, USAID/Peru Economic Growth and Environment Chief; and José Iturrios, PRA project COP.

A.2.5 Signing of MOU between USAID and Sierra Exportadora

The MOU signing ceremony between USAID and the Peruvian Government program Sierra Exportadora (SIEX) was held at the Lima Sheraton Hotel Conference Center on January 17, 2012. The event brought together important government and diplomatic authorities, businesspeople, international cooperation agencies' representatives, and project beneficiaries. The MOU, which aimed at facilitating the transfer of the PRA model to SIEX, was signed by USAID/Peru Mission Director Richard Goughnour, and SIEX Executive President Alfonso Velásquez, and ratified by U.S. Ambassador Rose Likins, and the President of the Council of Ministers Oscar Valdés.

From left to right: USAID/Peru Mission Director Richard Goughnour, U.S. Ambassador Rose Likins, the President of the Council of Ministers Oscar Valdés, SIEX Executive President Alfonso Velásquez, and PRA Chief of Party José Iturrios, during the signing ceremony.

A.2.6 "Alto Chicama" Commitment Launch Ceremony

Eight organizations, including public and private sector institutions and the USAID-Peru Mission, committed to join efforts to promote social inclusion, sustainable development, and skills development in Alto Chicama, La Libertad. The ceremony was held at El Libertador Hotel in Trujillo on February 27, 2012.

Barrick's Alfredo Anderson addressing speech at the Alto Chicama Commitment Launch Ceremony. Participating in this activity were José Murgia, President of La Libertad Regional Government; Darrell Wagner, Barrick General Manager; and Joseph Ryan, USAID Chief of Economic Growth and Environment.

A.3 Trade Fairs

A.3.1 PRA II at Expoalimentaria Perú

A.3.1.1 Expoalimentaria 2010

PRA participated as an exhibitor in Expoalimentaria international trade fair for the food industry, organized by the Exporters Association (ADEX) and held on the grounds of the Ministry of Defense on September 22-24, 2010. This presented an opportunity to showcase a diversified line of products from the Sierra and Selva corridors, where PRA II operated, under the concept of the "Andean Amazonian supermarket."

Chefs de cuisine Isabel Álvarez and Flavio Solórzano from the renowned restaurant El Señorío de Sulco, and the recent winner of Mistura festival's Young Cook Award, Carlos Delgado, presented small dishes made from native ingredients. Deputy Chief of Mission of the U.S. Embassy Bruce Williamson and Minister of Production Jorge Villasante visited the booth and had a tasting of the dishes. The booth activities were covered by El Comercio newspaper and EFE news agency in an article titled "El éxito de la comida peruana depende de la calidad de sus insumos" ("The success of Peruvian cuisine depends on the quality of its ingredients"). The article was published in several print outlets and can be found online:

- http://noticias.latino.msn.com/internacionales/articulos.aspx?cp-documentid=25701922
- http://www.noticias.com/exito-de-comida-peruana-depende-de-la-calidad-de-sus-insumos-afirma-experto.654745
- http://www.publimetro.com.mx/clasificados/el-exito-de-la-comida-peruana-depende-de-la-calidad-de-sus-insumos-afirma-un-experto/ejix!1372008/
- http://www.google.com.pe/#hl=es&source=hp&biw=1276&bih=880&q=El+%C3%A9xito+de+la+comida+peruana+depende+de+la+calidad+de+sus+insumos%2C+afirma+un+experto&btnG=Buscar+con+Google&aq=f&aqi=&aql=&oq=&gs_rfai=&fp=35b1e3e1f9803c69

Chef Carlos Delgado and USAID Deputy Chief of the Office of Economic Growth and the Environment Martin McLaughlin were interviewed by TV Perú (channel 7) and the cable channel Canal N. Their interviews can be seen in the following clips::

- http://www.youtube.com/watch?v=t20xWFgVYTE
- http://www.youtube.com/user/ProyectoPRAII#p/u/9/27zyy_QEUSU

The fair attracted buyers, distributors, and importers interested in the food industry (agribusiness, fishing, inputs and materials, packaging and services, and machinery and equipment for the food industry), both from Peru and overseas. The number of fair-goers was estimated at 21,000, exceeding by far the 14,000 visitors expected. More than 700 buyers participated (twice as much the expected number), including 15 representatives of major supermarket chains.

Expoalimentaria Perú
Lima, September 22-24, 2010

From left to right: USAID Deputy Chief of Office of Economic Growth and the Environment, Martin McLaughlin; USAID Deputy Mission Director, Andrew Herscowitz; Deputy Chief of Mission, U.S. Embassy, Bruce Williamson; and El Señorío de Sulco Chefs de Cuisine, Flavio Solórzano and Isabel Álvarez.

Rosa María Palacios interviewing USAID's Deputy Chief of the Office of Economic Growth and the Environment, Martin McLaughlin; and El Señorío de Sulco's Chef de Cuisine, Isabel Álvarez, at Radio Capital.

A.3.1.2 Expoalimentaria 2011

PRA participated at Expoalimentaria for the second year in a row. PRA and the Alternative Development Program (PDA) jointly set up the USAID booth, featuring the celebration of USAID's 50th anniversary. The booth launch took place on September 28, 2011 with the participation of Michael Fitzpatrick, Minister Counselor of the U.S. Embassy in Peru; Richard Goughnour, USAID Peru Director; José Luis Silva, Minister of Foreign Trade and Tourism; Kurt Burneo, Minister of Production; and Alfonso Velásquez, Sierra Exportadora's President.

On September 29, 2011, the PRA project launched the quinoa consumption campaign at the USAID booth. This activity sought to integrate the Andean grains production with the Peruvian cuisine "boom", through the presentation of Flavio Solorzano, El Señorío de Sulco's chef de cuisine, who conducted a tasting of dishes made from quinoa to the delight of the audience, accompanied by Mrs. Lucrecia Ccamcapac, quinoa small producer from Puno who shared her experience.

This activity was attended by Mr. Joshua Templeton, USAID Peru Mission Economist; José Luis Silva, Minister of Foreign Trade and Tourism; Alfonso Velásquez, Sierra Exportadora President; José Iturrios, PRA project COP; Ana Maria Rivera, Community Relations Coordinator of Buenaventura Mining Company; Alina Hoyos, Head of Community Relations of Raura Mining Company; and Isabel Alvarez, El Señorío de Sulco restaurant owner.

To continue with the quinoa consumption campaign, a video and a series of articles were produced and published on "The Quinoa Road" (La Ruta de la Quinua), highlighting PRA's activities to help increase quinoa productivity and quality to meet increasing market demand in both the domestic and international markets. The video was broadcast by open television Channel 5 Panamericana Televisión in October 2011:

- http://www.youtube.com/watch?v=lx_uZCLL0Fc

From left to right: Michael Fitzpatrick, Minister Counselor of the U.S. Embassy in Peru; José Luis Silva, Minister of Foreign Trade and Tourism; Juan Varilias, ADEX President; María Tuanama, PDA cacao producer; Congress-person María Luisa Cuculiza; and Alfonso Velásquez, Sierra Exportadora President.

From left to right: Alina Hoyos from Raura mining company; chef Flavio Solórzano, Lucrecia Ccamcapa from Puno; Joshua Templeton from USAID/Perú; Ana María Rivera from Buenaventura Mining Company; José Iturrios from PRA project; and Isabel Álvarez from El Señorío de Sulco Restaurant.

A.3.2 "Hecho a Mano para Hoteles 2010" (Handicrafts Fair)

From November 16 to 18, 2010, the Rossell Ríos Mansion in Barranco, Lima, hosted the second "Handmade for Hotels" fair, which specialized in hotel decoration items and appliances. The fair was sponsored by the Exporters Association (ADEX), the Ministry of International Trade and Tourism (MINCETUR), the Promotion Agency of Peru (PROMPERU), and INPART.

From left to right: Eduardo Ferreyros, Minister of Trade and Tourism; and Macedonio Palomino, from Wari Urpi.

A.3.3 Perú Moda and Perú Gift Show

These fairs, organized by the Ministry of International Trade and Tourism, were held in Lima on April 28-30, 2011. The PRA project's Puno, Cusco, Huancavelica, and Arequipa ESCs worked with client companies and designers to show fashion garment collections at Perú Moda 2011. Royal Knit from Cusco ESC was awarded the best exhibition booth among the group of companies participating in the Fair Trade Practices Project, implemented by PromPerú, with the support of Corporación Andina de Fomento (CAF), and the Italian Consortium B & C and Altro-mercato.

The greatest representatives of craftsmanship and decoration offered the best selection of handmade crafts and home accessories at Perú Gift Show. Wari Urpi, an Ayacucho ESC client company led by textile artisans Macedonio Palomino and his wife Luzmila Huarancca, participated at this fair.

The project also participated at the 2012 edition of both fairs, held at Peru Jockey Club from April 26-28. There were many visitors, including government officials, diplomats, and especially businesspeople from all over the world. Some of the project's clients, supported by the Puno, Cusco, and Arequipa ESCs, also participated with booths where they exhibited their textiles and handicraft products.

Royal Knit, represented by Mrs. Benita Cutipa, was awarded recognition as the best exhibition booth among the group of companies participating in the Fair Trade Practices Project at Perú Moda.

Luzmila Huarancca and Macedonio Palomino at Wari Urpi booth.

Artisan women from Cusco participated at Perú Moda 2012. Shown here is the Royal Knit booth supported by the Cusco ESC.

A.3.4 Motivational Sale at U.S. Embassy

On March 8, 2011, the U.S. Embassy held a motivational sale to commemorate International Women´s Day. Three artisans participated on behalf of the PRA project: Wari Urpi's Macedonio Palomino from Ayacucho, Orko Kraft Association's Teresa Quijahuamán from Arequipa, and Alianza por el Arte Nativo's Cipriano Huamaní from Cusco.

A.3.5 Total Home & Gift Market, Dallas Market Center

Ayacucho ESC client Wari Urpi's Macedonio Palomino and his wife Luzmila Huarancca participated for the second consecutive year at the Santa Fe International Folk Art Market Collection, a highlight of the June 2011 Total Home & Gift Market at the Dallas Market Center between June 23-26. The Wari Urpi exhibition attracted so much attention that The Dallas Morning News devoted an article to these highly recognized artisans.

Macedonio Palomino and Luzmila Huarancca at the Santa Fe International Folk Art Market Collection, a highlight of the June 2011 Total Home & Gift Market at the Dallas Market Center.

A.4 Conferences

A.4.1 Meeting with the Exporters Community

The PRA team held a meeting with members of the Exporters Association (ADEX) on July 1, 2010, as one of the first activities to motivate exporters to join PRA and do business in its corridors.

From left to right: Agromantaro's Emilio Pinedo, Agrocondor's Daniel Nakamura, PRA's José Iturrios, and USAID Peru's Martin McLaughlin.

USAID Deputy Chief of the Office of Economic Growth and the Environment Martin McLaughlin; Agromantaro's Emilio Pinedo; Agrocondor's Daniel Nakamura; PRA COP José Iturrios; and the heads of the ESCs spoke about PRA experiences and the advantages of doing business through the project.

From left to right: PRA Deputy Chief of Marketing and Business Development Services, Inés Ardiles; and the Heads of Economic Service Centers: Pedro Camacho (Ancash), Fanny Mosquera (Huancavelica), Gabina Tealdo (Ayacucho), Javier Arenas (Sierra Norte de Lima-Huánuco), Juan Muñoz (Junín-Pasco), Ana Ibarra (Puno), Carlos Trujillo (Madre de Dios), and Ana María Andrade (Cusco).

Previously, Martin McLaughlin had been interviewed on cable channel Canal N (June 28, 2010):

- http://www.youtube.com/user/ProyectoPRAII#p/u/16/cXNkg8IUvpU

PRA COP José Iturrios had also been interviewed on cable channel Canal N (June 29, 2010):

- h1st part: http://www.youtube.com/user/ProyectoPRAII#p/u/0/BOn9qERJg90
- 2nd part: http://www.youtube.com/user/ProyectoPRAII#p/u/1/afWqwOxUDbk

A.4.2 CADE (Annual Executives Conference)

The Annual Executives Conference (CADE), organized by IPAE (Peruvian Institute for Business Action), was held in Cusco, in November 2010. The PRA project and the Alternative Development Program jointly provided support to set up the USAID booth and guide visitors to it at the premier business executives' annual meeting where top private sector representatives and government leaders participated.

From left to right: Edilberto Cuéllar, Urubamba Mayor; and Rose M. Likins, U.S. Ambassador.

On November 12, Ambassador Likins inaugurated the USAID booth with a ribbon cutting ceremony in the presence of Urubamba Mayor Edilberto Cuéllar and IPAE president Jorge Yzusqui. Following the ceremony, Mayor Cuéllar presented Ambassador Likins with a key to the city. The CADE 2011 event took place in Cusco as well. PRA and the Alternative Development Program again provided support to the USAID booth, this time celebrating USAID's 50th anniversary. U.S. Ambassador Rose Likins and USAID-Peru Mission Director Richard Goughnour participated at CADE's activities.

USAID booth at CADE 2011.

U.S. Ambassador Rose Likins and USAID/Peru Mission Director Richard Goughnour at CADE's USAID booth.

A.4.3 Semana de la Calidad

"The Quality Week – The National Quality Award Event" is organized by the National Quality Management Committee. PRA participated in the 2010 and 2011 Quality Week Conferences held in Lima.

On September 28, 2010, PRA presented three success stories: Agromantaro (artichoke and jalapeño chili), Cecovasa (organic and specialty coffee), and Wari Urpi (textile handicrafts). On October 5, 2011, PRA presented three other successful business cases: Wiraccocha del Perú (organic quinoa), Importaciones y Exportaciones Felles (table peach), and Láctea (dairy products).

From left to right: Agromantaro General Manager, Augusto Fernandini; CECOVASA Commercial Manager, Miguel Paz; and Wari Urpi's Macedonio Palomino.

A.4.4 Community Relations Forum

The PRA project was invited to present its experience at the V Community Relations Forum, held in Lima from June 23-24, 2011. This event was organized by the Institute of Mining Engineers of Peru and entitled, "Communities and Mining: Consensus for Development."

Jeffery Cohen, USAID Head of the Office of Programs and Project Development, and Juan Robles, USAID Project Management Specialist, made a presentation on USAID and its public and private partnership policy, illustrated by the case of the PRA project.

In addition, from June 22-24, the PRA project set up a booth in the exhibition area, which showed information material about businesses promoted by the project in association with private partners in eight economic corridors.

Jeffery Cohen's presentation on USAID's Public Private Partnership Policy.

The PRA project's booth at the V Community Relations Forum.

A.4.5 Conference "The Production Development and Poverty Reduction Challenge - Lessons from the USAID-PRA Project"

James Riordan, the first PRA COP in Peru (1999-2003), visited Lima from May 30 to June 8, 2012 to present his book, "We Do Know How. A Buyer-Led Approach to Creating Jobs for the Poor", which systematizes the PRA and similar experiences from 15 other countries. During an intensive schedule and agenda, he promoted the PRA model among Peruvian prominent leaders and decision-makers from different sectors of society.

To present Dr. Riordan's book to a wide audience, the PRA team, in close coordination with USAID, the National Competitiveness Council, Sierra Exportadora, Universidad del Pacífico, and the Economic and Social Research Consortium, organized a conference, held at Universidad del Pacífico's Maes Heller Auditorium on June 7, 2012.

Policymakers, business people, trade association representatives, the academic community, international cooperation agency and multilateral development bank representatives, NGOs, development experts and practitioners, and the press gathered at the conference on PRA where James Riordan made a compelling keynote speech and panelists enriched the discussion with their participation. Minister of Production, Gladys Triveño, closed the conference expressing praise for PRA.

From left to right: Enrique Vásquez (Universidad del Pacífico), Fidel Jaramillo (Inter-American Development Bank), James Riordan, Delcy Machado (Odebrecht), and Fernando Villarán (Sase Consultores).

A.5 PRA II Closeout Event

The PRA II closeout event was held at the U.S. Ambassador's residence in Lima on July 17, 2013. In her welcoming speech, Ambassador Rose Likins praised PRA's accomplishments in the past years, highlighting the importance of PRA´s market-based, demand-driven methodological framework and its partnership building strategy with private and public partners. Raúl Benavides, Business Manager of Compañía de Minas Buenaventura, and Eva Arias de Sologuren, President of the National Mining, Oil and Energy Society, and Chairperson of Compañía Minera Poderosa, acknowledged PRA's contributions and requested USAID conduct a PRA third phase. Vicenta Ramos, President of the Makyss Association of Women Knitters, Ccochaccasa Community, Julcani, Huancavelica, and PRA beneficiary, gave warm testimony on how PRA had benefited her and the members of the association she represented.

USAID resource partners were awarded a token of appreciation presented by Ambassador Likins and handed by the speakers. Susanna Mudge, Chemonics President and CEO, announced the awardees:

- Raúl Benavides, Business Manager, Compañía de Minas Buenaventura
- Eva Arias de Sologuren, Chairperson, Compañía Minera Poderosa
- Ricardo Morel, Corporate Affairs Vice-president, Compañía Minera Antamina
- Darrell Wagner, General Manager, Minera Barrick Misquichilca
- Fernando Café, Executive Vice-president, Empresa Minera Los Quenuales
- Rony Loor, IIRSAS Investment Director, Odebrecht Ingeniería y Construcción
- Alfonso Velásquez, Executive President, Sierra Exportadora

Gladys Triveño, Minister of Production, gave the closing speech, commending PRA's performance and contributions over the years, and "refusing" to close the ceremony as a symbolic way to express her request for continuation of the PRA project. Minister Triveño proposed to regard this event not as a closing ceremony but as an occasion to celebrate PRA achievements and to reflect on how other organizations, such as the Ministry of Production, should continue with PRA-type activities.

Participants were invited to a cocktail party at an exhibition where PRA´s 10 Economic Service Centers displayed their most successful products, accompanied by producers and clients from their regions. A short, informal fashion show displayed the best dresses designed and produced by workshops in Huancavelica, Ayacucho, Cusco, Arequipa, and La Libertad.

Different media and press organizations covered the closeout event:

- http://www.andina.com.pe/Espanol/noticia-ministra-triveno-destaca-proyecto-usaidpra-como-modelo-contra-pobreza-466632.aspx#.Uegm8dLryRg
- http://www.elperuano.com.pe/edicion/noticia-destaca-labor-usaidpra-como-modelo-lucha-contra-pobreza-8002.aspx#.UegnHNLryRg
- http://www.rpp.com.pe/2013-07-17-ministra-triveno-destaca-proyecto-pra-como-modelo-contra-la-pobreza-noticia_614302.html
- http://www.inforegion.pe/desarrollo/163156/proyecto-pra-de-usaid-finaliza-sus-funciones-en-el-pais/

US Ambassador Rose Likins addressing the audience in her welcoming speech.

On behalf of PRA producers, Vicenta Ramos, President of the Makyss Association of Women Knitters, Huancavelica, gave testimony of significant changes in the lives of PRA beneficiaries.

Gladys Triveño, Minister of Production, providing the closing speech. From left to right: Eva Arias de Sologuren, President of the National Mining, Oil and Energy Society; Vicenta Ramos, President of the Makyss Association of Women Knitters of Huancavelica; Raúl Benavides, Business Manager of Compañía de Minas Buenaventura; Susanna Mudge, Chemonics President and CEO; Rose Likins, U.S. Ambassador.

Minister of Production Gladys Triveño and U.S. Ambassador Rose Likins visiting exhibition of textile handicrafts from Orcopampa, Arequipa. They were welcomed by artisans Jesusa Cruz (Huilluco Community) and Julia Vera (Sarpane Community), and Orcopampa Municipality's Councilor Martha Quispe.

From left to right: U.S. Ambassador Rose Likins, Minister of Production Gladys Triveño, and USAID/Peru Mission Director Deborah Kennedy-Iraheta

A.6 Success Stories

Nineteen success stories were produced during PRA's second phase to highlight successful business cases in the corridors (see table A.6). All have been published in the PRA Annual Summary Reports.

Table A.6
PRA II Success Stories

ESC	Success Story: Client Company and Product / Topic		
Ancash	Santa Sofía (asparagus)	Eurofresh (avocado)	Frudersel (aguaymanto)
Ayacucho	El Quinacho (cacao)	Wiraccocha (quinoa)	Masa Dorada (epileptics)
Cusco	Gloria (fresh milk)	Alsur (artichoke)	Ayni Art (textile handicraft)
Huancavelica	Pelama Chubut (vicuña)		
Junín-Pasco	Agromantaro (jalapeño chili)	Ecoandino (cacao)	
La Libertad	La Joya (fresh milk)		
Madre de Dios	Ecomusa (vegetable leather)		
Puno	Alpaca communities	Titikaka Trout (trout)	Arapa (trout)
Sierra Norte Lima- Huánuco	Felles (peach)		
General	Successful alliance building		

A.7 Press Articles

Many articles, particularly those covering PRA events, appeared in the press. Some non-event-related articles that highlighted PRA achievements include the following:

- *"El Proyecto PRA de USAID Perú: Ser Competitivo para Reducir la Pobreza"*
  Comex Perú Magazine
  March 10, 2010
  http://www.comexperu.org.pe/archivos/revista/Marzo10/Economia_151.pdf

- *"Aliados en la Reducción de la Pobreza"*
  El Comercio newspaper, pages B12-B13
  August 6, 2010

- *"USAID-Proyecto PRA y empresas mineras: aliados en la generación de negocios locales"*
  Desde Adentro, Journal of the National Society of Mining, Oil, and Energy
  May 2011

A.8 Communications Tools

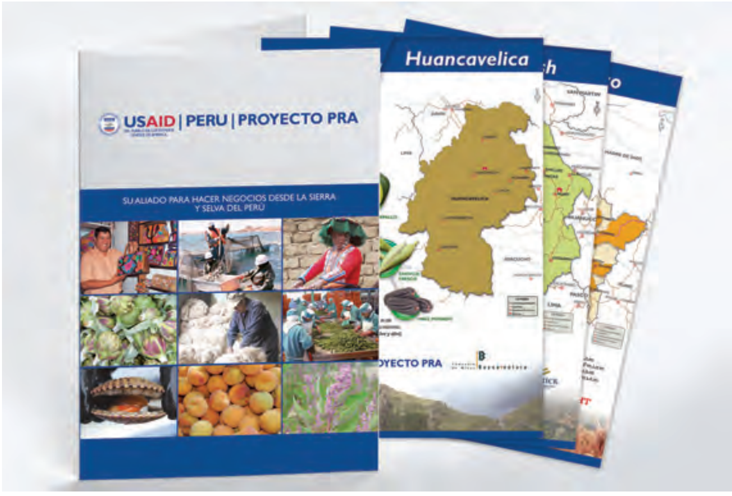
A.8.1 New PRA Project Website: www.proyectopra.com

In 2010 the project launched a new website as an information tool to make contacts for business within Peru. Through this website, the user can learn the project's working methodology, the products or services produced by the businesses PRA has been supporting, and contact names in the ESCs and the project's main office. In addition, this website offers a wealth of informative material and project evaluations, newsletters, success stories, mailing bulletins, and the project's channel on YouTube, the PRATube. The website is featured in both Spanish and English.

A.8.2 Brochures

In August 2010, PRA II issued a brochure in the form of a folder containing basic background information about the project as well as informative sheets on each ESC. The project team selected a practical format that made it possible to add new sheets as additional ESCs were inaugurated.

The first PRA brochure was redesigned with a more attractive format to showcase the ESCs' work and the main businesses.



To catch the attention of potential partners, new printed material was issued showing examples of businesses in the mining area.

A.8.3 Bulletins

In September 2010, the first issue of PRA II's bulletin was produced, covering the main events since the launch of PRA's second phase. The bulletin featured articles on the role of resource partners in their respective corridors, ESC operations, prospects for implementing public-private partnerships, and the outcome of PRA II's meeting with the exporters' community.

Later, in February 2011, the first issue of *Flash PRA* was launched as a means to disseminate PRA activities at the national level. Every month it reported activities promoted by the project. Ten numbers were issued, available on the project's website or by clicking on the following link: http://www.proyectopra.com/es/comunicaciones/flash-pra.

A.8.4 Photo Bank

Dozens of photos were added to the PRA Photo Bank. The bank includes snapshots of PRA's beneficiaries, clients and businesses in 10 economic corridors.

A.8.5 PRAtube

The project implemented its own YOUTUBE channel, where main videos have been uploaded (in event chronological order):

1. *Video on PRA's first phase experience* http://www.youtube.com/watch?v=6Pgy003uYpA
2. *Report on Macedonio Palomino at La Ventana Indiscreta Program (Channel 2)* http://www.youtube.com/watch?v=4czNIUfVmEk
3. *Interview with James D. Nealon, Deputy Chief of Mission, U.S. Embassy in Peru* http://www.youtube.com/watch?v=INoiFxVQRRo
4. *Interview with Martin McLaughlin at PRA's Second Phase Launch Ceremony, Canal N* http://www.youtube.com/watch?v=wfuGpxbjYSo
5. *Interview with José Iturrios on PRA I achievements - Canal N first part* http://www.youtube.com/watch?v=LkoVvm6KOq0
6. *Interview with José Iturrios on PRA I achievements - Canal N second part* http://www.youtube.com/watch?v=3kVf3lEh4ew
7. *Pictures of the PRA Project's Second Phase Launch Event* http://www.youtube.com/user/ProyectoPRAII#p/u/21/oZkhj2QhFxg
8. *Puno ESC Opening Ceremony* http://www.youtube.com/watch?v=24V_R8QU5cs
9. *Cusco ESC Opening Ceremony* http://www.youtube.com/watch?v=6eZY8DHz3tQ
10. *Madre de Dios ESC Opening Ceremony* http://www.youtube.com/watch?v=LTwoWMElfmA
11. *Ayacucho ESC Opening Ceremony* http://www.youtube.com/watch?v=AZ3kMo9_WBg
12. *Expoalimentaria 2010 Report at Canal N about "The Andean and Amazonian Supermarket" exhibited by the PRA Project* http://www.youtube.com/watch?v=ztObrrYoFj0
13. *Expoalimentaria 2010 Report at TV Perú (Channel 7) about "The Andean and Amazonian Supermarket" exhibited by the PRA Project* http://www.youtube.com/watch?v=KmEanb10WqM
14. *Sierra Norte de Lima- Huánuco ESC Opening Ceremony* http://www.youtube.com/watch?v=1nlJY7dLTUw
15. *Interview with José Iturrios, PRA Project COP, at Nuevo Día program, in Arequipa, with the occasion of the Arequipa ESC opening* http://www.youtube.com/watch?v=bBAJHfCKt6A
16. *Interview with José Iturrios, PRA COP, at the Linea de Fuego program, in Arequipa, on the occasion of the Arequipa ESC opening* http://www.youtube.com/watch?v=WZDfto7wURc
17. *Interview with USAID's Deputy Director Andrew Herscowitz- UCV Satelital Channel - La Libertad* http://www.youtube.com/watch?v=CfNrcPkJW_o
18. *Institutional video about the agreement between USAID and Supermercados Peruanos* http://www.youtube.com/watch?v=EtRoS1NFzpA
19. *Report by Channel 9, ATV News, during the signing of the agreement between USAID and Supermercados Peruanos* http://www.youtube.com/watch?v=PHrA_d4FCqM
20. *Report by Channel 7, national television, during the signing of the agreement between USAID and Supermercados Peruanos.* http://www.youtube.com/watch?v=khvKKxaVbqc
21. *Report by Channel 2 during the signing of the agreement between USAID and Supermercados Peruanos Company* http://www.youtube.com/watch?v=c504tOo6hY8
22. *Channel 7 Report on PRA participation at Expoalimentaria 2011* http://www.youtube.com/watch?v=dM3_Mkb29Zo
23. *Report about quinoa in Expoalimentaria by "Nuestra Tele" Channel* http://www.youtube.com/watch?v=TCF6G6M--lQ
24. *Interview with José Iturrios, PRA Project COP and Yolanda Fernandez, producer of Huancavelica, about the USAID´s Quinoa Campaign at RPP Channel* http://www.youtube.com/watch?v=ybG3ypSkxa0
25. *Signing of MOU between USAID and Sierra Exportadora Program* http://www.youtube.com/watch?v=NbhB41aNZ9o
26. *Report "La Ruta de la Quinua" by Panamericana Televisión (Channel 5).* http://www.youtube.com/watch?v=lx_uZCLL0Fc
27. *Institutional video about the promotion of Peruvian scallops in Ancash.* http://www.youtube.com/watch?v=fgCigWwt2W8
28. *Institutional video about peach production for the Ecuadorian market* http://www.youtube.com/watch?v=lZsT8NZe-DE
29. *Statement of the President of the Council of Ministers, Oscar Valdés, after the signing of MOU between USAID and SIEX (Willax TV)* http://www.youtube.com/watch?v=fhTjXntrfkY&list=UUtz2brIpqkhtRAytqayfGcA&index=9&feature=plcp
30. *Forum: Lessons from the PRA-USAID Project.* http://www.youtube.com/watch?v=35pJWIeXJRw&list=UUtz2brIpqkhtRAytqayfGcA
31. *Minister Gladys Triveño's final comments at PRA Conference. Diario Gestión* http://www.youtube.com/watch?v=VoEntT7PG8Q&feature=relmfu

32. *Gladys Triveño, Peruvian Production Minister at PRA Conference*
http://www.youtube.com/watch?v=VMi5svliqf0&list=UUtz2brIpqkhtRAytqayfGcA&index=4&feature=plcp

33. *PRA Project Conference: The Production Development and Poverty Reduction Challenge*
http://www.youtube.com/watch?v=DuCcf9mAUEg&list=UUtz2brIpqkhtRAytqayfGcA&index=5&feature=plcp

34. *PRA integrates 10 thousand small producers with the markets*
http://www.youtube.com/watch?v=TwIM8pJHt1E&list=UUtz2brIpqkhtRAytqayfGcA&index=7&feature=plcp

35. *Gladys Triveño: "The Ministry of Production has programs that do not work"*
http://www.youtube.com/watch?v=i3tghPYQxEE&list=UUtz2brIpqkhtRAytqayfGcA&index=8&feature=plcp

36. *José (Pepe) Iturrios talks about his experience as PRA CoP*
http://www.youtube.com/watch?v=DDg7yP1qMw0&feature=plcp

A.8.6 Surveys

Although surveys could have been a useful tool to determine whether key messages among targeted audiences were helping to achieve contract results, they were not deemed necessary as the project proved to be very well positioned among the business community, policymakers, international cooperation and multilateral development organizations, and academia.

The two most important government production development programs have been deeply interested in using PRA's buyer-led approach. In one case, Sierra Exportadora signed an MOU with USAID to mainstream the PRA model in its operations. In the other, PRA has provided the Coopera Perú program with advice and training on how to operate according to a market and demand-driven approach.

The project experience has been studied by researchers and consultants. The most important publications are the following:

- James Riordan, *We Do Know How. A Buyer-Led Approach to Creating Jobs for the Poor*. A book on the PRA experience and the implementation of its model in 15 other countries.
- The Office of the President of the Council of Ministers issued the publication "Experiencias Sugerentes de Programas y Proyectos en la Sierra" in July 2011. The document was written by Rosa Flores and included the PRA experience.
- "Business Integration and Formalization: Lessons from Development Experiences in Peru and the Dominican Republic" by GRADE researcher Juana Kuramoto. Along with USAID's Rural Economic Diversification project in the Dominican Republic, the PRA project was researched by Dr. Juana Kuramoto to analyze the plausible relationship between the effects of business integration and the likelihood of small businesses to become formal.

One of the most significant events for PRA positioning was the conference "The Production Development and Poverty Reduction Challenge - Lessons from USAID-PRA Project," where James Riordan presented his book We Do Know How (June 2012). At that event, Angélica Matsuda, National Competitiveness Council's Executive Director, praised PRA achievements and suggested that the PRA principles presented by Dr. Riordan could also be applied to public policies and programs. Likewise, Minister of Production Gladys Triveño publicly acknowledged herself a fan of PRA, and admitted that many public development programs did not work and should be canceled. She praised PRA for ensuring sustainable results for project beneficiaries. "What PRA does is to close circles. The circle is closed when a beneficiary, on whom we have directly invested resources to provide them with capacity, manages to sell their production to the buying company and the trade relationship continues over time," she declared. The conference's press coverage highlighted Minister Triveño's strong statements based on the PRA experience and lessons, and spotlighted her recognition for PRA achievements.

In addition, PRA has attracted the attention of development organizations. The project's team had several meetings with Inter-American Development Bank's senior specialists Claudia Suaznabar, Gregorio Arévalo, and Jaime Gisecke, who were interested in having a deeper knowledge of the project's experience and plans. The Bank's consultants María Angélica Vega and Miluska Vucetich (working on a suppliers' development scheme), Agnes Franco (consulting on designing a national organization to foster competitiveness), and Pedro Sierra, a renowned international expert on innovation, also visited PRA's main office to discuss about the project's experience and know-how.

POLICY DIALOGUE: BARRIERS IDENTIFIED AND ACTIVITIES

B.1 Barriers to Trade and Investment in PRA Corridors

LEGAL FRAMEWORK

Type of Barrier	Barriers Identified
Need to fight informality (4 barriers identified)	• **PUNO:** It is crucial to combat the extreme informality, smuggling, asset laundering, and drug trafficking pervasive in Puno. In this respect, RUC (taxpayer registration number)-related procedures should be expedited and a communications policy should be introduced to show producers the importance of formalization for competitiveness.
	• **CUSCO:** Tax policy should promote formalization and tax compliance. Incentives should be put in place to encourage producers to establish relations with larger firms as suppliers.
	• **SIERRA NORTE DE LIMA-HUANUCO:** Informal trout production is widespread in the Lima Region (especially in the Province of Oyón). Producers are not registered with the Regional Government's Production Directorate *(Dirección de Producción)*.
	• **LA LIBERTAD:** The commercialization of inputs and outlawed products promoted by informal mining should be subject to strict control.
Little progress in natural resource management (5)	• **PUNO:** There has been no progress in the management and protection of natural resources (use of hydric resources, pasture improvement, control of vicuña hunting) over the last three years.
	• **JUNIN-PASCO:** Specific regulations should be issued for vicuña shearing in farmer communities. Responsibility in this field lies with the Regional Government's Agriculture Directorate *(Dirección de Agricultura)*.
	• **AREQUIPA:** The Penal Code does not consider poaching as a legal offense, although a law in place (Law 26496, 1955) specifically prevents vicuña poaching.
	• **MADRE DE DIOS:** Forestry legislation requires presentation of a single document, the Forest Management Plan, to guide short- and long-term management. In addition, all concession contracts require annual presentation of an Annual Operating Plan (POA).
	• **MADRE DE DIOS:** The Comunidad Nativa Bélgica operating plan is scheduled to be approved after the deadline set by D.S. 019-10 AG to access a mahogany export quota. Modification is needed of the legislation, which affects native communities whose operating plans are approved after closure of export quotas.
An adequate legal framework for environmental protection and use of biodiversity resources is needed (3)	• **AYACUCHO:** Use of pesticides, agrochemicals, and fungicides should be regulated to prevent abuse and health hazards. In the VRAEM (the Apurímac, Ene and Mantaro Rivers Valley), a plan should be implemented for appropriate use of agrochemicals in cocoa plantations. Agrochemicals contaminate the environment and affect the cultivation of organic cacao and coffee.
	• **ANCASH:** Agrochemicals are often adulterated impairing small farmer crops. Quality control on agrochemicals should be enforced in the region.
	• **CUSCO:** A legal framework should be put in place to protect the biodiversity in Andean regions and promote sustainable development of gourmet or specialized market niches.
Need to update and enforce sanitary control mechanisms (3)	• **JUNIN-PASCO:** Regarding sanitary regulations, the Regional Government has not updated its control programs, and the 1998 regulatory legislation (DS 007 SA) is still in force. Appropriate development plans for new products, such as quinoa and sheep milk, among others, are not yet in place. There is a disconnect between the authority's capacity and the region's development possibilities and new promising products. The Regional Government's operations in this field are based on routine supervision.
	• **PUNO: DIGESA's** (General Directorate of Environmental Health) sanitary regulations and control programs for implementing cheese plants have not been updated. Operations at the Ayaviri plants have not been formally authorized (a requirement for exporting).
	• **SIERRA NORTE DE LIMA-HUANUCO:** The communities of the Oyón Province do not comply with sanitary livestock regulations (especially vaccination). Anthrax outbreaks occur regularly.
Need to set up technical standards and designation of origin (3)	• **CUSCO:** Technical norms should be introduced to promote the normalization of seed quality and protect the germ plasm. Official technical guidelines are in place for the cultivation of white quinoa, but not for color varieties.

LEGAL FRAMEWORK (Continued)

Type of Barrier	Barriers Identified
Need to set up technical standards and designation of origin (3)	• **CUSCO:** Standardization of the technical norm for alpaca fiber should be promoted, with an aim of formalizing organized work without affecting producers. • **PUNO:** There are no technical norms to discriminate between first-, second-, and third-category quinoa and cañihua grain according to size and contrasting varieties. • **PUNO:** Technical norms for categorized and classified fiber should be updated, and 18-micron royal fiber (the finest) should be included, as it has not yet been recognized by the industry. • **PUNO:** Technical norms for sheep wool classification and exporting are not in place. Designation of origin-related procedures should also be started. • **PUNO:** Technical norm NTP.209.051:2006 for beef and beef products establishes specifications for dried meat, but does not include specific parameters for alpaca meat. • **JUNIN-PASCO:** Technical regulations, norms, and standards for exporting fresh ginger are needed.
	• **CUSCO:** Origin certification for Cusco-style corn should be further pursued to promote commercialization. • **PUNO:** Designation of origin for quinoa from the Puno Andean Plateau has not yet been obtained.
	• **HUANCAVELICA:** There are problems with the norm for the commercialization of fine hairs. While the market standard for fine vicuña hair is 2 cm, the proposed norm established a minimum length of 1 cm, affecting access to foreign markets.
Decentralization of government functions required (2)	• **AREQUIPA:** The Ministry of Agriculture has transferred some of its functions to the Camelids Area of the Regional Government of Arequipa. However, the latter needs authorization from Lima to approve vicuña management plans (local communities' roadmaps), resulting in considerable delays.
	• **JUNIN-PASCO:** All applications for forest management plans are submitted to Lima for authorization, a process that can take six months. In practice, implementing a forest or environmental activity takes around one year. Effective decentralization should be achieved so that decisions/authorizations are issued by the regions.

INFRASTRUCTURE

Type of Barrier	Barriers Identified
Insufficient road infrastructure and lack of maintenance, particularly in local and secondary roads (9)	• **ANCASH:** Secondary roads need maintenance, particularly the Catac-San Marcos road and the Huari-Chingas road which are relevant to transport aguaymanto and corn output.
	• **AREQUIPA:** Access to the high areas is mostly via gravel roads (Sibayo-Caylloma, Caylloma-Orcopampa, Tolconi-Huaracopalca, Huaracopalca-Checotaña, and Checotaña-Chua), which affects the alpaca fiber, vicuña fiber, and trout businesses. Difficult access via Orcopampa-Andagua-Chachas affects the dairy business in Chachas.
	• **AYACUCHO:** Lack of an appropriate maintenance program for roads leading to production zones raises costs considerably. Access to the VRAEM cacao and coffee plantations is mostly via dirt roads, which makes it difficult for producers to transport their output to the markets.
	• **CUSCO:** While there has been progress in infrastructure development in the region, more is required to improve inter-district and inter-province connectivity. A road maintenance program should also be introduced. Greater connection between the national and regional governments is needed to develop the necessary roads for connecting producers with regional, national, and export markets.
	• **HUANCAVELICA:** Regarding the road network, with the exception of the road from Huancayo, which is paved, all other roads are in bad state and/or are gravel roads or carriageways such as those from Ica to Ocoyo, Pampas, Churcampa, Paucará, Acobamba, Ccochaccasa, and Lircay.
	• **JUNIN-PASCO:** While there has been important progress in the implementation and improvement of the region's road infrastructure, the construction of many road connections to towns around the country is still pending. Most works are being implemented by the *Programa Provías Descentralizado*, but without coordination with either the Regional Transportation & Communications Directorate *(Dirección Regional de Transportes y Comunicaciones)* or the Regional Government's Economic Development Department *(Gerencia de Desarrollo Económico)*. The train service between Huancayo and Huancavelica is irregular; this service should be enhanced.

INFRASTRUCTURE (Continued)	
Type of Barrier	**Barriers Identified**
Insufficient road infrastructure and lack of maintenance, particularly in local and secondary roads (9)	• **LA LIBERTAD:** The penetration roads to production zones, including Huamachuco-Puente Pallar, Puente Pallar-Chagual, Chagual-Pataz, and Retamas, should be improved.
	• **MADRE DE DIOS:** Access roads are necessary to interconnect the Maderera Tawari concession with the public transportation network and mobilize timber to the processing centers and the markets. A road is required to access ASCART's industrial plant (there is only a carriageway, which cannot be used in the rainy season).
	• **PUNO:** Many businesses in Puno are located in remote areas. Access is very difficult, as producers associations can only be reached via dirt roads. The road to Pucara, Juliaca, and Puno is in bad state, even though a road toll is levied in Ayaviri.
Lack of energy supply (2)	• **HUANCAVELICA:** Expansion of triphasic energy usage is needed in order to develop a small transformation industry.
	• **MADRE DE DIOS:** The entire Alerta-Iberia-Iñapari axis lacks industrial electricity. Public energy provided by the San Gabán interconnected system is insufficient to support the industrialization of the area's considerable timber potential. For example, client company ASCART has no access to the interconnected electricity system.
Need to set up infrastructure for Internet access (1)	• **ANCASH:** Internet access should be provided, particularly in rural areas. • **LA LIBERTAD:** Internet services should be implemented in the Chagual area (Pataz). • **PUNO:** It is necessary to help producers gain Internet access. Use of e-mail facilitates access to recent commercial and technological information.
Serious deficiencies in production infrastructure: irrigation canals, gathering centers for agricultural produce, fences for cattle, cattle shelters, slaughterhouses (8)	• **ANCASH:** More irrigation systems and canals are needed.
	• **AREQUIPA:** Peru is the world's first producer of alpaca fiber. An appropriate production infrastructure should be established in the high Andean zones (the natural habitat of the alpaca), mainly gathering centers, sheds, slaughterhouses, and shearing yards in the provinces of Castilla, Condesuyos, and La Unión in the Arequipa Region.
	• **CUSCO:** A small program is needed to facilitate access to specialized machinery for harvesting and post-harvesting activities, as well as the installation (or improvement) of pre-processing or finishing plants, with an aim to develop regional technologies, complementary services to create value added, and regional capacities.
	• **LA LIBERTAD:** Production infrastructure — irrigation canals and water reservoirs — should be enhanced to secure two yearly harvests.
	• **MADRE DE DIOS:** Arrangements have been made to ensure participation of the *Proyecto Especial Madre de Dios* in the installation of a water reservoir to modernize irrigation of the plots owned by the members of Asociación Heredias, a project client.
	• **PUNO:** It is important to promote investment in production infrastructure. Fences are necessary to ensure optimum pasture management for alpaca and sheep farming; and sheds are needed to protect against heavy rainfall, hail, and low winter temperatures (aggravated by climate change). It is necessary to establish gathering centers in areas with a high concentration of alpaca and sheep farms, such as Antauta, Ñunoa, Macusani, Santa Rosa, and Cupi. Only one shearing yard and a few storehouses have been built with assistance from *Veterinarians Without Borders* (France) in Paratía (Lampa). Additionally, specialized machinery for quinoa and cañihua transformation (threshing machines, combine harvesters, and optical selectors) is required to enhance productivity. Lack of certified slaughterhouses in Azángaro affects the development of the alpaca meat industry.
	• **SIERRA NORTE DE LIMA-HUANUCO:** Production infrastructure is deficient, particularly regarding irrigation canals and irrigation systems.
	• **SIERRA NORTE DE LIMA-HUANUCO:** A slaughterhouse is required in Oyón, particularly to promote the lamb and mutton industry.

INNOVATION AND TECHNOLOGY	
Type of Barrier	**Barriers Identified**
Lack of technological transfer programs (11)	• **LA LIBERTAD:** Technological transfer (e.g., irrigation techniques, new crops like quinoa and artichoke) has not been implemented in the region.
	• **CUSCO:** A system for accessing information on research progress in universities and entities/companies specialized in technological development should be put in place.
	• **CUSCO:** Proposals should be submitted to the Regional Government's recently established Science and Technology Directorate *(Dirección de Ciencia y Tecnología)* to systematize the progress achieved so far and promote the development of prototype harvesting and post-harvesting equipment.

INNOVATION AND TECHNOLOGY (Continued)	
Type of Barrier	**Barriers Identified**
Lack of technological transfer programs (11)	• **PUNO:** Suitable management and production methodologies for crops such as rice and wheat to avoid grain waste should be standardized and implemented.
	• **PUNO:** Genetic improvement, e.g., disseminating procedures developed by INIA (National Agricultural Innovation Institute), PACOMARCA (Grupo INCA), and Mallquini (Michell) and the use of embryo transfer, should be promoted.
	• **ANCASH:** The science and technology institutions lag behind actual needs for technological development in the region. The PRA project alone took two years to successfully validate the technological package to introduce the aguaymanto cultivation in the region.
	• **AREQUIPA:** Technological innovation in the alpaca fiber business is associated with embryo transfer for the medium-term genetic improvement of the Suri and Huacaya breeds, with an aim to produce higher-quality fiber in line with market demands. This information was provided by the Regional Coordinator of Domestic Camelids *(Coordinador Regional de Camélidos Domésticos)* of the Regional Agriculture Department's *(Gerencia Regional de Agricultura)* Agricultural Promotion Section *(Subgerencia de Promoción Agraria)*.
	• **CUSCO:** A closer relationship with research bodies like INIA and other public and private entities, with follow-up to ensure concrete results, should be promoted.
	• **PUNO:** Technological transfer should be emphasized to promote the production of alpaca meat (processing, improvement, and innovation).
	• **PUNO:** This should go hand-in-hand with the development of technical regulations, normalization, quality standards, plant authorizations, trademarks, bar codes, sanitary register, etc.
	• **PUNO:** An applied research policy for Andean grains is not in place. It is important to promote water harvesting techniques via use of water springs, water sources, and micro- and mini-reservoirs; use of quinoa production methods that minimize grain loss; and establishment of seedbeds to secure high quality.
Need to build technological infrastructure and laboratory experts in the regions (3)	• **PUNO:** A small meteorological station to provide producers with weather information for planning cultivation and preventing damage from hail, frost, or drought should be implemented.
	• **PUNO:** Much time could be saved by establishing a product analysis laboratory in the Puno Region (currently samples need to be sent to Lima and Arequipa).
	• **AYACUCHO:** Lack of experts for the certification and analysis processes in the area (sophisticated processes must be performed in Lima).

INFORMATION PROVISION AND MARKET PROMOTION	
Type of Barrier	**Barriers Identified**
Lack of market information system to guide producers and investors on prices, market trends, and business opportunities (4)	• **AYACUCHO:** Most producers lack commercial and market information. As a result, often they sell their output to gatherers at very low prices. • **AYACUCHO:** Institutions in charge of providing market information (domestic and foreign purchasing firms) lack an updated database. • **ANCASH:** There are no official channels for trade information (prices and opportunities) that can be used to inform sale or cultivation decisions.
	• **HUANCAVELICA:** The Regional Government does not have a market information system that can reach medium and small agricultural and other producers. • **AREQUIPA:** The Regional Trade and Tourism Department, in charge of information provision and market promotion, focuses mainly on tourism but is in the process of updating a database for assisting entrepreneurs interested in investing in productive and sustainable businesses. • **JUNIN-PASCO:** Currently the promotion of commercial activities covers mostly local fairs, but some of them are gaining national relevance. The Regional Government's Trade and Tourism Directorate *(Dirección de Comercio Exterior y Turismo)* identifies 10 regional and national fairs registered in the national fair calendar. The Ministry of Agriculture registers 7 provincial, 13 regional, and 5 national festivals/fairs, among them the Junín Maca Festival, the Yauris General Agricultural Fair, the Pichanaki Coffee Festival, the Pangoa Cacao Festival, and the Satipo Orange Festival. In addition, almost all towns carry out weekly fairs.
	• **CUSCO:** The information on markets, technical norms, and export/import processes provided by PromPerú is insufficient to support rural producers. An organization in charge of providing specialized market information and information on technical norms and export/import processes should be established. • **JUNIN-PASCO:** There are no official channels for trade information (prices and opportunities) that can be used to inform sale or cultivation decisions for export crops. Little progress has been made in this field. PromPerú's efforts are still limited in coverage.

INFORMATION PROVISION AND MARKET PROMOTION (Continued)	
Type of Barrier	**Barriers Identified**
Lack of market information system to guide producers and investors on prices, market trends, and business opportunities (4)	• **PUNO:** The Ministry of Agriculture must disseminate the advantages of consuming alpaca meat (mainly low cholesterol, compared to red meat). • **PUNO:** The Ministry of Agriculture should inform producers and entrepreneurs about market trends, such as the advantages of producing organic crops. Products like quinoa have a potential for linking poor producers to formal firms' production chains.
CAPACITY BUILDING	
Type of Barrier	**Barriers Identified**
Lack of capacity building on management capacities and general entrepreneurial topics (1)	• **CUSCO:** Technical assistance programs to promote management capacities, entrepreneurial initiatives, and commercial actions, in association with other institutions, should be encouraged. • **CUSCO:** A savings and credit culture, which is part of a financial inclusion strategy and key to ensuring business sustainability, should be promoted. • **CUSCO:** Agreements with institutions and/or universities to support implementation of certain methodologies, e.g., certification of environmental, farming, shearing, and textile promoters, should be encouraged. • **CUSCO:** Technical assistance programs to improve negotiation aspects, such as trade agreements, prices, and costs, should be promoted.
Lack of market approach (2)	• **AYACUCHO:** Most institutions providing technical assistance do not consider market conditions. Prior to initiating operations, producers must be informed about product requirements and market prices.
	• **AREQUIPA:** Most professionals (agricultural engineers and farming and textile experts), hired by the regional government and local governments provide training with a supply, not a market, approach. The ESC assists them with trade issues to add value to their activities. Limitations have been identified regarding agricultural, livestock, dairy, and textile businesses.
Lack of capacity building on agricultural, cattle breeding, and trout farming techniques (7)	• **PUNO:** Applied training is required for agricultural techniques, for example obtaining results in demonstration plots and replicating them later on a larger scale. • **LA LIBERTAD:** Additional training is required for the design of water harvesting techniques during the dry season, and for achieving two yearly harvests. • **ANCASH:** Substantive training on soil management, use of fertilizers, and rational use of water is needed. Training on quality standards to meet market requirements is also needed. • **AYACUCHO:** Farmers should receive training in fertilizer management and soil techniques to maximize the impact of rainfall.
	• **ANCASH:** Training on organic agricultural techniques, standards, and traceability is needed, in line with what PRA has done with avocado and aguaymanto.
	• **LA LIBERTAD:** Best farming practices for the quinoa, amaranth, dairy, and trout businesses should be promoted. Additional training is required for agricultural and farming techniques, including reconversion of Fuerte avocado into Hass avocado, genetic improvement of cattle to enhance beef and milk production, and use of silos.
	• **SIERRA NORTE DE LIMA-HUANUCO:** There is insufficient knowledge of trout farming in Oyón, quinoa cultivation in the district of Ámbar, and aguaymanto cultivation in the district of Cochamarca, and deficient technical management of peach cultivation in the district of Cochamarca.
	• **HUANCAVELICA:** In the animal husbandry area, shearing techniques should be improved as the obsolete tools currently used affect the product quality.
	• **PUNO:** Regarding alpaca fiber, shearing and classification experts should be trained in the implementation of best practices.
	• **PUNO:** In all cases, especially in the processing of beef derivatives, compliance with Good Manufacturing Practices and implementation of the HACCP Plan for slaughtering and processing of meat products (charqui) should be emphasized. Product normalization and traceability should be reinforced. The latter has been addressed by the Puno ESC in the cases of alpaca charqui and trout production.
Lack of field experts and personnel (4)	• **HUANCAVELICA:** Public institutions lack field experts, especially for alpaca and vicuña farming, and for high-altitude crops (native potatoes and maca).
	• **HUANCAVELICA:** The technological transfer of old (corn, potatoes, cereals) and new (oats, quinoa) crops is inadequate. Further, at times it is provided by poorly trained personnel or is insufficient.

CAPACITY BUILDING (Continued)	
Type of Barrier	**Barriers Identified**
Lack of field experts and personnel (4)	• **HUANCAVELICA:** It is necessary to complete the implementation of SENATI (National Industrial Labor Training Service)-Huancavelica, an institution recently created with contributions from Buenaventura and the regional government (currently only the room space is in place).
	• **MADRE DE DIOS:** There are no qualified personnel for forest operations such as certification, forest exploitation, or timber drying. Therefore, initiatives such as enhancing the capacities of the *Instituto Nacional Tecnológico de Iberia* and creating a school for forestry workers should be launched.
FINANCING	
Type of Barrier	**Barriers Identified**
Need to improve financing conditions and adapt them to production conditions and characteristics such as seasonality (4)	• **JUNIN-PASCO:** One of the main problems in the sector is the lack of a credit culture among farmers who still do not have access to credit services. Coverage is extremely low, around 5% of the potential market.
	• **LA LIBERTAD:** Financing access and conditions to support production growth should be improved. Interest rates continue to be high. • **ANCASH:** Financing availability and conditions should be improved. Interest rates continue to be high. Financing needs in rural areas are quite different from financing needs in urban areas. Loan conditions should be adjusted to the cycles of agricultural production. • **PUNO:** Bank financing conditions should be adapted to rural businesses' seasonal conditions. For example, the alpaca fiber production calendar begins in November and ends in March-April. In the case of trout production, sales and profits can only be made after the end of the harvest season (lasting 9 months). • **JUNIN-PASCO:** Producers lack adequate access to working capital, including capsicum producers in San Martín de Pangoa-Satipo-Junín, communities interested in implementing sheep milk farming in Junín and Pasco; producers interested in expanding cultivation areas for jalapeño chilis in Chanchamayo and Satipo; and producers interested in implementing aguaymanto cultivation areas in Comas-Concepción.
	• **ANCASH:** Financial operations for agricultural activities whose farmers have a secure buyer and are supported by the project should have less severe conditions since their risk profile is much lower.
	• **ANCASH:** Many small farmers do not have title deeds on their land that may allow them to access bank financing. Helping them obtain these formal property documents will be a significant development toward their integration with the market.
Need to improve AGROBANCO's financial facilities (3)	• **AREQUIPA:** Access to Agrobanco credit if difficult, as financial assessments require collateral, and disbursements are not based on the production cycle. Producers should be provided with property titles that can be submitted to Agrobanco as collateral. • **AYACUCHO:** A majority of farmers do not have access to Agrobanco financing, as assessments are overly long and tedious, and credits are approved too late, when they are no longer needed. In the VRAEM region there is little information about financing options. Banking institutions operating in the area are mostly private and extend credit at high interest rates.
	• **AYACUCHO:** Work is underway with local financial entities, such as Cooperativa Santa María Magdalena (which provides funding for the amaranth, quinoa, and purple corn businesses) and Finca (which financed the green broad bean business) to provide credit at an interest rate that is accessible to farmers. Agrobanco offers lower interest rates, but procedures are cumbersome and lengthy.
	• **HUANCAVELICA:** Agrobanco, the financial entity that is closest to producers, is not proactive; does not provide disbursements in a timely manner; and operates based on collateral rather than on the production cycle. Currently the government's policy focuses on increasing the provision of credit through Agrobanco, instead of implementing a comprehensive policy to reduce the risks associated with farming investment in high Andean areas, thereby diminishing interest rates. In this regard, it is necessary to deepen the land titling process to guarantee producers' and associations' property rights, and to expand the use of farm insurance, aligning coverage with costs.

FINANCING (Continued)	
Type of Barrier	**Barriers Identified**
Need to set up guarantee funds and promote insurance (2)	• **ANCASH:** A guarantee fund to cover private banks' and savings banks' loans provided to small farmers located in remote areas would be a significant tool to facilitate financing in low-income rural zones. • **LA LIBERTAD:** Financial conditions for productive purposes should be improved, e.g., financing watering systems to ensure two yearly harvests. In this respect, a regional guarantee fund to obtain funding and reduce the financial system's risk perception should be created.
	• **JUNIN-PASCO:** "Catastrophe insurance," launched by the national government in 2011 and expanded in 2012, has not met with wide acceptance. Its administration is entrusted to Mapfre insurance company. While it would be advisable to use as collateral to obtain financing for production activities (contributing to reducing credit costs associated with climate risks), it remains largely unused. Our visits have contributed to increasing awareness among operators, who now consider it a good option to serve producers who have not been reached yet.

B.1 PRA Coordination Work with National, Regional, and Local Authorities

ESC	Government Body	Activities Undertaken
Ancash	Regional Government	The Ancash ESC coordinated with the Ancash Regional Government to motivate it to use the PROCOMPITE facility to foster production development projects in the region.
	District Municipality of Huachis	A cooperation agreement has been signed to finance the implementation of several businesses in the district of Huachis. The ESC worked closely with the Huachis Municipality to undertake projects on aguaymanto and tree tomato. The local government contributed with seedlings and fertilizers while the PRA project provided technical assistance and access to market information.
	District Municipality of San Marcos	The project worked closely with the San Marcos Municipality to provide co-financing resources for aguaymanto and quinoa growers.
Arequipa	Regional Government	PRA has engaged the Economic Development Office, the Regional Agriculture Office, and Arequipa's Textile and Garment Chamber of Commerce as part of its strategy to promote the alpaca and vicuña fiber businesses.
	District Municipality of Chilcaymarca	Preparation of 10 and 5 hectares in Chilcaymarca and Huylluco, respectively, for the cultivation of white quinoa, made possible by an agreement between local communities and municipal authorities.
		Chilcaymarca mayor Mario Yauri led a community initiative to authorize the use, as demonstration fields, of one hectare for the cultivation of red quinoa and two hectares for the cultivation of broad beans, and to purchase a tractor.
	District Municipality of Chachas	The ESC has formed a strategic partnership with the Municipality of Chachas, which has authorized the use of a municipal plant to produce mozzarella cheese for the firm Biomozzarella and to facilitate the purchase of raw material.
		Chachas mayor Mario Ascasihuilca led an initiative to promote the Junta de Administración de Tolconi's alpaca fiber business. An efficient use of the Tolconi Gathering Center has resulted in better production organization, producer empowerment, and business sustainability.
	Provincial Municipality of Condesuyos	Arrangements were made with Mayor Miguel Angel Manchego to promote the quinoa business. The Municipality provides seeds and PRA supports the initiative with technical assistance. PRA has also provided technical assistance for the production of ripened cheese.
Ayacucho	Regional Government	Business promotion at the regional level is coordinated with the Regional Agriculture Office *(Gerencia Regional de Agricultura)*, under the conduction of engineer Julio Vicente Salas.
	District Municipality of Huancasancos	Coordination undertaken by the ESC: promotion of four-pedal looms' use (which are traditional in the area), with an aim to support local company Allpa's plans to develop special alpaca fiber designs; identifying the potential for increasing sheep wool sales to Puno and Lima; and developing the washing, carding, and spinning processes to supply Ayacucho's textile handicraft market with higher quality sheep wool.

B.1 PRA Coordination Work with National, Regional, and Local Authorities (Continued)

ESC	Government Body	Activities Undertaken
Ayacucho	District Municipality of Ocros	Promotion of red and black quinoa cultivation; support in developing the production of local crops, such as tarwi, grain legumes, Hass avocados, and native potatoes to the market. Regarding manufacturing activities, an artisan from Macedonio Palomino's workshop was brought in to teach embroidering techniques to women of the Mayabamba and Cruzccasa communities, and to assist them in increasing the supply of sheep wool yarn (which has been scarce lately).
	District Municipalities of Huanta, Ocros, and Huancasancos	Arrangements have been made with the Economic Development representatives of the Municipalities of Huanta, Ocros, and Huancasancos to provide the communities of Laupay, Picas, Santillana, and Culluchaca with five drying facilities; and to implement a modern irrigation system and a gathering plant through PROCOMPITE for their aromatic herbs businesses.
Cusco	PromPerú Macro-Regional Office	Support in technical assistance, information, connections, and commercial events.
	Regional Government	Joint actions and proposal exchanges have been made with the Regional Government's General Manager's Office, the Economic Development Department, the Regional Trade and Tourism Directorate, the Regional Agriculture Directorate, and the South American Camelides Regional Special Project. Presentations about specific business initiatives have been made. The Regional Government's offices indicate that the promotion actions should emphasize inclusion, poverty reduction, articulation of high areas and intermediate towns, and businesses that can be developed in at least 3 provinces.
		PRA cooperated with the Regional Government in *Perú Moda, Cusco Always*, Cusco's *Festival de Camélidos*, and the commercialization of alpaca and vicuña fiber. PromPerú and the Cusco Chamber of Commerce & Tourism also participated in these initiatives.
		Through the Regional Directorate of Agriculture, the project has provided support to the amaranth, corn, and quinoa businesses.
	Provincial Municipalities of Anta, Acomayo, and Paruro	Promotion of the milk, artichoke, amaranth, and quinoa businesses.
	District Municipalities of Limatambo, Ancahuasi, San Salvador, Maras, Ollantaytambo, Ocongate, and Marcapata	The project supports the garlic, corn, hot pepper, textile, and alpaca and vicuña fiber businesses by providing transportation, venues, lectures, and junior specialists.
Huancavelica	Regional Government	Specific arrangements have been made with the Regional Government regarding PROCOMPITES, as well as for improving product definition and supporting the establishment of norms.
	Provincial Municipality of Huaytará	Promotion of avocado and dairy goods production in the Ocoyo, Huaytará and Córdova communities.
	Provincial Municipality of Tayacaja; District Municipalities of Acraquia and D. Hernández	Coordination to promote color quinoa cultivation through the provision of premises and snacks for training workshops.
Junín-Pasco	Municipality of Huancamaba National Park Service of Peru – SERNAMP	Business promotion undertaken in the buffer zones of Oxapampa's "Parque Nacional Yanaghaga-Chemillen."

B.1 PRA Coordination Work with National, Regional, and Local Authorities (Continued)

ESC	Government Body	Activities Undertaken
Junín-Pasco	Provincial Municipality of Concepción	The ESC facilitated the setting up of a processing plant for Ecoandino client in Concepción.
	District Municipality of Ninacaca	Courses on trout farming were provided in the district.
La Libertad	Provincial Municipality of Sánchez Carrión; District Municipalities of Sanagorán, Marcabal, and Sartimbamba	Four governments in La Libertad's Sierra have implemented activities using the PROCOMPITE Initiative, in close collaboration with the La Libertad ESC, to improve competitiveness in production chains, namely the Provincial Municipality of Sánchez Carrión, and the District Municipalities of Sanagorán, Marcabal, and Sartimbamba.
	ARFIP (Regional Agency for Private Investment Promotion)	The ESC helped ARFIP prioritize investment projects.
Madre de Dios	National Agricultural Health Service-SENASA	In 2011 the ESC contributed with the surveillance and monitoring for plague and disease prevention.
	Agrobanco	In 2012 the ESC facilitated the improvement of financing conditions for forest concessionaires. Agrobanco approved a 5 million-nuevos-soles credit line for timber-yielding concessions, which was launched in Madre Dios as a pilot program. The ESC supported five clients in preparing the necessary documentation and meeting the requirements demanded by Agrobanco, of which three have already obtained financing amounting to 1,500,000 nuevos soles. The firms that have received financing from this credit line are: Aserradero Espinoza, Maderera Tawari, and Dalmacia SAC. It is an innovative initiative, by which the bank accepts the mortgage on concession rights as partial collateral for purchasing machinery and equipment, and the standing trees considered in the annual operating plan approved by the forest authority as partial collateral for working capital (up to one year). While the use of concession rights and standing trees as collateral has not yet been approved by the bank, the General Directorate of Forest and Wild Fauna continues to work toward this end.
	Regional Government	In 2011 the ESC helped promote post-harvest processes and commercial articulation of crops.
		In 2011 the ESC helped implement solidarity economy fairs involving the populations of Cobija in Bolivia; Asís, Brasilea, and Epitazolandia in Brazil; and Iñapari in Peru. The fairs facilitated direct commercialization of the region's (and later the macro-region's) products.
		The ESC participated in the EXPOAMAZÓNICA 2012 Fair, where contacts were made with importers of wood sheets, decorative veneers, and wood for tool handles.
Puno	Provincial Municipality of Melgar	Participation in the Task Force on Camelids (as a member of the Commercialization Committee) is expected to encourage regional presidents and district mayors to prioritize the development of the alpaca and sheep businesses (particularly production infrastructure, construction of gathering centers and shearing yards, and genetic improvement).
		Participation in Melgar's Task Force on Ovines to facilitate production and commercialization activities.
		The Municipality of Melgar does not have access to PROCOMPITE. A meeting was held with the Economic Development Manager and the Councilors, as a result of which it will be implemented. The Puno ESC considers that the required documentation is excessive and decelerates the process; on the contrary, it encourages application by associations and cooperatives.

B.1 PRA Coordination Work with National, Regional, and Local Authorities (Continued)

ESC	Government Body	Activities Undertaken
Sierra Norte de Lima	National Agricultural Health Service -SENASA	The ESC made arrangements with SENASA to carry out a vaccination campaign for communities' livestock. Three campaigns were carried out.
	Regional Government	The ESC has made arrangements with the Production Directorate of the Regional Government of Lima for the formalization of trout producers. An agreement will be signed and exploratory activities have already been developed.
		The ESC implemented workshops to train Oyón's silver jewelry artisans.
	Provincial Municipalities of Cajatambo and Oyón; District Municipalities of Cochamarca, Leoncio Prado, Manaz, and Santa María	Cooperation agreements designed to promote the peach, trout, and beef businesses.
	Provincial Municipality of Oyón	The ESC held discussions with the Oyón Mayor to assess the possibility of establishing a slaughterhouse in the province. The Municipality is designing the project outline.
	Provincial Municipality of Daniel A. Carrión	Two business plans from the Provincial Municipality of Daniel A. Carrión (Pasco), which were prepared by the ESC and submitted to PROCOMPITE, have been approved.
	District Municipality of Ambar	The project supported the Cherimoya Festival in the district of Ámbar, organized by the Municipality of Ámbar and Huacán's Producer Association.

IMPLEMENTATION OF USAID MEMORANDA OF UNDERSTANDING WITH RESOURCE PARTNERS

C.1 Ancash Corridor: USAID – Antamina – Clinton Giustra Sustainable Growth Initiative – Barrick MOU

Operator: Recursos SAC

The Ancash ESC was already operating before PRA II started, thanks to Antamina's funding after PRA I ended. The MOU to fund the Ancash ESC during PRA II was one of the first memoranda signed at the outset of the project during the launch ceremony in January 2010. Not only did Antamina commit to provide US$942,857 for a two-year period, but the Clinton Giustra Sustainable Growth Initiative (CGSGI) joined it as a resource partner at the launch ceremony, and Barrick followed suit later in September that year.

C.1.1 Committed and Disbursed Funds

Table C.1.1.1 provides a summary of the committed and disbursed funds by the ESC's resource partners. Table C.1.1.2 shows the disbursements by fiscal year.

Table C.1.1.1

Ancash ESC: USAID-Antamina-CGSGI-Barrick MOU Implementation Summary

MOU Period	MOU Signing Date	ESC Operating Period	Partner	Committed Funds (US$)	Disbursed Funds (US$) as of May 2013
Jan 1, 2010 - Dec 31, 2011	Jan 21, 2010	Sep 28, 2009 - Sep 30, 2012	Antamina	942,857	1,109,180
			CGSGI	314,162	331,397
			Barrick*	267,225	223,324
			USAID	310,500	468,189
			Total	**1,834,744**	**2,132,090**

* Barrick became a resource partner for the Ancash ESC in September 2010.

Table C.1.1.2

Ancash ESC: USAID-Antamina-CGSGI-Barrick MOU Implementation Disbursements by Fiscal Year as of May 2013 (US$)

Partner	FY2010	FY2011	FY2012	FY2013	Total
Antamina	198,890	507,465	387,079	15,747	1,109,180
CGSGI	159,133	172,264	-.-	-.-	331,397
Barrick	-.-	175,599	47,724	-.-	223,324
Total Resource Partners	358,023	855,328	434,803	15,747	1,663,901
USAID	71,139	121,287	252,358	23,405	468,189
TOTAL	**429,162**	**976,615**	**687,161**	**39,152**	**2,132,090**

C.1.2 Results

Sales in Antamina's priority zone reached US$3 million, surpassing the MOU period target by 98% (see Table C.1.2.1). However, sales beyond the MOU period, from January 2012 to June 2013, more than doubled the MOU period sales, amounting to US$6.2 million. More than 2,000 new jobs have been created in this zone during the project's life time.

Table C.1.2.1

Ancash ESC: Results in Resource Partners' Priority Zones

Priority Zone	MOU Implementing Period	MOU Period Sales Target (US$)	MOU Period Net Sales (US$)	% Sales Target Achieved	MOU Period New Jobs	Post MOU Period Sales through June 2013 (US$)	Post MOU Period Jobs through June 2013
Antamina's Priority Zone	Jan 2010 - Dec 2011	1,559,091	3,091,433	198%	696	6,248,631	1,313
Barrick's Priority Zone	Oct 2010 - Dec 2011	342,700	27,322	8%	10	25,401	6

Table C.1.2.2

Ancash ESC: Net Sales in Resource Partners' Priority Zones by Fiscal Year as of June 30, 2013 (US$)

Priority Zone	FY2010	FY2011	FY2012	FY2013	Total
Antamina's Priority Zone	184,827	2,025,555	3,858,220	3,271,462	9,340,064
Barrick's Priority Zone	-.-	19,363	33,360	-.-	52,723
Total	**184,827**	**2,044,918**	**3,891,580**	**3,271,462**	**9,392,787**

Table C.1.2.3

Ancash ESC: New Jobs in Resource Partners' Priority Zones by Fiscal Year as of June 30, 2013

Priority Zone	FY2010	FY2011	FY2012	FY2013	Total
Antamina's Priority Zone	37	453	972	546	2,009
Barrick's Priority Zone	0	7	9	0	16
Total	**37**	**460**	**981**	**546**	**2,025**

Incremental sales in the Antamina's priority zone were reported due to the following businesses: asparagus, by the company Santa Sofía; aguaymanto by Frudersel; tara by Agrifood; Peruvian scallops by Grupo de Maricultores; trout by Truchas de Laguna de Canrash; and organic avocado by Eurofresh, among others.

A business with an interesting impact in Antamina's priority zone was scallops, with client Grupo de Maricultores, consisting of four small companies that brought together a considerable number of artisanal fishermen from Huarmey. With PRA's support, the companies were connected with the market through the company Cultimarine and received technical assistance on the production process.

Businesses with Frudersel and Servicom were a very good alternative for the small producers of San Marcos, in particular, for the producers in Barrick's priority zone, as such businesses are adequate for the small suppliers' conditions, that is, farm size, weekly payment, shelter price, use of family labor, and secure market.

C.2 Huancavelica Corridor: USAID – Buenaventura MOU

Operator: Universidad del Pacífico

The Huancavelica ESC was already operating before PRA II began, thanks to Buenaventura's funding during and after PRA I. Buenaventura renewed its commitment with the Huancavelica corridor by signing this MOU with USAID to continue funding the ESC for 38 more months.

C.2.1 Committed and Disbursed Funds

In addition to providing additional funds as it had committed in the MOU, as well as USAID (see Table C.2.1.1), Buenaventura decided to continue funding the ESC once USAID resources were no longer available in April 2013.

Table C.2.1.1

Huancavelica ESC: USAID-Buenaventura MOU Implementation Summary

MOU Period	MOU Signing Date	ESC Operating Period	Partner	Committed Funds (US$)	Disbursed Funds (US$) as of May 2013
Feb 1, 2010 - Mar 31, 2013	Jan 21, 2010	Sep 28, 2009 - Ongoing	Buenaventura	549,042	649,311
			USAID	549,042	600,729
			Total	**1,098,084**	**1,250,040**

Table C.2.1.2

Huancavelica ESC: USAID-Buenaventura MOU Implementation Disbursements by Fiscal Year as of May 2013 (US$)

Partner	FY2010	FY2011	FY2012	FY2013	Total
Buenaventura	42,783	160,791	245,302	200,435	649,311
USAID	42,783	160,977	256,390	140,579	600,729
TOTAL	**85,565**	**321,768**	**501,692**	**341,014**	**1,250,040**

C.2.2 Results

Sales in Buenaventura's priority zone amount to US$132,772 in the MOU period. In addition, US$30,741 in net sales were generated from April to June 2013 (see Tables C.2.2.1 and C.2.2.2). The most relevant businesses reporting sales were: Asociación de Productores Alpaqueros Los Libertadores and Cooperativa Agropecuaria Rural Andina - Coopra (alpaca fiber), Comunidad Campesina de Huachocolpa (vicuña fiber), and Agrupación de Productores de Ocoyo (canary bean). These businesses had a material effect on the family income of the areas of Huachocolpa, Ccochaccasa, Ocoyo and Pilcchaca. Special mention must be made of the textile handicrafts, with Grupo de Artesanas Makyss and Asociación Qampaq Art, which contributed to improving the productive skills of 163 artisan women, increased their sales, and helped connect them to the market.

Table C.2.2.1

Huancavelica ESC: Results in Buenaventura's Priority Zone

MOU Implement-ing Period	MOU Period Sales Target	MOU Period Net Sales (USS)	% Sales Target Achieved	MOU Period New Jobs	Post MOU Period Sales through June 2013 (US$)	Post MOU Period Jobs through June 2013
Feb 2010 - Mar 2013	1,158,321	132,772	11%	118	30,741	11

Table C.2.2.2

Huancavelica ESC: Net Sales and New Jobs in Buenaventura's Priority Zone by Fiscal Year as of June 30, 2013

Result	FY2010	FY2011	FY2012	FY2013	Total
Net Sales (US$)	17,386	24,133	40,093	81,901	163,513
New Jobs	27	16	12	74	129

C.3 Puno Corridor: USAID – Minsur MOU

Operator: CARE

The MOU to fund the Puno ESC during PRA II was one of the first memoranda signed at the outset of the project during the launch ceremony in January 2010.

C.3.1 Committed and Disbursed Funds

Table C.3.1.1 provides a summary of the committed and disbursed funds by Minsur and USAID. Table C.3.1.2 shows the disbursements by fiscal year.

Table C.3.1.1

Puno ESC: USAID-Minsur MOU Implementation Summary

MOU Period	MOU Signing Date	ESC Operating Period	Partner	Committed Funds (US$)	Disbursed Funds (US$) as of May 2013
Feb 1, 2010 - Jan 31, 2012	Jan 21, 2010	Apr 12, 2010* - Sep 30, 2012	Minsur	337,184	335,128
			USAID	337,184	465,617
			Total	**674,368**	**800,746**

* Inauguration date: May 5, 2010.

Table C.3.1.2

Puno ESC: USAID-Minsur MOU Implementation Disbursements by Fiscal Year as of May 2013 (US$)

Partner	FY2010	FY2011	FY2012	FY2013	Total
Minsur	42,343	145,255	147,530	-.-	335,128
USAID	27,756	165,294	264,795	7,772	465,617
TOTAL	**70,100**	**310,549**	**412,325**	**7,772**	**800,746**

C.3.2 Results

Minsur's priority zone total sales during the MOU period amounted to US$703,659, exceeding the target by 22% (see Table C.3.2.1). Additional sales of US$574,988 have been reported beyond the MOU period through June 2013, adding an extra 100% of the MOU sales target amount. More than 1,400 new jobs have been generated in this zone throughout the project's life (see Table C.3.2.2).

Table C.3.2.1

Puno ESC: Results in Minsur's Priority Zone

MOU Implementing Period	MOU Period Sales Target	MOU Period Net Sales (US$)	% Sales Target Achieved	MOU Period New Jobs	Post MOU Period Sales through June 2013 (US$)	Post MOU Period Jobs through June 2013
Apr 2010 - Mar 2012	575,000	703,659	122%	724	574,988	688

The businesses that were most successful in sales were: categorized alpaca fiber, with SPAR Macusani, which generated US$0.64 million; fresh milk, with Gloria, with sales amounting to US$0.47 million; alpaca fiber, with SAIS Kenamari, and others.

Table C.3.2.2

Puno ESC: Net Sales and New Jobs in Minsur's Priority Zone by Fiscal Year as of June 30, 2013

Result	FY2011	FY2012	FY2013	Total
Net Sales (US$)	417,167	404,685	456,795	1,278,647
New Jobs	396	483	533	1,412

Minsur continued providing funds for the Puno ESC until the end of March 2012. On May 28 that year, the PRA team submitted the ESC's final report and made a presentation of the results to Minsur's Social Responsibility Manager. A balance of US$59,000 was still due by Minsur, which was later paid in October 2012.

C.4 Cusco and Madre de Dios Corridors: USAID - Odebrecht MOU

Operator: CARE

As the construction company building the South Interocean Highway connecting the south of Peru with Bolivia and Brazil, Odebrecht was very interested in helping boost community and local development in the corridors where the highway would pass. In March 2010, Odebrecht signed an MOU with USAID to fund the operations the Cusco ESC and the Madre de Dios ESC would carry out in its priority zones.

C.4.1 Committed and Disbursed Funds

Table C.4.1.1 provides a summary of the committed and disbursed funds by Odebrecht and USAID. Table C.4.1.2 shows the disbursements by fiscal year.

Table C.4.1.1

Cusco and Madre de Dios ESCs: USAID-Odebrecht MOU Implementation Summary

MOU Period	MOU Signing Date	ESC Operating Period	Partner	Committed Funds (US$)	Disbursed Funds (US$) as of May 2013
Mar 1, 2010 - Feb 28, 2013	Mar 5, 2010	Mar 15, 2010* - Sep 30, 2012	Odebrecht	480,224	400,415
			USAID	480,224	381,515
			Total	**960,448**	**781,930**

* Cusco ESC's inauguration date: May 12, 2010.
Madre de Dios ESC's inauguration date: May 13, 2010.

Table C.4.1.2

Cusco and Madre de Dios ESCs: USAID-Odebrecht MOU Implementation Disbursements by Fiscal Year as of May 2013 (US$)

Partner	FY2010	FY2011	FY2012	FY2013	Total
Odebrecht	13,093	158,254	210,535	18,533	400,415
USAID	60,187	135,551	153,983	31,794	381,515
TOTAL	**73,280**	**293,805**	**364,518**	**50,327**	**781,930**

Although the MOU extended to February 2013, in September 2012 Odebrecht decided to end its partnership to serve both the Cusco and Madre de Dios corridors to take responsibility for the businesses being implemented in its own priority zones. The contract signed by the ESCs' operator, CARE, finished in September 2012, which was also the end of the project's three-year base period.

C.4.2 Results

The Cusco ESC was initially going to cover two of Odebrecht's priority zones: Núcleo Alto Andino (High Andean Core Area) and Núcleo Selva Alta (High Forest Core Area). The ESC relinquished plans to promote a flower business and a tourism business in Odebrecht's Núcleo Selva Alta due to cost of development given the distances and the absence of an Odebrecht unit in the area.

Incremental sales in Odebrecht's Núcleo Alto Andino reached US$465,704 (see Table C.4.2.1), the most important being the alpaca fiber business with the Grupo de Productores de Fibra de Alpaca, Distritos de Ocongate y Marcapata; textile handicrafts, with the companies Ayniart, Royal Knit, Artesanía Ibrahim and Tesoros Trading Company, carried out in the districts of Ccatca, Ocongate and Marcapata, among others. These businesses generated approximately 621 equivalent permanent jobs.

Nearly US$3 million in sales were generated in Odebrecht's priority zone in the Madre de Dios corridor, which surpassed the MOU target by 20%. Additional sales for US$298,875 have been reported beyond the MOU period (see Table C.4.2.1).

Ninety-five per cent of the results of the Madre de Dios ESC occurred in Odebrecht's priority zone (Lower Forest Core Area). The most relevant results are those achieved by Aserradero Espinoza, with sales of US$2.1 million, thanks to the success achieved by lumber production in the districts of Iberia and Tambopata. The second business with the highest sales level in this area was Enchape Sur Oriente, which reached incremental sales totaling US$0.27 million, sales generated in the district of Iberia; followed by Comunidad Nativa Bélgica (standing timber), with sales generated in the district of Iñapari. Also relevant were the businesses achieved through Dalmacia (timber flooring), Maderera Tawari (sawn wood), Ascart (chestnut), and Corpforest S.R.L. (sawn wood), among others.

Table C.4.2.1

Cusco and Madre de Dios ESCs: Results in Odebrecht's Priority Zones

Priority Zone	MOU Implementing Period	MOU Period Sales Target (US$)	MOU Period Net Sales (US$)	% Sales Target Achieved	MOU Period New Jobs	Post MOU Period Sales through June 2013 (US$)	Post MOU Period Jobs through June 2013
Odebrecht's Núcleo Alto Andino (Cusco)	Apr 2010 - Sep 2012	1,355,000	465,704	34%	621	$0	0
Odebrecht's Núcleo Selva Baja (Madre de Dios)	Apr 2010 - Sep 2012	2,493,200	2,996,569	120%	198	298,875	6

Table C.4.2.2
Cusco and Madre de Dios ESCs: Net Sales in Odebrecht's Priority Zones by Fiscal Year as of June 30, 2013 (US$)

Priority Zone	FY2010	FY2011	FY2012	FY2013	Total
Odebrecht's Núcleo Alto Andino (Cusco)	11,430	173,654	280,620	-.-	465,704
Odebrecht's Núcleo Selva Baja (Madre de Dios)	-.-	466,341	1,667,863	1,161,239	3,295,444
Total	**11,430**	**639,995**	**1,948,483**	**1,161,239**	**3,761,148**

Table C.4.2.3
Cusco and Madre de Dios ESCs: New Jobs in Odebrecht's Priority Zones by Fiscal Year as of June 30, 2013

Priority Zone	FY2010	FY2011	FY2012	FY2013	Total
Odebrecht's Núcleo Alto Andino (Cusco)	2	229	390	-.-	621
Odebrecht's Núcleo Selva Baja (Madre de Dios)	-.-	44	136	24	204
Total	**2**	**273**	**526**	**24**	**825**

C.5 Sierra Norte de Lima-Huánuco Corridor: USAID - Buenaventura - Los Quenuales - Raura MOU

Operator: IDESI

The Sierra Norte de Lima-Huánuco ESC was formed due to the commitments and funding of three private resource partners, Buenaventura, Los Quenuales, and Raura mining companies, that signed an MOU with USAID in July 2010. The ESC had three offices: in Oyón and Churín in the Lima region, and Lauricocha in Huánuco region.

C.5.1 Committed and Disbursed Funds

Table C.5.1.1 provides a summary of the committed and disbursed funds by the three private resource partners and USAID. Table C.5.1.2 shows the disbursements by fiscal year.

Table C.5.1.1
Sierra Norte de Lima-Huánuco ESC: USAID-Buenaventura-Los Quenuales-Raura MOU Implementation Summary

MOU Period	MOU Signing Date	ESC Operating Period	Partner	Committed Funds (US$)	Disbursed Funds (US$) as of May 2013
Jul 14, 2010 - Jun 6, 2013	Jul 14, 2010	Jul 1, 2010* - Ongoing	Buenaventura	396,906	443,561
			Los Quenuales	264,604	263,884
			Raura	264,604	232,831
			USAID	396,906	518,658
			Total	**1,323,020**	**1,458,934**

* Inauguration date: November 9, 2010.

Table C.5.1.2

Sierra Norte de Lima-Huánuco ESC: USAID-Buenaventura-Los Quenuales-Raura MOU Implementation Summary-Disbursements by Fiscal Year as of May 2013 (US$)

Partner	FY2010	FY2011	FY2012	FY2013	Total
Buenaventura	-.-	167,103	175,267	101,191	443,561
Los Quenuales	-.-	42,266	171,296	50,321	263,884
Raura	-.-	126,755	96,627	9,449	232,831
Total Resource Partners	-.-	336,125	443,190	160,961	940,276
USAID	86,135	165,465	133,935	133,123	518,658
TOTAL	**86,135**	**501,590**	**577,125**	**294,084**	**1,458,934**

In spite of USAID's commitment to secure funds for the Sierra Norte de Lima-Huánuco ESC until March/April 2013, Raura decided to end its partnership with USAID in September 2012 as it was starting a new production development project in its priority zone and it did not want to duplicate efforts. Therefore, the ESC's office in Lauricocha was closed down accordingly.

Buenaventura and Los Quenuales have continued financing the ESC's operations even after USAID funding ended in April 2013.

C.5.2 Results

Incremental sales in Buenaventura's priority zone totaled US$305,575 (see Table C.5.2.1), mostly from the alpaca fiber business with company Michell y Cía., trout with Arcofi Perú, live sheep with the company Multiservicios Pillaca, and others that have generated the development of 280 small producers.

Although Raura ended operations with this ESC in September 2012 when 89 percent of the MOU sales target had been achieved, additional sales reported between October 2012 and June 2013 allowed fulfillment of 120 percent of the MOU sales target (note that the original MOU period extended through July 2013). In Raura's priority zone, incremental sales amounted to US$529,048, thanks to the implementation of the following businesses: cheese and other dairy products with Asociación de Ganaderos Jesús, live sheep with Multiservicios Pillaca, trout with Arcofi Perú, and textile handicrafts with San Roque Import-Export, among others.

In Los Quenuales's priority zone, incremental sales reached US$510,609 as a result of the implementation of the peach business with Importaciones y Exportaciones Felles, live sheep with Multiservicios Pillaca, and raw wool with Ganadería y Comercio del Centro.

Table C.5.2.1

Sierra Norte de Lima-Huánuco ESC: Results in Resource Partners Priority Zones

Priority Zone	MOU Implementing Period	MOU Period Sales Target (US$)	MOU Period Net Sales (US$)	% Sales Target Achieved	MOU Period New Jobs	Post MOU Period Sales through June 2013 (US$)	Post MOU Period Jobs through June 2013
Buenaventura's Priority Zone	Aug 2010 - Jul 2013	1,560,000	305,575	20%	354	-	-
Los Quenuales's Priority Zone	Aug 2010 - Jul 2013	1,960,000	510,609	26%	94	-	-
Raura's Priority Zone**	Aug 2010 - Jul 2013	440,000	391,534	89%	134	137,515	18

** The USAID-Raura MOU was finished in September 2012.

Table C.5.2.2

Sierra Norte de Lima-Huánuco ESC: Net Sales in Resource Partners Priority Zones by Fiscal Year as of June 30, 2013 (US$)

Priority Zone	FY2011	FY2012	FY2013	Total
Buenaventura's Priority Zone	60,422	144,541	100,612	305,575
Los Quenuales's Priority Zone	221,926	278,845	9,837	510,609
Raura's Priority Zone	101,152	290,382	137,515	529,048
Total	**383,500**	**713,769**	**247,963**	**1,345,232**

Table C.5.2.3

Sierra Norte de Lima-Huánuco ESC: New Jobs in Resource Partners Priority Zones by Fiscal Year as of June 30, 2013

Priority Zone	FY2011	FY2012	FY2013	Total
Buenaventura's Priority Zone	64	167	123	354
Los Quenuales's Priority Zone	43	47	4	94
Raura's Priority Zone	53	81	18	152
Total	**160**	**295**	**145**	**600**

While USAID and Buenaventura each were committed to covering 30 percent of the ESC's operating expenses, Los Quenuales and Raura each were committed to covering 20 percent of the ESC's expenses, according to the MOU. As of September 30, 2012, ESC's total expenses were US$1.261.026; of this, Raura's corresponding amount to cover was US$232,830.54, of which it had already disbursed US$190,000, according to operator IDESI. Therefore, a remaining balance of US$42,830.54 was due. As of July 31, 2013, Raura had not honored its liability, in spite of various efforts: a letter sent by PRA COP to Raura's General Manager (dated November 26, 2012 and received on December 6, 2012) claiming payment of the due amount; a meeting held on January 3, 2013 with participation of Raura's General Manager and its Social Responsibility Manager, PRA, and USAID representatives; a letter sent by operator IDESI to Raura's General Manager (dated February 25, 2013 and received on February 28, 2013) claiming reimbursement of the same due amount; and a letter sent by USAID's acting Chief of the Economic Growth and Environment Office to Raura's General Manager (dated and received on June 25, 2013).

C.6 Arequipa Corridor: USAID – Buenaventura MOU

Operator: Recursos SAC

The MOU for the Arequipa ESC was the third GDA signed by Buenaventura with USAID in 2010.

C.6.1 Committed and Disbursed Funds

Table C.6.1.1 provides a summary of the committed and disbursed funds by Buenaventura and USAID. Table C.6.1.2 shows the disbursements by fiscal year.

Table C.6.1.1

Arequipa ESC: USAID-Buenaventura MOU Implementation Summary

MOU Period	MOU Signing Date	ESC Operating Period	Partner	Committed Funds (US$)	Disbursed Funds (US$) as of May 2013
Aug 15, 2010 - Aug 14, 2013	Aug 15, 2010	Aug 24, 2010* - Ongoing	Buenaventura	452,755	532,777
			USAID	679,132	601,595
			Total	**1,131,887**	**1,134,373**

* Inauguration date: November 18, 2010.

Table C.6.1.2

Arequipa ESC: USAID-Buenaventura MOU Implementation Disbursements by Fiscal Year as of May 2013 (US$)

Partner	FY2010	FY2011	FY2012	FY2013	Total
Buenaventura	-.-	72,917	293,788	166,072	532,777
USAID	25,482	203,851	198,482	173,780	601,595
TOTAL	**25,482**	**276,769**	**492,270**	**339,852**	**1,134,373**

Although USAID funds available for this ESC ended in April 2013, Buenaventura decided to continue funding it beyond April and beyond the project's life.

C.6.2 Results

Incremental sales in this priority zone reached US$220,787 (see Tables C.6.2.1 and C.6.2.2), thanks to the alpaca fiber businesses with the Administrative Board of Tolconi in the districts of Chachas, Choco, and Tapay; mozzarella cheese sales by Biomozzarella in the district of Chachas; and apparel with the Artisans Association Orko Kraft in the districts of Chilcaymarca and Orcopampa, among others. These initiatives generated approximately 283 permanent jobs in the communities where Buenaventura has been working in recent years.

Table C.6.2.1

Arequipa ESC: Results in Buenaventura's Priority Zone as of June 2013

MOU Implementing Period	MOU Period Sales Target (US$)	MOU Period Net Sales (US$)	% Sales Target Achieved	MOU Period New Jobs
Sep 2010 - Aug 2013	867,277	220,787	25%	283

Table C.6.2.2
Arequipa ESC: Net Sales and New Jobs in Buenaventura's Priority Zone by Fiscal Year as of June 30, 2013

Result	FY2011	FY2012	FY2013	Total
Net Sales (US$)	28,732	97,180	94,876	220,787
New Jobs	39	122	122	283

C.7 La Libertad Corridor: USAID – Barrick MOU

Operator: CARE

After signing an MOU with USAID in September 2010 to fund the Ancash ESC, Barrick signed a second MOU to provide resources for La Libertad ESC in October 2010.

C.7.1 Committed and Disbursed Funds

Table C.7.1.1 provides a summary of the committed and disbursed funds by Barrick and USAID. Table C.7.1.2 shows the disbursements by fiscal year.

Table C.7.1.1
La Libertad ESC: USAID-Barrick MOU Implementation Summary

MOU Period	MOU Signing Date	ESC Operating Period	Partner	Committed Funds (US$)	Disbursed Funds (US$) as of May 2013
Aug 30, 2010 - Aug 29, 2013	Oct, 2010	Oct 1, 2010* - Ongoing	Barrick	590,752	510,143
			USAID	590,752	528,550
			Total	**1,181,504**	**1,038,693**

* Inauguration date: December 13, 2010.

Table C.7.1.2
La Libertad ESC: USAID-Barrick MOU Implementation Disbursements by Fiscal Year as of May 2013 (US$)

Partner	FY2011	FY2012	FY2013	Total
Barrick	2,133	282,978	225,032	510,143
USAID	232,336	165,316	130,898	528,550
TOTAL	**234,469**	**448,294**	**355,930**	**1,038,693**

Barrick continued funding the ESC after USAID resources were no longer available in April 2013.

C.7.2 Results

In Barrick's direct priority zone, the ESC generated US$361,309 in incremental sales and 74 equivalent permanent jobs (see Table C.7.2.1). This result was due to sales in the following business chains: beef by La Buena Carne and Antonio Campos Rodríguez, tara by Negociaciones Generales Papo, and pumpkin by Julio Campos Trujillo, among the most important.

In Barrick's indirect priority zone, sales totaled US$1,557,222, with the most relevant products being: tara from Negociaciones Generales Papo, beef from Antonio Campos Rodríguez and La Buena Carne, dried broad bean from Servicios e Inversiones Rodal, and amaranth from Totus Lynda.

Table C.7.2.1

La Libertad ESC: Results in Barrick's Priority Zones as of June 2013

Priority Zone	MOU Implementing Period	MOU Period Sales Target (US$)	MOU Period Net Sales (US$)	% Sales Target Achieved	MOU Period New Jobs
Barrick's Direct Priority Zone	Jan 2011 - Dec 2013	2,202,945	361,309	16%	74
Barrick's Indirect Priority Zone	Jan 2011 - Dec 2013	2,626,199	1,557,222	59%	263

Table C.7.2.2

La Libertad ESC: Net Sales in Barrick's Priority Zones by Fiscal Year as of June 30, 2013 (US$)

Priority Zone	FY2011	FY2012	FY2013	Total
Barrick's Priority Zone	78,881	190,204	92,224	361,309
Barrick's Indirect Priority Zone	273,367	493,143	790,712	1,557,222
Total	**352,248**	**683,347**	**882,936**	**1,918,531**

Table C.7.2.3

La Libertad ESC: New Jobs in Barrick's Priority Zones by Fiscal Year as of June 30, 2013

Priority Zone	FY2011	FY2012	FY2013	Total
Barrick's Priority Zone	17	47	10	74
Barrick's Indirect Priority Zone	45	96	122	263
Total	**62**	**143**	**132**	**337**

As a result of the joint work by Barrick and the project in the La Libertad corridor, USAID became a partner in the "Alto Chicama Initiative," an endeavor led by Barrick to foster local economic and social development in the provinces of Santiago de Chuco, Sánchez Carrión, and Otuzco. The initiative's other public and private partners are the Regional Government of La Libertad, Sierra Exportadora, the Canadian International Development Agency, Fundación BBVA, Asociación Sodexo por el Desarrollo Sostenible, Wayra, Instituto Apoyo, Care, Instituto para una Alternativa Agraria, and World Vision. The launch ceremony for this initiative was held in Trujillo on February 27, 2012.

C.8 La Libertad Corridor: USAID – Poderosa MOU

Operator: CARE

Poderosa joined Barrick as a private resource partner for the La Libertad ESC in December 2010.

C.8.1 Committed and Disbursed Funds

Table C.8.1.1 provides a summary of the committed and disbursed funds by Poderosa and USAID. Table C.8.1.2 shows the disbursements by fiscal year.

Table C.8.1.1

La Libertad ESC: USAID-Poderosa MOU Implementation Summary

MOU Period	MOU Signing Date	ESC Operating Period	Partner	Committed Funds (US$)	Disbursed Funds (US$) as of May 2013
Jan 3, 2011 - Jan 3, 2014	Dec 13, 2010	Oct 1, 2010* - Ongoing	Poderosa	287,757	145,757
			USAID	287,757	97,584
			Total	**575,514**	**243,341**

* Inauguration date: December 13, 2010.

Table C.8.1.2
La Libertad ESC: USAID-Poderosa MOU Implementation
Disbursements by Fiscal Year as of May 2013 (US$)

Partner	FY2011	FY2012	FY2013	Total
Poderosa	10,755	74,362	60,640	145,757
USAID	27,253	20,898	49,433	97,584
TOTAL	**38,008**	**95,260**	**110,073**	**243,341**

Poderosa continued funding the ESC once USAID resources were no longer available in April 2013.

C.8.2 Results

Incremental sales in Poderosa's direct priority zone reached US$212,353 (see Table C.8.2.1), due to development of the tara business by Negociaciones Generales Papo, live chicken by Avícola Chagual, and trout by Los Pantanos de Yalen, among others. In the indirect priority zone, sales totaled US$645,807, which included tara by Negociaciones Generales Papo, dried broad bean by Servicios e Inversiones Rodal, beans by Multinegocios Charey, live chicken by Avícola Yuracyacu, and live duck by Avícola Chagualito, among others.

Table C.8.2.1
La Libertad ESC: Results in Poderosa's Priority Zones

Priority Zone	MOU Implementing Period	MOU Period Sales Target (US$)	MOU Period Net Sales (US$)	% Sales Target Achieved	MOU Period New Jobs
Poderosa's Priority Zone	Jan 2011 - Dec 2013	434,977	212,353	49%	21
Poderosa's Indirect Priority Zone	Jan 2011 - Dec 2013	664,140	645,807	97%	100

Table C.8.2.2
La Libertad ESC: Net Sales in Poderosa's Priority Zones
by Fiscal Year as of June 30, 2013 (US$)

Priority Zone	FY2011	FY2012	FY2013	Total
Poderosa's Priority Zone	-.-	132,902	79,451	212,353
Poderosa's Indirect Priority Zone	187,444	307,000	151,363	645,807
Total	**187,444**	**439,902**	**230,814**	**858,160**

Table C.8.2.3
La Libertad ESC: New Jobs in Poderosa's Priority Zones
by Fiscal Year as of June 30, 2013

Priority Zone	FY2011	FY2012	FY2013	Total
Poderosa's Priority Zone	-.-	16	5	21
Poderosa's Indirect Priority Zone	30	48	22	100
Total	**30**	**64**	**27**	**121**

C.9 USAID-SIEX MOU Implementation

C.9.1 SIEX Commitments and Disbursements

Sierra Exportadora (SIEX) signed an MOU with USAID to fund operation of the ESC network, estimated at $14.8 million during the December 2011-September 2014 term. USAID's commitment was to provide funds for up to $4.2 million to cover management and technical supervision expenses, financial supervision expenses, and monitoring of the ESCs' results. SIEX's commitment under the MOU was to provide funds for up to $5.3 million for nine ESCs, while the current private partners (Buenaventura, Minsur, Poderosa, Barrick, Antamina, Odebrecht, Los Quenuales and Raura) and potential private partners would contribute US$5.2 million.

Sierra Exportadora's contribution would be implemented according to the following schedule:

Table C.9.1

Sierra Exportadora's Funding Commitments

Period	Amount (US$)
December 2011-April 2012	1,250,000
May 2012-September 2012	688,000
October 2012-September 2014	3,362,000

SIEX's contribution of $5.3 million was geared toward the development and implementation of 117 business plans in the nine ESCs located in the Peruvian Sierra where both PRA II and SIEX were working simultaneously over the MOU term of 34 months.

SIEX provided a total of US$1.09 million and its associated value added tax (VAT). In February 2011, SIEX disbursed US$$1,049,329.48 to USAID (net of VAT)[1]. In May 2012 and October 2012, Sierra Exportadora did not honor the payments it had committed to making. The only additional payment SIEX made was a US$39,465.89 disbursement (net of VAT) in February 2013[2].

Given that since FY2012 third quarter funding was no longer available from SIEX, the project decided to close the ESCs that had no private resource partner funding (Ayacucho and Junín-Pasco) and those ESCs whose MOUs had expired (Ancash and Puno) in September 2012. In addition, the project closed its Cusco and Madre de Dios ESCs also in September 2012 as resource partner Odebrecht had decided to finish the MOU and take on responsibility for the businesses implemented in its priority zones. The project went through a downsizing process in both its Lima office and the ESCs.

The project sought the best way to transfer five ESCs (Ancash, Ayacucho, Cusco, Junín-Pasco, and Puno) to SIEX. Since SIEX would not go on with the project's operators and not all PRA promoters would be hired by SIEX, the best way to transfer the ESCs to SIEX was to hand over PRA's intangible assets: its business plan portfolio. Businesses were gradually transferred to Sierra Exportadora, private resource partners, client companies, and beneficiaries. At the beginning of October 2012, many businesses of the Ancash, Ayacucho, Cusco, Junín-Pasco, and Puno ESCs had been transferred to SIEX. Likewise, those businesses implemented in the Arequipa, Huancavelica, La Libertad, and Sierra Norte de Lima-Huánuco ESCs located in areas that were not part of the resource partners' priority zones were also transferred to SIEX.

C.9.2 Businesses Transferred to Sierra Exportadora

The USAID-SIEX MOU stated that 117 business plans would be developed through this alliance in the corridors or regions where both SIEX and PRA were operating over its 34-month term. Not all the 117 business plans included in the MOU were successful. Those plans that were not successful were replaced by new ones. In spite of Sierra Exportadora's limited contribution, the project managed to transfer 107 businesses, of which 84 reported results. Of the 107 business transferred, 57 were originally included in the MOU list and the other 50 are new.

As explained in Section 3.3 of Chapter III, the main cumulative results and costs of the 84 businesses transferred to SIEX that reported results are the following:

1 The first payment amounted to 2.812.203 nuevos soles. At an exchange rate of US$1=2.68 nuevos soles, the dollar amount was US$$1,049,329.48.

2 The second and last payment amounted to 101,822 nuevos soles. At an exchange rate of US$1=2.58 nuevos soles, the dollar amount was US$39,465.89.

Table C.9.2.1

Cumulative Results and Costs of the 84 PRA Businesses Transferred to SIEX which Reported Results

Net Sales (US$)	73,310,981	Number of business plans	84
New Jobs	16,133	Technical Assistance (US$)	1,529,175
New Investment (US$)	4,099,989	Other costs (US$)	2,131,573
Number of Beneficiaries	7,557	Total Cost (US$)	3,660,748
Sales/Total Cost	**20.0**	**Sales/Technical Assistance**	**47.9**

Table C.9.2.2 on the next page provides details of the businesses transferred.

Table C.9.2.2

PRA Business Transferred to Sierra Exportadora by Results and Costs

Corridor/ESC	Client Company	Product	Sub-product	Included in MOU List	Net Sales (US$)	Net Days of Work	Investments (US$)	Beneficiaries	Technical Assistance (US$)	Other Costs (US$)	Total Cost (US$))
ANCASH	EUROFRESH PERU	Avocado	Organic avocado	Yes	4,742,013	105,414	218,635	110	87,796	65,195	152,992
	AVICOLA PAMPA COLORADA	Poultry	Live chicken	No	3,962,139	13,459	0	0	6,220	48,138	54,358
	CORPORACIÓN CAPAS	Peppers and hot chilis	Mixed capsicums	No	597,695	26,482	0	16	41,551	65,195	106,747
	TRUCHAS DE LAGUNA DE CANRASH	Trout	Gutted trout	No	139,322	1,802	5,082	1	3,125	45,400	48,525
	PISCIGRANJAS MUNICIPALES	Trout	Trout	No	98,040	2,695	603	19	6,833	45,400	52,233
	BEDER CONDO - ACOP. GLORIA	Dairy products	Fresh milk	No	19,156	3,653	0	14	2,852	19,796	22,647
	S&M FOODS	Cereals	Color quinoa	Yes	3,326	209	0	6	15,065	19,796	34,861
	AGROINDUSTRIAS VERDEFLOR	Avocado	Conventional avocado	No	_	_	_	_	_	_	_
	AGROPAC	Fruits	Peach	No	_	_	_	_	_	_	_
	IMP. Y EXPOR. FELLES	Fruits	Peach	No	_	_	_	_	_	_	_
	SOBIFRUITS	Fruits	Mango	No	_	_	_	_	_	_	_
	SOBIFRUITS	Avocado	Conventional avocado	No	_	_	_	_	_	_	_
	SOL.AVANZ.AGRONEG. WIRACCOCHA DEL PERU	Cereals	Amaranth grains	No	_	_	_	_	_	_	_
	SOL.AVANZ.AGRONEG. WIRACCOCHA DEL PERU	Cereals	Conventional quinoa	No	_	_	_	_	_	_	_
AREQUIPA	LAIVE	Dairy products	Cheese	Yes	9,960,403	117,348	53,710	194	21,911	40,869	62,780
	PROVAL PERU	Peppers and hot chilis	Paprika	Yes	1,453,013	68,696	29,416	72	15,693	10,787	26,479
	EXPAGROMA	Cereals	Quinoa	Yes	238,175	7,706	0	12	27,180	26,694	53,874
	ALJOEX	Avocado	Fresh avocado	Yes	211,513	4,409	0	25	13,672	26,694	40,366
	PROALICA	Vegetables	Processed vegetables	No	6,762	428	35,858	3	5,086	15,907	20,993
	COOPECAN	Apparel	Alpaca tops	No	_	_	_	_	_	_	_
	EXPAGROMA	Cereals	Quinoa seeds	Yes	_	_	_	_	_	_	_
	PERU WORLD WIDE	Cereals	Quinoa	No	_	_	_	_	_	_	_

Table C.9.2.2

PRA Business Transferred to Sierra Exportadora by Results and Costs (Continued)

Corridor/ESC	Client Company	Product	Sub-product	Included in MOU List	Net Sales (US$)	Net Days of Work	Investments (US$)	Beneficiaries	Technical Assistance (US$)	Other Costs (US$)	Total Cost (US$))
AYACUCHO	COOP. EL QUINACHO	Cocoa	Cocoa grains	Yes	3,047,262	195,269	83,581	240	20,694	38,294	58,988
	MPT TRADING	Cocoa	Organic cocoa	Yes	1,328,042	139,066	0	81	21,288	24,453	45,741
	SOL.AVANZ.AGRONEG. WIRACCOCHA DEL PERU	Cereals	Organic Quinoa	Yes	905,036	15,144	0	80	28,995	38,294	67,289
	MACEDONIO PALOMINO TORRES	Handicrafts	Textile handicrafts	Yes	902,719	79,078	30,830	597	2,430	24,453	26,883
	MPT TRADING	Coffee	Organic coffee	Yes	318,767	11,968	0	82	19,074	24,453	43,526
	SOL.AVANZ.AGRONEG. WIRACCOCHA DEL PERU	Cereals	White quinoa	Yes	256,755	4,203	19,536	88	19,078	24,453	43,531
	ICATOM	Beans and legumes	Fresh broad beans	Yes	142,658	52,626	0	75	19,992	38,294	58,287
	DAVID BAEZ ANAYA	Aromatic and med. herbs	Dried peppermint	No	936	4	0	23	8,875	24,453	33,328
	MANOS UNIDAS	Handicrafts	Textile handicrafts	Yes	–	–	–	–	–	–	–
CUSCO	GLORIA	Dairy products	Fresh milk	Yes	2,951,909	640,325	244,053	763	47,659	38,294	85,953
	ALSUR DEL PERU	Artichoke	Artichoke (w/ out thorns)	Yes	1,335,681	55,289	1,095,972	0	19,008	38,294	57,302
	AVIAGRO	Poultry	Fresh chicken	No	509,423	974	19,752	1	10,363	21,305	31,668
	GRP. PROD.FIB. ALPACA OCONGATE Y MARCAPATA	Fiber and wool	Alpaca fiber (classified)	Yes	388,510	124,186	0	1,525	41,651	42,925	84,576
	VINCULOS AGRÍCOLAS	Corn	Choclo corn	No	105,569	3,431	0	10	5,997	10,346	16,344
	AYNIART E.I.R.L	Handicrafts	Textile handicrafts	Yes	70,575	2,421	0	66	18,238	38,294	56,532
	ROYAL KNIT	Apparel	Textiles (by power loom)	Yes	25,103	2,834	0	43	28,198	38,294	66,492
	ARTESANIAS IBRAHIM	Handicrafts	Textile handicrafts	No	24,335	810	0	36	3,113	10,346	13,459
	EXPORTADORA AGRÍCOLA ORGÁNICA	Cereals	Amaranth grains	Yes	18,083	872	0	1	19,140	38,294	57,434
	VINCULOS AGRÍCOLAS	Corn	Cusco-style corn	Yes	7,995	197	0	1	5,518	21,305	26,823
	INDUSTRIAS ALIMENTICIAS CUSCO	Cereals	Amaranth grains	Yes	0	0	0	17	6,103	10,346	16,449

Table C.9.2.2

PRA Business Transferred to Sierra Exportadora by Results and Costs (Continued)

Corridor/ESC	Client Company	Product	Sub-product	Included in MOU List	Net Sales (US$)	Net Days of Work	Investments (US$)	Beneficiaries	Technical Assistance (US$)	Other Costs (US$)	Total Cost (US$))
HUANCAVELICA	GFOODS NATIVE	Maca	Dried and fresh maca	No	196,202	2,563	0	2	3,390	25,791	29,181
	TURMANYE FOODS	Corn	Painted mount. corn	No	146,888	4,835	0	20	3,753	10,408	14,161
	APRAM DE CHOCLOCOCHA	Corn	Dried white corn grain	Yes	144,256	5,892	0	12	14,322	19,365	33,687
	JUAN SAIRITUPAC HUARCAYA	Corn	Cusco-style corn	Yes	114,340	2,930	0	14	7,098	10,408	17,505
	SOL.AVANZ.AGRONEG. WIRACCOCHA DEL PERU	Cereals	Color quinoa	No	12,246	649	0	12	27,395	19,365	46,761
	AGROCONDOR	Corn	Purple corn	Yes	12,186	2,017	0	28	7,434	19,365	26,800
	APRAM DE CHOCLOCOCHA	Corn	Chullpi corn	Yes	8,421	276	0	6	2,548	10,408	12,956
	ECOANDINO	Fruits	Eggfruit	No	157	3	0	2	1,148	10,408	11,556
JUNIN-PASCO	AGROMANTARO	Peppers and hot chilis	Jalapeño chili	Yes	4,324,281	54,237	25,000	27	61,994	42,155	104,149
	MAFROX	Livestock	Beef cuts	No	3,524,171	50,720	0	23	8,925	24,403	33,328
	LEOCAR	Livestock	Livestock	Yes	2,346,076	86,041	0	54	35,461	42,155	77,616
	AGROMANTARO	Artichoke	Canned artichoke	Yes	1,206,032	43,801	0	0	14,218	27,553	41,771
	PONEDORAS CHANCHAMAYO	Poultry	Chicken eggs	No	521,610	2,521	189,177	0	6,038	42,155	48,194
	ECOANDINO	Cocoa	Organic cacao grains	Yes	342,465	24,319	1,197,770	166	35,337	42,155	77,492
	PISCIGRANJA BERNUY	Trout	Trout fingerlings	No	252,148	1,457	38,500	0	9,323	42,155	51,478
	PISCIGRANJA BERNUY	Trout	Gutted trout	No	202,212	1,438	12,286	7	8,581	42,155	50,736
	EUROFRESH PERU	Spices	Organic ginger	Yes	173,548	1,617	15,175	15	16,200	24,403	40,603
	KOKEN DEL PERU	Maca	Maca	Yes	150,832	2,365	0	0	14,334	42,155	56,489
	INKA MOSS	Moss	Moss	No	144,342	41,215	0	24	2,937	14,603	17,540
	TRANS IMPORT SERGIO	Peppers and hot chilis	Hot pepper	No	52,924	1,547	0	17	2,473	9,800	12,274

Table C.9.2.2

PRA Business Transferred to Sierra Exportadora by Results and Costs (Continued)

Corridor/ESC	Client Company	Product	Sub-product	Included in MOU List	Net Sales (US$)	Net Days of Work	Investments (US$)	Beneficiaries	Technical Assistance (US$)	Other Costs (US$)	Total Cost (US$))
JUNIN-PASCO	LACTEA	Dairy products	Cheese/ other dairy products	Yes	47,776	1,143	0	17	31,021	42,155	73,176
	CAPSICUM ANDINO	Peppers and hot chilis	Tabasco chili	Yes	43,783	2,008	10,941	10	9,297	24,403	33,700
	PONEDORAS CHANCHAMAYO	Poultry	Hen	No	38,864	0	0	0	3,739	9,800	13,539
	ASOC. PROD. AGROECOL. ALTO NAVARRA-APAN	Fruits	Little orange	Yes	11,275	99	0	9	3,763	14,603	18,365
	JHERE EL PROVEEDOR	Trout	Gutted trout	Yes	–	–	–	–	–	–	–
	CAIM LTDA	Coffee	Organic coffee	No	–	–	–	–	–	–	–
	SUMAQAO	Cocoa	Organic cacao	No	–	–	–	–	–	–	–
LA LIBERTAD	FAIRTRASA PERÚ	Avocado	Organic avocado	Yes	1,138,701	30,601	0	83	38,162	27,789	65,951
	FAIRTRASA PERÚ	Avocado	Fresh avocado	Yes	1,020,548	19,095	0	51	1,164	27,789	28,954
	AGROINDUSTRIAS VERDEFLOR	Avocado	Fresh avocado	Yes	936,141	13,925	0	107	16,172	27,789	43,961
	SUN PACKERS	Beans and legumes	Black eye bean	No	178,028	4,571	0	34	11,600	12,752	24,352
	CAPSICUM ANDINO	Peppers and hot chilis	Tabasco chili	Yes	107,908	4,345	0	15	25,757	27,789	53,546
	FAIRTRASA PERÚ	Fruits	Mango	No	27,793	614	0	3	860	12,752	13,612
PUNO	CECOVASA	Coffee	Organic coffee	No	7,291,249	203,530	0	289	24,816	31,119	55,935
	GLORIA	Dairy products	Fresh milk	Yes	2,117,491	452,172	0	53	25,074	15,634	40,708
	SPAR MACUSANI	Fiber and wool	Alpaca fiber (classified)	Yes	776,626	176,115	1,311	651	24,588	15,634	40,222
	TRASANDINA COMERCIAL DEL PERÚ	Trout	Trout	Yes	178,988	1,808	0	11	5,654	8,148	13,802
	EL ALTIPLANO	Cereals	White quinoa	Yes	119,269	1,645	33,070	69	9,601	15,634	25,235
	GANADERA EL ROSARIO	Dairy	Cheese/ other dairy products	Yes	86,561	2,024	0	46	9,971	15,634	25,605
	ARAPA	Trout	Trout	No	82,201	93	0	212	15,083	15,634	30,717

Table C.9.2.2

PRA Business Transferred to Sierra Exportadora by Results and Costs (Continued)

Corridor/ESC	Client Company	Product	Sub-product	Included in MOU List	Net Sales (US$)	Net Days of Work	Investments (US$)	Beneficiaries	Technical Assistance (US$)	Other Costs (US$)	Total Cost (US$))
PUNO	SAIS KENAMARI	Fiber and wool	Alpaca fiber (classified)	Yes	77,681	24,141	0	63	14,250	31,119	45,369
	TITIKAKA TROUT	Trout	Gutted trout	No	75,343	567	83,269	2	5,802	7,486	13,288
	SPAR AJOYANI	Fiber and wool	Alpaca fiber (classified)	Yes	60,707	13,252	0	54	27,183	31,119	58,302
	EL ALTIPLANO	Cereals	Color quinoa	Yes	57,872	845	0	187	31,711	15,634	47,345
	COSESPI PINAYA	Fiber and wool	Alpaca fiber (classified)	Yes	55,967	14,636	0	80	11,321	7,486	18,807
	NIISA CORPORATION	Cereals	Organic quinoa	No	55,080	1,002	8,253	370	50,002	15,634	65,636
	ARTESANIAS SUMAC PERU	Apparel	Sweaters and accessories	Yes	52,927	2,310	0	65	7,887	15,634	23,521
	ASC. CRIAD. OVINOS CORRIEDALE PTO ARTURO	Fiber and wool	Raw wool	No	30,170	1,728	0	58	15,273	15,634	30,907
	ASOCIACION MORUMORUMI	Livestock	Beef	No	–	–	–	–	–	–	–
	BIOANDES ORGANICOS	Cereals	Organic quinoa	No	–	–	–	–	–	–	–
	ECAPYO	Livestock	Alpaca meat	No	–	–	–	–	–	–	–
	GRANJA DON BOSCO	Dairy products	Andean cheese	No	–	–	–	–	–	–	–
	MULTICOMUNAL PICOTANI	Fiber and wool	Alpaca fiber	No	–	–	–	–	–	–	–
SIERRA NORTE DE LIMA-HUANUCO	IMP. Y EXPOR. FELLES	Fruits	Peach	Yes	5,610,271	136,512	363,687	208	114,811	30,472	145,283
	AGROINDUSTRIAS VERDEFLOR	Avocado	Fresh avocado	Yes	2,427,289	33,062	284,522	43	26,313	14,731	41,044
	PRODUCTOS DEL VALLE	Beans and legumes	Black eye bean	No	932,663	24,953	0	86	13,466	7,924	21,391
	PRODUCTOS DEL VALLE	Beans and legumes	Beans	No	744,886	23,215	0	20	22,645	14,731	37,376
	AGROINDUSTRIAS PILKO	Cereals	Chia	Yes	515,923	9,749	0	0	20,694	30,472	51,166

Table C.9.2.2

PRA Business Transferred to Sierra Exportadora by Results and Costs (Continued)

Corridor/ESC	Client Company	Product	Sub-product	Included in MOU List	Net Sales (US$)	Net Days of Work	Investments (US$)	Beneficiaries	Technical Assistance (US$)	Other Costs (US$)	Total Cost (US$))
SIERRA NORTE DE LIMA-HUANUCO	PRODUCTOS DEL VALLE	Avocado	Fresh avocado	Yes	480,341	3,828	0	19	19,647	14,731	34,379
	AGROINDUSTRIAS PILKO	Cereals	Amaranth grains	Yes	240,960	10,918	0	0	14,132	30,472	44,604
	MAXIMO SILVA AGUIRRE	Fruits	Strawberry	Yes	43,442	686	0	12	2,408	6,807	9,215
	IMP. Y EXPOR. FELLES	Fruits	Peach pulp	No	–	–	–	–	–	–	–
	LA GRAMA	Fruits	Organic granadilla	No	–	–	–	–	–	–	–
	PRODUCTOS DEL VALLE	Fruits	Berries	No	–	–	–	–	–	–	–
	PROVAINPER	Fruits	Peach	No	–	–	–	–	–	–	–

C.9.3 Other Difficulties in Implementing the USAID-SIEX Alliance

In addition to the fact that Sierra Exportadora did not fulfill all its funding commitments, the implementation of the USAID-SIEX MOU faced other difficulties.

Actual implementation of the MOU started in January 2012 with the immediate transfer of PRA know-how to SIEX personnel in both Lima and the regions through workshops and meetings to train on how to elaborate a business plan and how PRA's Monitoring and Evaluation Unit worked to guarantee attributable results.

As happens with merger processes, this transition was not free from difficulties. Aligning visions proved to be harder than expected. Whereas the PRA approach was focused on carrying out transactions, brokering deals, and looking for star businesses with proven demand in the market, SIEX was primarily focused on promoting six star product lines: trout, cheese, alpaca fiber, berries, wood products, and handicrafts. PRA organized activities not by sector or cluster but geographically with a strong problem-solving orientation.

Designing the right organizational structure to mainstream the vision was also a critical issue. Initially PRA's ESCs and SIEX's branch offices in the regions were merged into SIEX's new Economic Promotion Centers (EPCs). Planning sessions with PRA and EPC personnel to align visions and agree on activities to be undertaken at each EPC were also held at SIEX's head office. However, having dual chiefs in the corridors — one ESC head (in charge of business promotion) and one SIEX branch office head (in charge of institutional and public policy issues) — made PRA implementation very difficult.

These challenges were assessed at work meetings by USAID, SIEX, and PRA representatives. A transition plan was further developed to provide space for additional capacity building to reinforce trust relationships and develop system processes that would ensure effective implementation of the PRA model, resulting in the PRA II Contract Modification 9 to provide institutional and capacity building within SIEX on PRA's business development, alliance building, and monitoring and evaluation (see Chapter III).

PRA COST-EFFECTIVENESS INDICATORS

D.1 Project's Cost-effectiveness Indicators

The project uses the following indicators to measure the cost-effectiveness of its operations:

Table D.1.1

PRA Cost-effectiveness Indicators at Project Level

(costs include pre-clients support expenses)

Costs		Sales Indicators	
Total Cost	US$11,066,826	Sales/ Total Cost	8.8
Technical Assistance Cost	US$3,546,618	Sales/ Technical Assistance	27.6
Business Plan Average Cost		**Employment Indicators**	
Total Cost/ Number of Business Plans	US$55,334	Net Days of Work/ Total Cost	0.4
Technical Assistance Cost/ Number of Business Plans	US$17,733	Net Days of Work/ Technical Assistance Cost	1.2

The *Total Cost* figure includes all operation expenses incurred by the ESCs. The technical assistance cost figure includes primarily all the consulting work provided to the businesses supported by the project. In Table D.1.1 the total cost and technical assistance cost include the expenses of supporting pre-client companies, that is, clients whose business plans have not delivered results yet.

The *Sales/Total Cost* ratio indicates how many dollar sales resulted from one dollar spent. Likewise, the *Sales/ Technical Assistance* ratio determines how many dollar sales were obtained from one dollar spent in technical assistance provided to the businesses supported.

The *Net Days of Work/Total* Cost ratio tells how many days of work were created for one dollar spent in the ESCs. The *Net Days of Work/Technical Assistance* ratio indicates how many days of work were generated for one dollar invested in technical assistance the ESCs provided to project's clients.

Table D.1.2 shows the same indicators using the total ESCs cost and technical assistance cost applicable to the 200 businesses supported by the project, without accounting for pre-clients' costs. The total cost figure includes both direct and indirect costs associated with the business plans' design and implementation.

Table D.1.2

PRA Cost-effectiveness Indicators at Project Level

(costs include only direct and indirect clients support expenses and exclude pre-clients support expenses)

Costs		Sales Indicators	
Total Cost	US$7,748,821	Sales/ Total Cost	12.6
Technical Assistance Cost	US$2,812,128	Sales/ Technical Assistance	34.8
Business Plan Average Cost		**Employment Indicators**	
Total Cost/ Number of Business Plans	US$38,744	Net Days of Work/ Total Cost	0.6
Technical Assistance Cost/ Number of Business Plans	US$14,061	Net Days of Work/ Technical Assistance Cost	1.5

D.2 Cost-effectiveness of the Economic Service Centers

Table D.2.1 below shows the cost-effectiveness indicators by ESC. The cost figures in this table include expenses associated with pre-clients supported by the project. Whereas the Junín-Pasco, Puno, Ancash, and Arequipa boast the highest *Sales/Total Cost* ratios (between 15.3 and 11.3) and *Sales/Technical Assistance* ratio (between 46.7 and 31.8), the Puno and Cusco have the highest *Employment/Total Cost* and *Employment/Technical Assistance* ratios. Ancash and Arequipa ESCs spent the highest amount per business: more than US$90,000.

Table D.2.2 below shows the same indicators excluding the expenses incurred in supporting pre-clients. The Arequipa, Puno, Junín-Pasco, Sierra Norte de Lima-Huánuco, Ancash, and Ayacucho ESCs have *Sales/Total Cost* ratios above the project's average, ranging from 23.9 to 13.6. The Puno and Cusco ESCs keep their higher *Employment/Cost* ratios. Ancash, which had the greatest amount of resource partner contributions, is again the ESC that spent the most per business plan.

D.3 Cost-effectiveness of PRA-supported Businesses

Table D.3 below provides the same cost-effectiveness indicators for each of the 200 businesses supported by the project. The *Sales/Total Cost* ratio ranges from zero to 158.7 for Laive's cheese business in Arequipa. Cecovasa's organic coffee in Puno (130.4), Santa Sofía's asparagus in Ancash (118.9), and Mafrox's beef cuts in Junín-Pasco (105.7) are among the top four companies with the highest *Sales/Total Cost* ratio. Fairtrasa's fresh avocado in La Libertad, Avícola Pampa Colorada's live chicken in Ancash, and Molinera y Servicios Don Capillo's milled rice in Ancash have extremely high *Sales/Technical Assistance* ratios: 877, 637, and 486, respectively. While Gloria's milk businesses in Puno and Cusco have the highest *Employment/Cost* ratios, Macedonio Palomino's handicrafts business in Ayacucho, and Santa Sofía's process asparagus in Ancash have very high *Employment/Technical Assistance* indicators.

Table D.2.1

ESCs' Cost-effectiveness Indicators (costs of clients and pre-clients included)

ESC	Total Cost (US$)	Technical Assistance (US$)	Number of Bus. Plans	Total Cost/ Bus. Plans (US$)	Tech. Assist./	Net Sales (US$)	Sales/Total Cost	Sales/Tech. Assistance	Net Days of Work	Days of Work/Total Cost	Days of Work/Tech. Assistance
Junín-Pasco	894,313	293,793	18	49,684	16,322	13,710,882	15.33	46.67	318,938	0.36	1.09
Puno	795,977	350,905	17	46,822	20,641	11,161,885	14.02	31.81	904,492	1.14	2.58
Ancash	2,089,579	579,863	23	90,851	25,211	23,822,552	11.40	41.08	728,801	0.35	1.26
Arequipa	1,088,368	293,503	12	90,697	24,459	12,301,583	11.30	41.91	273,015	0.25	0.93
Ayacucho	797,426	238,846	11	72,493	21,713	7,220,101	9.05	30.23	508,699	0.64	2.13
Sierra Norte Lima- Hco	1,471,027	646,526	20	73,551	32,326	12,262,447	8.34	18.97	365,891	0.25	0.57
Cusco	796,565	278,686	16	49,785	17,418	5,455,996	6.85	19.58	832,218	1.04	2.99
La Libertad	1,191,734	358,741	32	37,242	11,211	6,593,875	5.53	18.38	192,849	0.16	0.54
Madre de Dios	776,851	174,458	20	38,843	8,723	3,461,641	4.46	19.84	47,885	0.06	0.27
Huancavelica	1,164,987	331,297	31	37,580	10,687	1,834,511	1.57	5.54	148,120	0.13	0.45
Total	**11,066,826**	**3,546,618**	**200**	**55,334**	**17,733**	**97,825,472**	**8.84**	**27.58**	**4,320,909**	**0.39**	**1.22**

Table D.2.2

ESCs' Cost-effectiveness Indicators (only costs of clients included)

ESC	Total Cost (US$)	Technical Assistance (US$)	Number of Bus. Plans	Total Cost/ Bus. Plans (US$)	Tech. Assist./	Net Sales (US$)	Sales/Total Cost	Sales/ Tech. Assistance	Net Days of Work	Days of Work/Total Cost	Days of Work/Tech. Assistance
Arequipa	515,247	193,888	12	42,937	16,157	12,301,583	23.88	63.45	273,015	0.53	1.41
Puno	569,616	288,650	17	33,507	16,979	11,161,885	19.60	38.67	904,492	1.59	3.13
Junín-Pasco	815,537	276,773	18	45,308	15,376	13,710,882	16.81	49.54	318,938	0.39	1.15
Sierra Norte Lima- Hco	791,347	423,778	20	39,567	21,189	12,262,447	15.50	28.94	365,891	0.46	0.86
Ancash	1,612,706	512,894	23	70,118	22,300	23,822,552	14.77	46.45	728,801	0.45	1.42
Ayacucho	531,098	192,909	11	48,282	17,537	7,220,101	13.59	37.43	508,699	0.96	2.64
Cusco	713,840	258,651	16	44,615	16,166	5,455,996	7.64	21.09	832,218	1.17	3.22
Madre de Dios	453,183	106,143	20	22,659	5,307	3,461,641	7.64	32.61	47,885	0.11	0.45
La Libertad	879,188	277,598	32	27,475	8,675	6,593,875	7.50	23.75	192,849	0.22	0.69
Huancavelica	867,059	280,844	31	27,970	9,059	1,834,511	2.12	6.53	148,120	0.17	0.53
Total	**7,748,821**	**2,812,128**	**200**	**38,744**	**14,061**	**97,825,472**	**12.62**	**34.79**	**4,320,909**	**0.56**	**1.54**

Table D.3

Cost-effectiveness Indicators of the 200 Businesses Supported by PRA

Client Company	Sub-Product	ESC	Total Cost (US$)	Technical Assistance (US$)	Net Sales (US$)	Sales/Total Cost	Sales/Tech. Assistance	Net Days of Work	Days of Work/Total Cost	Days of Work/Tech. Assistance
Laive	Cheese	Arequipa	62,780	21,911	9,960,403	158.66	454.58	117,348	1.87	5.36
Cecovasa	Organic coffee	Puno	55,935	24,816	7,291,249	130.35	293.81	203,530	3.64	8.20
Santa Sofía Perú	Processed asparagus	Ancash	77,465	29,328	9,207,021	118.85	313.94	411,525	5.31	14.03
Mafrox	Beef cuts	Junín-Pasco	33,328	8,925	3,524,171	105.74	394.84	50,720	1.52	5.68
Molinera y Servicios Don Capullo	Milled rice	Ancash	20,591	3,534	1,715,944	83.33	485.60	26,989	1.31	7.64
Avícola Pampa Colorada	Live chicken	Ancash	54,358	6,220	3,962,139	72.89	636.96	13,459	0.25	2.16
Agroindustrias Verdeflor	Fresh avocado	Sierra Norte de Lima-Huánuco	41,044	26,313	2,427,289	59.14	92.25	33,062	0.81	1.26
Proval Perú	Paprika	Arequipa	26,479	15,693	1,453,013	54.87	92.59	68,696	2.59	4.38
Gloria	Fresh milk	Puno	40,708	25,074	2,117,491	52.02	84.45	452,172	11.11	18.03
Antonio Campos Rodríguez	Beef carcass	La Libertad	7,883	1,188	409,167	51.90	344.44	15,409	1.95	12.97
Cooperativa El Quinacho	Cocoa grains	Ayacucho	58,988	20,694	3,047,262	51.66	147.25	195,269	3.31	9.44
Productos del Valle	Black eye bean	Sierra Norte de Lima-Huánuco	21,391	13,466	932,663	43.60	69.26	24,953	1.17	1.85
Agromantaro	Jalapeño chili	Junín-Pasco	104,149	61,994	4,324,281	41.52	69.75	54,237	0.52	0.87
Importaciones y Exportaciones Felles	Peach	Sierra Norte de Lima-Huánuco	145,283	114,811	5,610,271	38.62	48.87	136,512	0.94	1.19
Aserradero Espinoza	Wooden floor	Madre de Dios	58,763	18,441	2,141,714	36.45	116.14	9,134	0.16	0.50
Fairtrasa Perú	Fresh avocado	La Libertad	28,954	1,164	1,020,548	35.25	876.55	19,095	0.66	16.40
Gloria	Fresh milk	Cusco	85,953	47,659	2,951,909	34.34	61.94	640,325	7.45	13.44
Macedonio Palomino Torres	Textile handicrafts	Ayacucho	26,883	2,430	902,719	33.58	371.42	79,078	2.94	32.54
Eurofresh Perú	Organic avocado	Ancash	152,992	87,796	4,742,013	31.00	54.01	105,414	0.69	1.20
Leocar	Livestock	Junín-Pasco	77,616	35,461	2,346,076	30.23	66.16	86,041	1.11	2.43
La Buena Carne	Beef carcass	La Libertad	22,853	7,816	685,713	30.01	87.74	34,838	1.52	4.46
MPT Trading	Organic cocoa	Ayacucho	45,741	21,288	1,328,042	29.03	62.39	139,066	3.04	6.53
Agromantaro	Canned artichoke	Junín-Pasco	41,771	14,218	1,206,032	28.87	84.83	43,801	1.05	3.08
Alsur del Perú	Artichoke (without thorns)	Cusco	57,302	19,008	1,335,681	23.31	70.27	55,289	0.96	2.91

Table D.3

Cost-effectiveness Indicators of the 200 Businesses Supported by PRA (Continued)

Client Company	Sub-Product	ESC	Total Cost (US$)	Technical Assistance (US$)	Net Sales (US$)	Sales/Total Cost	Sales/Tech. Assistance	Net Days of Work	Days of Work/Total Cost	Days of Work/Tech. Assistance
Agroindustrias Verdeflor	Fresh avocado	La Libertad	43,961	16,172	936,141	21.29	57.89	13,925	0.32	0.86
Productos del Valle	Beans	Sierra Norte de Lima-Huánuco	37,376	22,645	744,886	19.93	32.89	23,215	0.62	1.03
SPAR Macusani	Alpaca fiber (classified)	Puno	40,222	24,588	776,626	19.31	31.59	176,115	4.38	7.16
Multiservicios El Califa	Chestnut processing	Madre de Dios	1,981	0	37,244	18.80	n.a.	2,983	1.51	n.a.
Fairtrasa Perú	Organic avocado	La Libertad	65,951	38,162	1,138,701	17.27	29.84	30,601	0.46	0.80
Aviagro	Fresh chicken	Cusco	31,668	10,363	509,423	16.09	49.16	974	0.03	0.09
Negociaciones Generales Papo	Tara pod	La Libertad	70,128	35,643	1,005,178	14.33	28.20	33,635	0.48	0.94
Productos del Valle	Fresh avocado	Sierra Norte de Lima-Huánuco	34,379	19,647	480,341	13.97	24.45	3,828	0.11	0.19
Sol. Av. Agrng. Wiraccocha Perú	Organic quinoa	Ayacucho	67,289	28,995	905,036	13.45	31.21	15,144	0.23	0.52
Trasandina Comercial del Perú	Trout	Puno	13,802	5,654	178,988	12.97	31.66	1,808	0.13	0.32
Ponedoras Chanchamayo	Chicken eggs	Junín-Pasco	48,194	6,038	521,610	10.82	86.38	2,521	0.05	0.42
Turmanye Foods	Painted mountain corn	Huancavelica	14,161	3,753	146,888	10.37	39.13	4,835	0.34	1.29
Pelama Chubut	Vicuña fiber (categorized)	Huancavelica	24,239	4,873	247,947	10.23	50.88	13,835	0.57	2.84
Agroindustrias Pilko	Chia	Sierra Norte de Lima-Huánuco	51,166	20,694	515,923	10.08	24.93	9,749	0.19	0.47
Dalmacia	Timber flooring	Madre de Dios	20,580	7,401	184,559	8.97	24.94	2,414	0.12	0.33
Julio Campos Trujillo	Pumpkin	La Libertad	9,251	2,556	80,013	8.65	31.31	495	0.05	0.19
Inka Moss	Moss	Junín-Pasco	17,540	2,937	144,342	8.23	49.14	41,215	2.35	14.03
Comunidad Nativa Bélgica	Timber	Madre de Dios	27,763	620	216,199	7.79	348.98	6,454	0.23	10.42
Corporación Capas	Hard yellow corn	Ancash	123,592	58,396	921,478	7.46	15.78	37,979	0.31	0.65
MPT Trading	Organic coffee	Ayacucho	43,526	19,074	318,767	7.32	16.71	11,968	0.27	0.63
Sun Packers	Black eye bean	La Libertad	24,352	11,600	178,028	7.31	15.35	4,571	0.19	0.39
Enchape Sur Oriente	Decorative veneers	Madre de Dios	37,534	10,390	268,780	7.16	25.87	4,272	0.11	0.41

Table D.3

Cost-effectiveness Indicators of the 200 Businesses Supported by PRA (Continued)

Client Company	Sub-Product	ESC	Total Cost (US$)	Technical Assistance (US$)	Net Sales (US$)	Sales/Total Cost	Sales/Tech. Assistance	Net Days of Work	Days of Work/Total Cost	Days of Work/Tech. Assistance
Agrícola Peruana del Sol	Black eye bean	Sierra Norte de Lima-Huánuco	28,117	13,385	192,320	6.84	14.37	6,263	0.22	0.47
Gfoods Native	Dried and fresh maca	Huancavelica	29,181	3,390	196,202	6.72	57.88	2,563	0.09	0.76
Juan Sairitupac Huarcaya	Cusco-style corn	Huancavelica	17,505	7,098	114,340	6.53	16.11	2,930	0.17	0.41
Vínculos Agrícolas	Choclo corn	Cusco	16,344	5,997	105,569	6.46	17.60	3,431	0.21	0.57
Hernando Sánchez Julca	Fresh avocado	La Libertad	6,908	213	44,497	6.44	208.97	850	0.12	3.99
Corporación Capas	Beans	Ancash	71,230	25,830	457,761	6.43	17.72	21,780	0.31	0.84
Corforest	Wooden floor	Madre de Dios	22,449	9,270	143,941	6.41	15.53	4,675	0.21	0.50
Agro Exportadora del Perú	Mango	Ancash	92,659	27,463	555,837	6.00	20.24	17,637	0.19	0.64
Sol. Av. Agrng. Wiraccocha Perú	White quinoa	Ayacucho	43,531	19,078	256,755	5.90	13.46	4,203	0.10	0.22
Corporation World Foods	Fresh ginger	Junín-Pasco	33,190	5,637	195,322	5.88	34.65	2,546	0.08	0.45
Titikaka Trout	Gutted trout	Puno	13,288	5,802	75,343	5.67	12.99	567	0.04	0.10
Multiservicios Pillaca	Live sheep	Sierra Norte de Lima-Huánuco	39,745	25,013	223,677	5.63	8.94	30,162	0.76	1.21
Corporación Capas	Mixed capsicums	Ancash	106,747	41,551	597,695	5.60	14.38	26,482	0.25	0.64
Asociación de Ganaderos Jesús	Cheese/ dairy products	Sierra Norte de Lima-Huánuco	47,822	25,203	263,338	5.51	10.45	6,119	0.13	0.24
Agroindustrias Pilko	Amaranth grains	Sierra Norte de Lima-Huánuco	44,604	14,132	240,960	5.40	17.05	10,918	0.24	0.77
Aljoex	Fresh avocado	Arequipa	40,366	13,672	211,513	5.24	15.47	4,409	0.11	0.32
Walter Rodríguez Hermenegildo	Sheep and goat carcass	La Libertad	7,883	1,188	40,081	5.08	33.74	1,256	0.16	1.06
Fed.Asoc. Product. Agropec. Acobamba	Dry broad bean	Huancavelica	20,540	3,268	102,106	4.97	31.24	8,162	0.40	2.50
Piscigranja Bernuy	Trout fingerlings	Junín-Pasco	51,478	9,323	252,148	4.90	27.05	1,457	0.03	0.16
El Altiplano	White quinoa	Puno	25,235	9,601	119,269	4.73	12.42	1,645	0.07	0.17
Máximo Silva Aguirre	Strawberry	Sierra Norte de Lima-Huánuco	9,215	2,408	43,442	4.71	18.04	686	0.07	0.28

Table D.3

Cost-effectiveness Indicators of the 200 Businesses Supported by PRA (Continued)

Client Company	Sub-Product	ESC	Total Cost (US$)	Technical Assistance (US$)	Net Sales (US$)	Sales/Total Cost	Sales/Tech. Assistance	Net Days of Work	Days of Work/Total Cost	Days of Work/Tech. Assistance
Grp.Prod. Fib. Alp. Ocongate y Marcapata	Alpaca fiber (classified)	Cusco	84,576	41,651	388,510	4.59	9.33	124,186	1.47	2.98
Maderera Tawari	Wooden floor	Madre de Dios	26,928	4,551	119,330	4.43	26.22	729	0.03	0.16
Expagroma	Quinoa	Arequipa	53,874	27,180	238,175	4.42	8.76	7,706	0.14	0.28
EcoAndino	Organic cacao grains	Junín-Pasco	77,492	35,337	342,465	4.42	9.69	24,319	0.31	0.69
Trans Import Sergio	Hot pepper	Junín-Pasco	12,274	2,473	52,924	4.31	21.40	1,547	0.13	0.63
Apram de Choclococha	Dried white corn grain	Huancavelica	33,687	14,322	144,256	4.28	10.07	5,892	0.17	0.41
Eurofresh Perú	Organic ginger	Junín-Pasco	40,603	16,200	173,548	4.27	10.71	1,617	0.04	0.10
Agrifood	Tara pod	Ancash	74,881	9,686	319,795	4.27	33.02	7,811	0.10	0.81
Michell y Cía.	Alpaca fiber (classified)	Sierra Norte de Lima-Huánuco	56,396	25,924	236,901	4.20	9.14	71,250	1.26	2.75
Inca Agribusiness	Fresh ginger	Junín-Pasco	31,897	7,494	133,220	4.18	17.78	1,864	0.06	0.25
Masa Dorada	Bakery products	Ayacucho	53,918	15,623	220,063	4.08	14.09	5,939	0.11	0.38
Ascart	Peeled chestnuts	Madre de Dios	32,604	10,226	132,221	4.06	12.93	6,696	0.21	0.65
Piscigranja Bernuy	Gutted trout	Junín-Pasco	50,736	8,581	202,212	3.99	23.57	1,438	0.03	0.17
Asoc.Com.Criad. Vicuña Hcvlc.	Vicuña fiber (categorized)	Huancavelica	35,543	7,864	141,568	3.98	18.00	7,438	0.21	0.95
Perú Madera	Dimensional lumber	Madre de Dios	20,014	2,069	78,690	3.93	38.03	943	0.05	0.46
Frudersel	Aguaymanto	Ancash	96,316	48,178	354,690	3.68	7.36	16,493	0.17	0.34
Avícola Chagualito	Live duck	La Libertad	7,223	527	25,724	3.56	48.79	141	0.02	0.27
Taller de Tejidos a Telar Tuky Ruracc	Apparel	Huancavelica	22,361	2,995	78,908	3.53	26.34	9,111	0.41	3.04
Arcofi Perú	Whole and gutted trout	Sierra Norte de Lima-Huánuco	64,655	42,036	221,196	3.42	5.26	1,635	0.03	0.04
Ganadería El Rosario	Cheese/dairy products	Puno	25,605	9,971	86,561	3.38	8.68	2,024	0.08	0.20
Asoc. Prod. Alpaq. Los Libertadores	Alpaca fiber (classified)	Huancavelica	23,775	8,391	78,239	3.29	9.32	25,269	1.06	3.01
COOPRA	Alpaca fiber (categorized)	Huancavelica	55,118	27,438	172,604	3.13	6.29	25,938	0.47	0.95
Hernando Sánchez Julca	Lime	La Libertad	7,670	975	23,729	3.09	24.34	195	0.03	0.20

Table D.3

Cost-effectiveness Indicators of the 200 Businesses Supported by PRA (Continued)

Client Company	Sub-Product	ESC	Total Cost (US$)	Technical Assistance (US$)	Net Sales (US$)	Sales/Total Cost	Sales/Tech. Assistance	Net Days of Work	Days of Work/Total Cost	Days of Work/Tech. Assistance
Totus Lynda	Potatoes and vegetables	La Libertad	8,058	1,363	24,534	3.04	18.00	513	0.06	0.38
COSESPI Pinaya	Alpaca fiber (classified)	Puno	18,807	11,321	55,967	2.98	4.94	14,636	0.78	1.29
Junta Administrativa de Tolconi	Alpaca fiber (classified)	Arequipa	73,869	33,000	217,654	2.95	6.60	61,960	0.84	1.88
Truchas de Laguna de Canrash	Gutted trout	Ancash	48,525	3,125	139,322	2.87	44.58	1,802	0.04	0.58
Ponedoras Chanchamayo	Hen	Junín-Pasco	13,539	3,739	38,864	2.87	10.39	0	0.00	0.00
San Roque Import-Export	Textile handicrafts	Sierra Norte de Lima-Huánuco	19,956	5,225	53,469	2.68	10.23	1,754	0.09	0.34
Arapa	Trout	Puno	30,717	15,083	82,201	2.68	5.45	93	0.00	0.01
Koken del Perú	Maca	Junín-Pasco	56,489	14,334	150,832	2.67	10.52	2,365	0.04	0.17
La Buena Carne	Cowhide and viscera	La Libertad	38,809	11,020	103,604	2.67	9.40	0	0.00	0.00
Servicios e inversiones Rodal	Dry grains broad bean	La Libertad	37,861	10,071	97,306	2.57	9.66	4,153	0.11	0.41
Biomozzarella	Mozzarella	Arequipa	50,187	20,105	128,373	2.56	6.39	2,943	0.06	0.15
Hernando Sánchez Julca	Hot pepper	La Libertad	6,695	0	16,868	2.52	n.a.	852	0.13	n.a.
Avícola Chagual	Chicken	La Libertad	26,024	6,577	64,654	2.48	9.83	130	0.01	0.02
Agroind. Sernambi Acre - CN BELGICA	Rubber sheeting	Madre de Dios	1,981	0	4,891	2.47	n.a.	465	0.23	n.a.
Icatom	Fresh broad bean	Ayacucho	58,287	19,992	142,658	2.45	7.14	52,626	0.90	2.63
Asoc. For. Ind. de Mad. Dios AFIMAD	Native trinkets (jewelry)	Madre de Dios	1,981	0	4,715	2.38	n.a.	790	0.40	n.a.
SGD Alimentos Perú	Lima bean	Ancash	22,985	5,927	53,768	2.34	9.07	6,359	0.28	1.07
Artesanias Sumac Perú	Sweaters and accessories	Puno	23,521	7,887	52,927	2.25	6.71	2,310	0.10	0.29
Ganadería y Comercio del Centro	Raw wool	Sierra Norte de Lima-Huánuco	23,209	8,478	51,101	2.20	6.03	4,332	0.19	0.51
Totus Lynda	Amaranth grains	La Libertad	50,114	15,629	110,322	2.20	7.06	6,268	0.13	0.40
Agroservice Flores	Fresh milk	La Libertad	27,291	7,844	57,892	2.12	7.38	12,666	0.46	1.61
Sociedad Agrícola Virú	Asparagus	Ancash	82,563	17,367	172,002	2.08	9.90	11,031	0.13	0.64
Fairtrasa Perú	Mango	La Libertad	13,612	860	27,793	2.04	32.32	614	0.05	0.71
Capsicum Andino	Tabasco chili	La Libertad	53,546	25,757	107,908	2.02	4.19	4,345	0.08	0.17
Grupo de Maricultores	Peruvian scallops	Ancash	100,390	35,194	201,665	2.01	5.73	7,191	0.07	0.20

Table D.3

Cost-effectiveness Indicators of the 200 Businesses Supported by PRA (Continued)

Client Company	Sub-Product	ESC	Total Cost (US$)	Technical Assistance (US$)	Net Sales (US$)	Sales/Total Cost	Sales/Tech. Assistance	Net Days of Work	Days of Work/Total Cost	Days of Work/Tech. Assistance
Totus Lynda	White quinoa	La Libertad	39,676	20,229	75,905	1.91	3.75	2,180	0.05	0.11
Industrias Aquafood	Fresh and gutted trout	Huancavelica	21,816	11,408	41,555	1.90	3.64	503	0.02	0.04
Piscigranjas Municipales	Trout	Ancash	52,233	6,833	98,040	1.88	14.35	2,695	0.05	0.39
SPAR Paratía	Alpaca fiber (classified)	Puno	21,115	5,481	38,732	1.83	7.07	8,405	0.40	1.53
Artesanía Ibrahim	Textile handicrafts	Cusco	13,459	3,113	24,335	1.81	7.82	810	0.06	0.26
Multinegocios Charey	Beans	La Libertad	27,710	8,263	49,280	1.78	5.96	946	0.03	0.11
SAIS Kenamari	Alpaca fiber (classified)	Puno	45,369	14,250	77,681	1.71	5.45	24,141	0.53	1.69
Agroindustrial La Joya	Cheese/dairy products	La Libertad	46,422	26,975	78,250	1.69	2.90	1,824	0.04	0.07
Asoc. Prod. Alp. Com. Ind. Carhuancho APAC	Alpaca fiber (classified)	Huancavelica	20,365	4,981	34,083	1.67	6.84	11,256	0.55	2.26
Pq Snacks	Dry broad bean	Huancavelica	44,803	25,437	73,045	1.63	2.87	3,286	0.07	0.13
Frudersel	Papaya	Ancash	65,475	20,075	101,371	1.55	5.05	2,885	0.04	0.14
Víctor Ruiz Castillo	Whole and gutted trout	La Libertad	21,533	2,086	32,463	1.51	15.56	250	0.01	0.12
Pronasel	Cusco-style corn	Huancavelica	24,523	5,158	34,276	1.40	6.65	354	0.01	0.07
Grp. Prod. Dist. Cajacay	Hot pepper	Ancash	22,316	2,520	30,722	1.38	12.19	973	0.04	0.39
Avícola Yuracyacu	Chicken	La Libertad	20,302	855	27,898	1.37	32.63	53	0.00	0.06
Ecomusa Jebe del Map	Rubber sheeting	Madre de Dios	29,960	7,583	39,861	1.33	5.26	3,407	0.11	0.45
Capsicum Andino	Tabasco chili	Junín-Pasco	33,700	9,297	43,783	1.30	4.71	2,008	0.06	0.22
Asoc. Prod. Agrí. Dist. Cochorco	Fresh avocado	La Libertad	15,864	3,112	20,355	1.28	6.54	523	0.03	0.17
Narevi Alpaca Collection	Textiles(by power loom)	Arequipa	36,548	9,855	46,375	1.27	4.71	1,493	0.04	0.15
Ayniart	Textile handicrafts	Cusco	56,532	18,238	70,575	1.25	3.87	2,421	0.04	0.13
Prod. Palta Dist. Sartimbamba	Fresh avocado	La Libertad	7,096	401	8,699	1.23	21.70	239	0.03	0.60
El Altiplano	Color quinoa	Puno	47,345	31,711	57,872	1.22	1.82	845	0.02	0.03
Hitalo Agro	White potato	Huancavelica	20,471	3,200	24,679	1.21	7.71	1,159	0.06	0.36
Asoc. Ecológ. Agr. For. y Acu. Heredias	Watermelon	Madre de Dios	16,580	3,401	19,958	1.20	5.87	305	0.02	0.09
Comunidad Campesina de Huachocolpa	Vicuña fiber	Huancavelica	24,619	5,897	28,428	1.15	4.82	1,838	0.07	0.31
Abelardo Chávez Gallegos	Recycled plastic flakes	Madre de Dios	10,392	1,193	11,685	1.12	9.79	354	0.03	0.30

Table D.3

Cost-effectiveness Indicators of the 200 Businesses Supported by PRA (Continued)

Client Company	Sub-Product	ESC	Total Cost (US$)	Technical Assistance (US$)	Net Sales (US$)	Sales/Total Cost	Sales/Tech. Assistance	Net Days of Work	Days of Work/Total Cost	Days of Work/Tech. Assistance
Grp Prod. Arveja Verde Acobamba	Green peas	Huancavelica	9,341	384	9,961	1.07	25.97	0	0.00	0.00
SPAR Ajoyani	Alpaca fiber (classified)	Puno	58,302	27,183	60,707	1.04	2.23	13,252	0.23	0.49
Ascart	Chestnut processing	Madre de Dios	26,904	4,526	27,411	1.02	6.06	2,621	0.10	0.58
Interamsa Agroindustrial	Amaranth grains	Ayacucho	60,999	22,705	60,350	0.99	2.66	2,931	0.05	0.13
Asoc. Criad. Ovinos Corriedale Pto Arturo	Raw wool	Puno	30,907	15,273	30,170	0.98	1.98	1,728	0.06	0.11
Asociación Ricchari Llaccta	Purple corn	Ayacucho	38,608	14,155	37,512	0.97	2.65	2,471	0.06	0.17
Los Pantanos de Yalen	Fresh trout	La Libertad	36,856	2,372	34,186	0.93	14.41	139	0.00	0.06
Grp. Prod.Mango Criollo Pataz y Cochorco	Mango	La Libertad	47,096	12,611	41,804	0.89	3.31	1,979	0.04	0.16
Beder Condo - Acop. Gloria	Fresh milk	Ancash	22,647	2,852	19,156	0.85	6.72	3,653	0.16	1.28
Niisa Corporation	Organic quinoa	Puno	65,636	50,002	55,080	0.84	1.10	1,002	0.02	0.02
Tarpuy Agroindustrial	Pumpkin	Huancavelica	11,965	1,557	9,634	0.81	6.19	51	0.00	0.03
Perú Madera	Wood sawing and drying	Madre de Dios	10,588	1,389	8,388	0.79	6.04	776	0.07	0.56
Eurofresh Perú	Organic sweet potato	Ancash	78,385	13,189	56,647	0.72	4.30	1,139	0.01	0.09
Biomozzarella	Butter	Arequipa	17,362	1,455	12,171	0.70	8.36	5,448	0.31	3.74
Agro Exportadora del Perú	Fresh avocado	Ancash	66,015	20,615	44,937	0.68	2.18	689	0.01	0.03
Láctea	Cheese/dairy products	Junín-Pasco	73,176	31,021	47,776	0.65	1.54	1,143	0.02	0.04
Apram de Choclococha	Chullpi corn	Huancavelica	12,956	2,548	8,421	0.65	3.30	276	0.02	0.11
COOPRA	Alpaca fiber (classified)	Huancavelica	52,318	24,639	33,797	0.65	1.37	14,064	0.27	0.57
Eco Soluciones	Live guinea pig	Ancash	95,735	30,539	61,428	0.64	2.01	4,321	0.05	0.14
Asoc. Prod. Agroec. Alto Navarra -APAN	Little orange	Junín-Pasco	18,365	3,763	11,275	0.61	3.00	99	0.01	0.03
Comercializadora Saldívar	Native potato	Sierra Norte de Lima-Huánuco	18,024	3,292	9,846	0.55	2.99	87	0.00	0.03
Víctor Ruiz Castillo	Trout fingerlings	La Libertad	37,862	3,377	19,729	0.52	5.84	125	0.00	0.04
Ascart	Whole chestnuts	Madre de Dios	40,254	17,877	20,584	0.51	1.15	804	0.02	0.04

Table D.3

Cost-effectiveness Indicators of the 200 Businesses Supported by PRA (Continued)

Client Company	Sub-Product	ESC	Total Cost (US$)	Technical Assistance (US$)	Net Sales (US$)	Sales/Total Cost	Sales/Tech. Assistance	Net Days of Work	Days of Work/Total Cost	Days of Work/Tech. Assistance
Avícola Yuracyacu	Chicken eggs	La Libertad	13,743	991	6,907	0.50	6.97	37	0.00	0.04
Corporación Nativa	Textile handicrafts	Arequipa	33,953	3,871	16,523	0.49	4.27	1,783	0.05	0.46
Agrocóndor	Purple corn	Huancavelica	26,800	7,434	12,186	0.45	1.64	2,017	0.08	0.27
Artesanías Sumak Maki	Apparel	Huancavelica	15,384	0	6,822	0.44	n.a.	803	0.05	n.a.
Agrupación de Productores de Ocoyo	Beans	Huancavelica	43,566	8,817	17,725	0.41	2.01	355	0.01	0.04
Multiservicios Pillaca	Live sheep	Huancavelica	20,406	5,023	8,088	0.40	1.61	1,087	0.05	0.22
Intexa	Apparel	Puno	13,102	4,954	5,020	0.38	1.01	218	0.02	0.04
Royal Knit	Textiles (by power loom)	Cusco	66,492	28,198	25,103	0.38	0.89	2,834	0.04	0.10
Grupo de Artesanas Makyss	Apparel	Huancavelica	48,650	22,859	17,893	0.37	0.78	1,916	0.04	0.08
Comunidad Campesina de Acoyo	Hass avocado	Huancavelica	49,220	14,470	16,339	0.33	1.13	485	0.01	0.03
Proalica	Processed vegetables	Arequipa	20,993	5,086	6,762	0.32	1.33	428	0.02	0.08
Asociación Qampaq Art	Apparel	Huancavelica	50,181	15,432	16,135	0.32	1.05	1,833	0.04	0.12
Exportadora Agrícola Orgánica	Amaranth grains	Cusco	57,434	19,140	18,083	0.31	0.94	872	0.02	0.05
Vínculos Agrícolas	Cusco-style corn grains	Cusco	26,823	5,518	7,995	0.30	1.45	197	0.01	0.04
Empresa de Derivados Lácteos Marsh	Yogurt	Sierra Norte de Lima-Huánuco	21,935	7,203	5,783	0.26	0.80	521	0.02	0.07
Sol. Av. Agrng. Wiraccocha Perú	Color quinoa	Huancavelica	46,761	27,395	12,246	0.26	0.45	649	0.01	0.02
Biomozzarella	Fresh cheese	Arequipa	17,100	1,194	4,264	0.25	3.57	98	0.01	0.08
Andrea Irma Meza Luna	Textile handicrafts	Sierra Norte de Lima-Huánuco	7,888	0	1,904	0.24	n.a.	204	0.03	n.a.
Grp. Prod. Arveja Verde Angaraes	Green peas	Huancavelica	8,843	529	1,798	0.20	3.40	46	0.01	0.09
Hitalo Agro	Native potato	Huancavelica	26,406	9,134	4,184	0.16	0.46	166	0.01	0.02
Asoc. Prod. Kiwicha Paruro	Amaranth grains	Cusco	49,022	10,728	7,200	0.15	0.67	394	0.01	0.04
Vínculos Agrícolas	Amaranth grains	Cusco	39,860	18,555	4,990	0.13	0.27	204	0.01	0.01

Table D.3

Cost-effectiveness Indicators of the 200 Businesses Supported by PRA (Continued)

Client Company	Sub-Product	ESC	Total Cost (US$)	Technical Assistance (US$)	Net Sales (US$)	Sales/Total Cost	Sales/Tech. Assistance	Net Days of Work	Days of Work/Total Cost	Days of Work/Tech. Assistance
JB Servicom	Aguaymanto	Ancash	49,746	1,608	5,794	0.12	3.60	285	0.01	0.18
Lidia Atencio Porras	Live sheep	Sierra Norte de Lima-Huánuco	35,180	12,560	3,381	0.10	0.27	411	0.01	0.03
S&M Foods	Color quinoa	Ancash	34,861	15,065	3,326	0.10	0.22	209	0.01	0.01
Granja de Cuyes Paraíso	Live guinea pig	Sierra Norte de Lima-Huánuco	43,963	21,343	3,756	0.09	0.18	228	0.01	0.01
Asociación de Artesanas Orko Kraft	Apparel	Arequipa	81,736	40,867	6,355	0.08	0.16	702	0.01	0.02
G y G Negociaciones	Wood handles	Madre de Dios	10,366	1,167	711	0.07	0.61	34	0.00	0.03
Tesoros Trading Company	Textile handicrafts	Cusco	33,295	5,347	2,261	0.07	0.42	80	0.00	0.01
Asoc. Prod. Kiwicha Acomayo	Amaranth grains	Cusco	49,022	10,728	2,997	0.06	0.28	164	0.00	0.02
Vínculos Agrícolas	Hot pepper	Cusco	29,609	8,304	1,364	0.05	0.16	37	0.00	0.00
David Baez Anaya	Dried peppermint	Ayacucho	33,328	8,875	936	0.03	0.11	4	0.00	0.00
G y G Negociaciones	Fiber-cement boards	Madre de Dios	26,964	4,586	661	0.02	0.14	18	0.00	0.00
EcoAndino	Eggfruit	Huancavelica	11,556	1,148	157	0.01	0.14	3	0.00	0.00
Artes en Shiringa La Iberiana - ASHIBE	Vegetable leather blankets	Madre de Dios	28,597	1,453	97	0.00	0.07	11	0.00	0.01
Industrias Alimenticias Cusco	Amaranth grains	Cusco	16,449	6,103	0	0.00	0.00	0	0.00	0.00
			7,748,821	**2,812,128**	**97,825,472**	**12.62**	**34.79**	**4,320,909**	**0.56**	**1.54**

n.a.=non-applicable

FINANCIAL MANAGEMENT

E.1 Obligated Amount Timeline

Table E.1 shows the increase in the obligated amount through time. In addition to the base period contract cost amount (US$11,795,225), option years 1 and 2 were exercised (US$1,599,813) and additional funding from Sierra Exportadora (a total of US$1,088,795.37) was channeled through USAID.

Table E.1

Obligated Amount Timeline (as of June 30, 2013)

Document	Date	Amount in US$	Total Obligated Amount in US$	Remarks
Original subcontract	Sep 28, 2009	3,392,664.51	3,392,664.51	
Modification 2	Oct 25, 2010	5,274,000.00	8,666,664.51	
Modification 3	Aug 26, 2011	3,200,000.00	11,866,664.51	
Modification 4	Mar 6, 2012	148,283.87	11,718,380.64	Amount de-obligated given that it had been obligated by mistake with modification 3.
Modification 5	Mar 8, 2012	76,844.36	11,795,225.00	Fully funds total estimated base period contract cost.
Modification 6	Apr 6, 2012	1,057,441.64	12,852,666.64	Exercises the option years and sub-obligates the amount of $1,057,441.64 to cover contract activities through August 31, 2012.
Modification 7	Apr 20, 2012	542,371.36	13,395,038.00	Reflects subobligation amount of $542,371.36 and reflects updated total obligated amount.
Modification 8	Sep 24, 2012	2,202,329.00	15,597,367.00	Modifies scope of work to include institutional capacity activities.
Modification 9*	Sep 28, 2012	-	15,597,367.00	
Modification 10*	USAID only	-	15,597,367.00	
Modification 11	Mar 8, 2013	429,908.17	16,027,275.17	Funds obligated are anticipated to be sufficient through June 30, 2013.

*Modifications 9 and 10 did not change the obligated amount.

E.2 Project Billing

The project finished operations with a strong financial performance, billing US$15.98 million through July 2013 (see Table E.2). The most important expense during the project's life has certainly been the *Subcontracts* line item, which is 41 percent of the total billing amount, referred to all ESCs' operations and the operators' supporting activities. Labor expenses were 23 percent of the total billing amount. The most significant sub-items in the *Other Direct Costs* line item were VAT, professional services, and office rent.

Expenses in FY2013 (October 2012-July 2013) show the downsizing in the project's operations and the slowdown of activities as funding sources were reducing or finishing.

Table E.2

Project Billing by FY (as of July 31, 2013)

	FY 2010	FY 2011	FY 2012	FY 2013 (Oct 2012-Jul 2013)	Total
Labor (including salaries, direct and indirect fringe)	$803,918	$1,129,014	$1,031,496	$736,894	$3,701,322
Travel and Transportation	$42,916	$47,061	$40,998	$16,695	$147,669
Allowances	$105,773	$93,285	$72,432	$21,312	$292,803
Equipment and Vehicles	$194,948	$48,459	$5,839	$176	$249,423
Subcontracts	$868,786	$2,252,278	$2,586,740	$848,214	$6,556,019

Table E.2

Project Billing by FY (as of July 31, 2013) (Continued)

	FY 2010	FY 2011	FY 2012	FY 2013 (Oct 2012-Jul 2013)	Total
Other Direct Costs	$507,862	$423,874	$516,778	$315,892	$1,764,406
Overhead	$447,528	$572,617	$329,585	$376,071	$1,725,800
G&A	$171,766	$273,317	$176,433	$75,949	$697,465
Fixed Fee	$172,585	$265,329	$276,321	$131,025	$845,260
TOTAL	**$3,316,083**	**$5,105,233**	**$5,036,622**	**$2,522,229**	**$15,980,167**

E.3 Project Spending by Cost Line Item Number

Table E.3 illustrates spending by cost line item number (CLIN).

Table E.3

Spending by Cost Line Item Number (CLIN) as of July 31, 2013

Cost Center	Total Budget	Spending as of 7/31/13	Budget Balance as of 7/31/13	Obligation Balance as of 7/31/13	% Spent of Total Budget	% Spent of Obligation
CLIN 1: *Sales and jobs increased and outside resources leveraged.* Defined as costs related to the project's core function, operation of the economic service centers that broker deals, generate investment, and leverage public-private partnerships.	$10,281,862	$10,236,939	$44,923	$10,281,862	99.56%	99.56%
CLIN 2: *Trade and investment climate within selected economic corridors improved.* Defined as costs related to the generation of information related to and action taken to remove barriers to doing business in the economic corridors targeted by the project.	$511,290	$510,576	$714	$511,290	99.86%	99.86%
CLIN 3: *Performance monitoring and evaluation implemented.* Defined as costs related to the implementation of the project's monitoring and evaluation unit, which holds the economic service centers accountable for results, guides the generation of information related to CLIN 2, and conducts periodic assessments of overall project performance and impact.	$2,601,886	$2,599,679	$2,207	$2,601,886	99.92%	99.92%
CLIN 4: Institutional strengthening	$4,235,013	$2,632,974	$1,602,039	$2,632,238	62.17%	100.03%
TOTAL	**$17,630,051**	**$15,980,169**	**$1,649,882**	**$16,027,276**	**90.64%**	**99.71%**

FULFILLMENT OF TARGETS AND CONTRACT REQUIREMENTS CHECKLIST

F.1 Checklist on PRA Chemonics' Contract Results and Indicators

Result 1: Sales of goods and services produced by MSMEs receiving USAID assistance increased by US$ 90 million, which generate 27,000 new full-time equivalent jobs.

Primary	Target	Status as of June 30, 2013	Evidence
Amount of increase in sales of goods and services produced by assisted MSMEs in the targeted regions broken down by type of goods and services, by women- and men-owned enterprises, and by market (domestic, regional, and international). Sales baseline shall be established for each MSME as they join the program. From this baseline, increased sales above and beyond this prior year's sales target will count toward achieving the result.	US$ 90 million	• Total cumulative sales from September 2009 to June 2013 totaled US$ 97.8 million, 109% of the life-of-project sales target. • Thirty-four products make up PRA's product line. • Sixteen percent of businesses are women-owned. They account for US$16,865,288 in cumulative sales, 17% of total cumulative sales. • Exports were 54% of total project sales. Twenty-four products were exported to 29 countries. • Sales baselines have been established for all client companies.	• Final Report • M&E Database
Number of full-time equivalent (see Definitions) jobs created among participating MSMEs, broken down by sex. Jobs baseline shall be established for each MSME as they join the program. From this baseline, increased jobs above and beyond this prior year's sales target will count toward achieving the result.	27,000	• Cumulative new jobs from September 2009 to June 2013 totaled 21,605, 80% of the life-of-project target. • Female jobs: 5,817 (37% of total cumulative jobs). • New employment is estimated over baselines.	• Final Report • M&E Database

Indicator 1.1 – Peruvian MSMEs equipped with the skills and know-how to increase sales by US$ 90 million as a result of new market linkages. Results should be broken down by groups of goods and services and by women and men-owned enterprises.
At a minimum:

Indicator 1.1	Status as of June 30, 2013	Evidence
1.1.1 – Methodology to provide Business Development Services (BDS) to MSMEs in eight (8) different Economic Corridors in the Sierra developed and submitted to USAID for approval.	• Nine Economic Service Centers (ESCs) in operation during project's first year, and one more ESC starting operations at the beginning of the second year.	• Quarterly Reports and Annual Reports
1.1.2 – System established to: (1) identify buyers for the goods and services that are produced or could be produced in the economic corridor; (2) serve as an honest broker to facilitate sales agreements between buyers and local producers; (3) organize the local supply of goods and services to complete the sales agreement established between the buyers and producers; and (4) provide technical assistance and identify and resolve problems to ensure that sales agreements are fulfilled.	• Nine Economic Service Centers (ESCs) in operation during project's first year, and one more ESC starting operations at the beginning of the second year.	• Quarterly Reports and Annual Reports
1.1.3 – Methodology and gender-sensitive criteria for selecting program beneficiaries developed and submitted to USAID for approval.	• Submitted and approved by USAID.	• Gender Methodology • Gender Manual
1.1.4 – Participating MSMEs identified and sales baseline established.	• Done.	• M&E Database

Result 1: Sales of goods and services produced by MSMEs receiving USAID assistance increased by US$ 90 million, which generate 27,000 new full-time equivalent jobs. (Continued)

Indicator 1.1 – Peruvian MSMEs equipped with the skills and know-how to increase sales by US$ 90 million as a result of new market linkages. Results should be broken down by groups of goods and services and by women and men-owned enterprises. At a minimum:		
Indicator 1.1	**Status as of June 30, 2013**	**Evidence**
1.1.5 – Sales (domestic and international markets in a maximum of 60 months) of goods and services of participating MSMEs increased by US$90 million over baseline levels for the life of the Contract as a result of MSMEs adopting improved business practices and new technologies and adding value and/or diversifying into higher-value products/services (see Definitions). The average incremental annual sales from the annual cohort of participating MSMEs shall be at least equal to or greater than the sales from the previous year through the life of the program.	• Total cumulative sales from September 2009 to June 2013 totaled US$ 97.8 million, 109% of the life-of-project sales target. • The average incremental annual sales increased from US$118,387 in FY2010 to US$186,852 in FY2011, US$294,399 in FY2012, and US$362,931 in FY2013-June, at an annual growth rate of 45%.	• Final Report • M&E Database
1.1.6 – Strategic plan developed and implemented to ensure participating MSMEs have sustained access and utilization of market information beyond Contract performance period. The plan should also include criteria for selecting participating MSMEs.	• Submitted and approved by USAID.	• Letter No. 086-2013/ DIRECCION / PRA, dated 13 May, 2013 and approved by USAID Letter dated May 22, 2013
1.1.7 – All environmental assessments as identified in 22CFR 216 (USAID Environmental Procedures), as applicable, completed and submitted for USAID approval (see Section H.19 for more details).	• Environmental Management and Biodiversity Conservation Plan submitted and approved by USAID. • All business plans include an initial environmental assessment. • Environmental impact assessment of business activities undertaken by Rosa Velásquez. • Forestry business assessment undertaken by Marco Romero	• Environmental Management and Biodiversity Conservation Plan • Business plans and monitoring formats • Environmental Impact Assessment Report • Forestry Business Assessment Report
Indicator 1.2 – Creation of 27,000 full-time equivalent jobs among program-assisted MSMEs. At a minimum:		
Indicator 1.2	**Status as of June 30, 2013**	**Evidence**
1.2.1 – Participating MSMEs identified and employment baseline established.	• Done.	• M&E Database
1.2.2 – Twenty-seven thousand (27,000) full-time equivalent new jobs created among participating MSMEs at or above Peru's established minimum levels for rural and urban wages broken down by sex (see Definitions).	• Cumulative new jobs from September 2009 to June 2013 totaled 21,605, 80% of the life-of-project target. • Female jobs: 5,817 (37% of total cumulative jobs). • New employment is estimated over baselines.	• Final Report • M&E Database
1.2.3 – Adherence to labor laws and standards, and the hiring of people with disabilities and other disadvantaged people promoted among participating enterprises.	• All business plans include formats on these issues. • Training activities and other activities undertaken.	• Business plans • Quarterly Reports • Annual Reports • Final Report • Monitoring formats
Indicator 1.3 – Sales of products and services that lead to conserving biodiversity increased by US$3 million. At a minimum:		
Indicator 1.3	**Status as of June 30, 2013**	**Evidence**
1.3.1 – Participating MSMEs identified and sales baseline established.	• Done.	• M&E Database

Result 1: Sales of goods and services produced by MSMEs receiving USAID assistance increased by US$ 90 million, which generate 27,000 new full-time equivalent jobs. (Continued)

Indicator 1.3 – Sales of products and services that lead to conserving biodiversity increased by US$3 million. At a minimum:		
Indicator 1.1	**Status as of June 30, 2013**	**Evidence**
1.3.2 – Sales of goods and services of participating MSMEs that are produced/provided in way that enhances biodiversity increased by US$3 million over baseline levels for the life of the Contract. The goods and services sold must have an explicit biodiversity objective and the intent to positively impact biodiversity in biologically significant areas. All areas of Peru, including its coastal waters, have biological significance. We refer you to Peru's National Biodiversity Strategy http://www.cbd.int/doc/world/pe/pe-nbsap-01-es.pdf and USAID's guidance http://pdf.usaid.gov/pdf_docs/PNADE258.pdf to help you develop your approach. The Offeror must submit a brief analysis of the threats to biodiversity and monitor associated indicators for biodiversity in the area where the goods and services are produced/provided.	• Cumulative sales of biodiversity products amount to US$ 9,116,835, 304% of the five-year target. • Environmental management and biodiversity conservation plan submitted and approved by USAID.	• Quarterly Reports • Annual Summary Reports. • Environmental Management and Biodiversity Conservation Plan • Business plans and monitoring formats
Indicator 1.4: Communication and outreach strategy designed and implemented. At a minimum:		
Indicator 1.4	**Status as of June 30, 2013**	**Evidence**
1.4.1 – Target audiences and key messages that will assist in achieving the contract results identified.	• Included in communications and outreach strategy and updated communications plan.	• Communications and Outreach Strategy and Updated Communications Plan
1.4.2 – Communication tools and media to reach each targeted audience most effectively developed and implemented.	• Included in communications and outreach strategy and updated communications plan.	• Communications and Outreach Strategy and Updated Communications Plan • Final Report
1.4.3 – Surveys conducted as necessary to determine if key messages among targeted audiences are helping to achieve contract results.	• Not deemed necessary as the project is very well positioned.	• Conference "The Production Development and Poverty Reduction Challenge. Lessons from the USAID-PRA Project" (Lima, June 7, 2012) with James Riordan's participation • James Riordan's book, "We Do Know How" • The Office of the President of the Council of Ministers issued the publication "Experiencias Sugerentes de Programas y Proyectos en la Sierra" in July 2011. The document was written by Rosa Flores and included the PRA experience • "Business Integration and Formalization: Lessons from Development Experiences in Peru and the Dominican Republic," by Juana Kuramoto, uses the PRA experience in its analysis

Result 2: Resources leveraged from public, private and civil society entities as a result of USAID assistance exceed US$15 million.
The Contractor's achievement will be measured by the following indicators.

	Target	Status as of June 30, 2013	Evidence
Number of local institutions and/or enterprises strengthened or equipped to provide Business Development Services on a fee-basis.	8	• Five PRA operators: CARE, Recursos, CEAR, Universidad del Pacífico, and IDESI operating PRA model and procedures. • CEISA has hosted the director of PRA's Ayacucho ESC who has been applying the PRA model. • Asociación Civil Pataz in La Libertad and ISUR in Cusco have worked very closely with PRA and have become well acquainted with the PRA model.	• Operators' subcontracts • PRA Operators' Manual
Amount of new private sector investment in infrastructure and business development services to support market-led economic development activities in targeted areas as a result of USAID technical assistance in targeted areas. Baseline of zero	US$ 8 million	• Cumulative new private investments totaled US$5.1 million, or 64% of the project's five-year target.	• Final Report
Amount of new public sector investment in infrastructure and business development services to support market-led economic development activities in targeted areas as a result of USAID technical assistance in targeted areas. Baseline of zero.	US$3 million	• Total new public sector investment totaled US$3.2 million (106% of the five-year target).	• Final Report
Amount of resources leveraged through Alliances/Public-Private Partnerships (PPPs) with private sector companies (local and/or international companies), government entities, nongovernmental organizations, foundations, universities and/or training institutes. See Definitions) Baseline of zero	US$4 million	• US$5.2 million leveraged through GDAs with 9 private sector organizations and one private agreement.	• MOUs signed by USAID with 9 private organizations, and Invicta-IDESI agreement • Final Report
Total	**US$15 million**	**US$13.5 million**	

Indicator 2.1 – Quantify the amount of increased private and public investments in infrastructure and business development services made to support market-led economic development activities as a result of USAID technical assistance in the targeted regions.
At a minimum:

Indicator 2.1	Status as of June 30, 2013	Evidence
2.1.1 – Establish a methodology and baselines to measure increases in public and private investments.	• Submitted and approved by USAID.	• Methodology and Baselines to Measure Increases in Public and Private Investments • Performance Monitoring Plan (PMP) approved by USAID
2.1.2 – US$3 million of new investment by national, regional, and local government units in targeted regions stimulated by USAID technical assistance.	• Total new public sector investment totaled US$3.2 million (106% of the five-year target).	• Final Report
2.1.3 – US$8 million of new private sector investments made in targeted regions as a result of USAID technical assistance.	• Cumulative new private investments totaled US$5.1 million, or 64% of the project's five-year target.	• Final Report

Result 2: Resources leveraged from public, private and civil society entities as a result of USAID assistance exceed US$15 million. (Continued)

Indicator 2.2 – Implement mechanisms and cost-sharing schemes to ensure that participating MSMEs contribute at least 10% (aggregate) of the total investment amount required to fulfill new sales agreements. At a minimum:

Indicator 2.2	Status as of June 30, 2013	Evidence
2.2.1 – Establish a methodology to monitor increases in investments. Investments include the US Dollar value of cash and in-kind resources provided by program-assisted MSMEs to help them meet quality and quantity specifications of new markets.	• Submitted and approved by USAID.	• Methodology to Monitor Increases in Investments • Performance Monitoring Plan (PMP) approved by USAID
2.2.2 – Participating MSMEs contribute in aggregate at least 10 percent of the total investment required to fulfill new sales agreements.	• Client companies contributed with 28% of the total amount required to reach the project's total new sales.	• Final Report

Indicator 2.3 – Significant resources leveraged through alliance partners in support of Contract results.[3] At a minimum:

Indicator 2.3	Status as of June 30, 2013	Evidence
2.3.1 – US$4 million in resources leveraged from alliance partners.	• US$5.2 million leveraged through GDAs with 9 private sector organizations and one private agreement.	• MOUs signed by USAID with 9 private organizations, and Invicta-IDESI agreement • Final Report

Indicator 2.4 – Maintain existing alliances with Buenaventura and Antamina mining companies for at least 3 and up to 5 years and seek other alliances with private sector companies or foundations (subject to USAID approval). Resources leveraged from these private sector actors during the time period of performance may count towards achieving the result and target.
At a minimum:

Indicator 2.4	Status as of June 30, 2013	Evidence
2.4.1 – Implement Memoranda of Understanding between USAID and Antamina and Buenaventura mining companies to maintain the provision of business development services in the economic corridors established in Ancash and Huancavelica (see Section J Applicable Documents section).	• Done.	• USAID-Buenaventura MOUs cover 3 economic corridors • USAID-Antamina MOU for Ancash corridor
2.4.2 – Assist USAID in establishing and implementing new alliances with new resource partner(s).	• GDAs with 6 other private partners and one with SIEX were set up and signed.	• MOUs with the Clinton Giustra Sustainable Growth Initiative, Minsur, Odebrecht, Barrick, Poderosa, Raura, Los Quenuales, and SIEX signed
2.4.3 – Develop and implement a strategy in conjunction with USAID to promote alliances/PPPs with private and public actors	• Submitted and approved by USAID.	• Public Private Alliances Strategy

3 USAID will be the principal negotiator and partner in any new alliance/PPP, not the contractor. The contractor's responsibility is to support USAID in identifying, designing, and implementing alliances/PPPs.

Result 2: Resources leveraged from public, private and civil society entities as a result of USAID assistance exceed US$15 million. (Continued)

Indicator 2.5 – A short and focused assessment/action plan prepared on institutions and/or enterprises providing market access and business development services on a fee-basis or those that show a strong interest in developing the capability to provide these services.
At a minimum:

Indicator 2.5	Status as of June 30, 2013	Evidence
2.5.1 – The assessment/action plan shall describe the nature, activities, and services of existing institutions and/or enterprises providing market access, and business development services or those that show a strong interest and capability to provide services on a fee-basis.	• Submitted and approved by USAID.	• Assessment on Institutions and Enterprises Providing Market Access and Business Development Services on a Fee-Basis
2.5.2 – The assessment/action plan shall evaluate effective (or potentially effective) institutions and/or enterprises in terms of their ability to provide market access and business development services on a fee-basis.	• Submitted and approved by USAID.	• Assessment on Institutions and Enterprises Providing Market Access and Business Development Services on a Fee-Basis

Indicator 2.6 – Per findings of Indicator 2.5, the capacity of local institutions and/or enterprises in each area to provide market access and business development services on a phased-in fee-for-services basis strengthened.
At a minimum:

Indicator 2.6	Status as of June 30, 2013	Evidence
2.6.1 – Based on the assessment/action plan in Indicator 2.5, at least eight (8) institutions and/or enterprises strengthened or equipped with the skills and know-how to provide market access information and/or business development technical services on a fee-basis.	• The assessment found that provision of business development services (BDS) on a fee-basis was not easily feasible. However, 8 BDS providers will be ready to continue with PRA-type services, although not necessarily on a fee-basis.	

Result 3: Methodologies developed and implemented to assist public, private and civil society entities to measurably improve the trade and investment climate within selected economic corridors in the Sierra and possibly the Selva.

Indicator 3.1 – Analyses and policy recommendations provided to government, private sector, and civil society leaders to improve the trade and investment climate in the targeted Departments in a measurable way.
At a minimum:

Indicator 3.1	Status as of June 30, 2013	Evidence
3.1.1 – Barriers to trade and investment identified and national and subnational government officials, private sector companies, and civil society organizations engaged to remove these barriers and promote improvements in the trade and investment climate in each economic corridor.	• 81 barriers to trade and investment have been identified in the 10 PRA corridors. • PRA promoters' coordination activities with authorities included interaction with six national organizations, 10 regional governments, 12 provincial municipalities, and 24 district municipalities. • An example of the results of this kind of coordination activities is the upcoming set-up of a slaughterhouse by the Municipality of Oyón, in the Sierra Norte de Lima corridor, to boost the lamb and mutton industry in the region, as recommended by PRA ESC.	• PRA Report on Policy Dialog (Oct 2009-May 2013)
3.1.2 – The Contractor shall document and report to USAID the analyses conducted and the policy recommendations made and measure the impact of these activities on the trade and investment climate within a Department.	• PRA Report on Policy Dialog (Oct 2009-May 2013) submitted on May 20, 2013 and approved on May 24, 2013.	• PRA Report on Policy Dialog (Oct 2009-May 2013)
Indicator 3.2 – Regular exchanges of information take place between the Contractor and other USAID projects related to building the capacity of regional and local governments.	• PRA COP had several meetings with Facilitando Comercio COP to coordinate ways by which the latter could help PRA client companies overcome business barriers by contacting the corresponding public sector bodies (e.g., sanitary export requirements by SENASA National Agricultural Health Service).	

Result 4: Performance Monitoring and Evaluation Plan developed and implemented.

Indicator 4.1 – Performance Monitoring and Evaluation Plan for all Results and indicators developed and implemented with approval from USAID.
At a minimum:

Indicator 4.1	Status as of June 30, 2013	Evidence
4.1.1 – Cost-effective methodologies to quantifiably measure the poverty reduction impacts of the program at the Departmental (regional) level (including the impact on the Gross Domestic Product of the targeted regions), and at the micro-enterprise level established.[4]	• Midterm Impact Assessment submitted on April 3, 2013. • Measurement of the Project's Impact on Regional Agricultural GDP submitted on May 22, 2013. • FY2011 and FY2012 PAT Reports on PAT submitted on December 20, 2011 and December 3, 2012.	• Report on Midterm Impact Assessment • Report on Measurement of the Project's Impact on Regional Agricultural GDP • FY 2011 and FY2012 PAT reports • Performance Monitoring Plan (PMP) approved by USAID
4.1.2 – Data on the poverty reduction impact of the program at the Departmental (regional) level reported at the midpoint and three months prior to the end of the contract.	• Report on Midterm Impact Assessment submitted on April 3, 2012.	• Report on Midterm Impact Assessment
4.1.3 – Data on sustainable, cohort-based, annual sales and jobs generated, and the poverty reduction impact of the program at the micro-enterprise level, collected and reported quarterly.	• Submitted and approved by USAID.	• Quarterly Reports
4.1.4 – Resources leveraged from public, private and civil society entities as a result of USAID assistance monitored, tracked, and reported quarterly.	• Submitted and approved by USAID.	• Quarterly Reports

4 USAID's micro-enterprise implementing partners must measure the share of their clients who are classified as living in poverty or extreme poverty. USAID has developed and certified low-cost tools for assessing the poverty status of micro-enterprise clients and requires its micro-enterprise implementing partners to use those tools to measure and report the share of their clients who are poor. More information on Poverty Assessment Tools can be found at http://www.povertytools.org/tools.html.

F.2 Checklist on PRAII Modification Nine Scope of Work Results and Indicators

First Stage: October 2012

Business Generation	**Result 1: 117 Business plans implemented in the economic corridors where SIEX branch offices and PRA are operating.**			
	Indicator 1.1 Number of business plans implemented in the 9 economic corridors where SIEX branch offices and PRA are operating.	**At a minimum:** 117 Business plans (BPs) implemented in the Economic Corridors where SIEX branch offices and PRA are operating. Those BPs must demonstrate the main features of PRA methodology: (1) identify buyers for the goods and services that are produced or could be produced in the economic corridor; (2) serve as an honest broker to facilitate sales agreements between buyers and local producers; (3) organize the local supply of goods and services to complete the sales agreement established between the buyers and producers; and (4) provide technical assistance and identify and resolve problems to ensure that sales agreements are fulfilled.	**Status** Although not all the funding from SIEX was made available, PRA managed to transfer 107 business plans to SIEX, 84 of which reported results. These business plans clearly demonstrated the main features of the PRA methodology.	**Evidence** PRA database. Transfer minutes for 9 ESCs. PRA Final Report Chapter III and Annex C.
	Result 2: Expansion of the PRA model to SIEX branch offices where PRA is not operating.			
	Indicator 2.1 Number of SIEX branch offices (where PRA is not operating) which are implementing business plans under the PRA methodology.	**At a minimum:** 3 SIEX branch offices implement BPs under the PRA methodology.	**Status** All SIEX Economic Promotion Centers are using the PRA BP format.	**Evidence** SIEX website.
	Result 3: Training SIEX´s staff in the business plans implementation methodology.			
	Indicator 3.1 Number of training workshops addressed to the SIEX´s staff	**At a minimum:** 2 workshops implemented. The personnel of the Economic Services Centers (ESCs) will participate in those workshops. The workshops must foster the interaction between the PRA and SIEX teams to exchange knowledge and experience.	**Status** PRA had already conducted a couple of workshops for SIEX staff in February 2012.[5] In addition, three macro-regional comprehensive workshops on business development, alliance building, and PRA's M&E system (originally planned for the second stage) were held in Huancayo (October 4-5, 2012), Chiclayo (October 11-12, 2012), and Cusco (October 25-26, 2012).	**Evidence** Reports on the three workshops ("Informes de los Talleres de Capacitación en la metodología de trabajo del Proyecto PRA, en el marco del Acuerdo entre el Programa de Gobierno Sierra Exportadora y la Agencia de los Estados Unidos para el Desarrollo Internacional – USAID").

5 PRA II had already taken significant steps to build SIEX capacity to provide services using the PRA model. At SIEX's annual strategic planning session (February 3 and 9, 2012), the PRA II project formally introduced the Economic Service Center Network (ESCN). The network was based on a public-private partnership alliance between USAID/Peru, SIEX, and seven private sector companies already working with PRA II and was committed to inclusive and sustainable business development in the Peruvian Sierra. This planning session signaled the formal adoption of the PRA model by SIEX, and the first of several sessions in which SIEX staff were intimately exposed to the inner workings of the PRA model and how it is implemented through the use of local organizations that serve as ESC operators.

The project also held a two-day workshop focused on training SIEX staff in PRA's business plan development and implementation methodology (February 15-16, 2012). This served as an important forum for presenting the business plan portfolio of each ESC, understanding the geographic areas where SIEX works, and clarifying SIEX's own business model. The second day of the workshop focused on the PRA monitoring and evaluation methodology, including: the logical framework; the process for developing, identifying, and auditing indicators; and the tools used for measuring progress.

First Stage: October 2012 (Continued)

Alliance Building	**Result 1: Training SIEX's staff in the process of building public-private partnerships the PRA team has implemented.**			
	Indicator 1.1 Number of workshops designed and implemented on the process of building public-private partnerships.	**At a minimum:** 1 workshop designed and delivered.	**Status** This workshop was part of the three macro-regional comprehensive workshops on business development, alliance building, and PRA's M&E system (originally planned for the second stage) held in Huancayo (October 4-5, 2012), Chiclayo (October 11-12, 2012), and Cusco (October 25-26, 2012).	**Evidence** Reports on the three workshops ("Informes de los Talleres de Capacitación en la metodología de trabajo del Proyecto PRA, en el marco del Acuerdo entre el Programa de Gobierno Sierra Exportadora y la Agencia de los Estados Unidos para el Desarrollo Internacional – USAID").
Monitoring and Evaluation	**Result 1: Training SIEX's staff in the Monitoring and Evaluation System and Impact Assessment Evaluation methodology.**			
	Indicator 1.1 Number of training workshops about the evaluation method and auditing of the business plans implementation results based on the three main indicators: net sales, employment, and generated investment.	**At a minimum:** Two workshops implemented: a workshop for the personnel of SIEX branches offices, and a workshop for the territorial coordinators of SIEX branches offices.	**Status** PRA conducted three workshops on its M&E system for SIEX Monitoring and Evaluation staff in Lima on September 13, 20, and 26, 2012. Later, during stage II, three macro-regional workshops on business development, alliance building, and PRA's M&E system were held in Huancayo (October 4-5, 2012), Chiclayo (October 11-12, 2012), and Cusco (October 25-26, 2012).	Report "Sesiones de capacitación y transferencia del Sistema de Monitoreo y Evaluación del Proyecto PRA en el marco del Memorándum de Entendimiento entre el Programa de Gobierno SIERRA EXPORTADORA y la Agencia de los Estados Unidos para el Desarrollo Internacional-USAID".

Second Stage: November 2012 to March 2013

Business Generation	**Result 1: Implementing 10 additional business plans in the economic corridors where SIEX branch offices and PRA are operating.**			
	Indicator 1.1 New business plans implemented in the economic corridors where SIEX branch offices and PRA are operating.	**At a minimum:** 10 new business plans implemented in the economic corridors where SIEX branch offices and PRA are operating. Those BP must demonstrate the main features of PRA methodology: (1) identify buyers for the good and services that are produced or could be produced in the economic corridor; (2) serve as an honest broker to facilitate sales agreements between buyers and local producers; (3) organize the local supply of goods and services to complete the sales agreement established between the buyers and producers; and (4) provide technical assistance and identify and resolve problems to ensure that sales agreements are fulfilled.	**Status** During FY2012 PRA implemented 52 new business plans in its nine corridors where SIEX also operated. These business plans clearly demonstrated the main features of PRA methodology.	**Evidence** M&E database
	Result 2: Expansion of the PRA model to SIEX branch offices where PRA is not operating.			
	Indicator 2.1 Business plans implemented by SIEX branch offices where PRA is not operating.	**At a minimum:** 5 business plans implemented.	**Status** As of December 2012, SIEX was implementing 46 business plans in its 7 Economic Promotion Centers where PRA was not operating.	**Evidence** SIEX website.

Second Stage: November 2012 to March 2013 (Continued)

Business Generation	**Result 3: SIEX manages half of ESCs.**			
	Indicator 3.1 Number of ESC managed by SIEX	**At a minimum:** Fully managed at least five (5) of the existing ESCs by SIEX.	**Status** SIEX is fully in charge of providing PRA-type services in its 18 Economic Promotion Centers.	**Evidence** SIEX website.
	Indicator 3.2 Number of training workshops addressed to the SIEX´s staff.	**At a minimum:** 3 workshops implemented in three economic corridors selected by SIEX.	**Status** Three macro-regional workshops on business development were held in coordination with SIEX in Huancayo (March 15), Trujillo (April 12), and Cusco (May 23).	**Evidence** Reports on the three macro-regional workshops.
Alliance Building	**Result 1: Training SIEX's staff in the process of building public-private partnerships the PRA team has implemented.**			
	Indicator 1.1 SIEX staff is informed on and tools are provided for the technical-administrative procedures to be followed for establishing public-private partnerships.	**At a minimum:** Design of a comprehensive manual summarizing the technical-administrative procedures to be followed for establishing public-private partnerships and distribution of this manual to all SIEX 's branch offices.	**Status** Done.	**Evidence** Document "Manual de Alianzas PRA" (September 2012), delivered at the three macro-regional workshops.
Monitoring and Evaluation	**Result 1: Training SIEX's staff in the Monitoring and Evaluation System and Impact Assessment Evaluation methodology.**			
	Indicator 1.1 Training of the team to be hired by SIEX for the evaluation and auditing of the results of its branches offices.	**At a minimum:** 3 training workshops designed and implemented about the Monitoring and Evaluation System.	**Status** Four joint PRA-SIEX sessions were held to assess causality of SIEX business plans by M&E personnel (February and March 2013). Three training sessions were held by PRA M&E personnel to transfer the SISMONITOR database program to SIEX (October 9, 2012; March 21 and 22, 2013).	**Evidence** Report "Informe del MOU entre USAID y Sierra Exportadora." Report "Informe de viaje CPE Huancayo" by Vladimiro Silvestre on training about managing the SISMONITOR database.

Third Stage: April 2013 to September 2013

Business Generation	**Result 1: Expansion of the PRA model to SIEX branch offices.**			
	Indicator 1.1 Business plans implemented by SIEX branch offices.	**At a minimum:** 20 new business plans implemented by SIEX branch offices.	**Status** As of December 2012, SIEX had implemented 259 business plans in its 18 branch offices (Economic Promotion Centers).	**Evidence** SIEX website.
	Result 2: SIEX manages all the ESCs.			
	Indicator 2.1 Number of ESC managed by SIEX	**At a minimum:** SIEX manages at least nine (9) of the existing Economic Service Centers.	**Status** SIEX is managing 18 Economic Promotion Centers in 18 macro-regions, including the 9 corridors where PRA operated.	**Evidence** SIEX website.

Third Stage: April 2013 to September 2013 (Continued)

Business Generation	**Result 3: Training SIEX´s staff in the business plans implementation methodology.**			
	Indicator 3.1 Number of training workshops addressed to the SIEX´s staff (SIEX branch offices).	**At a minimum:** 3 new workshops addressed to SIEX's staff, one in each Macro Corridor predetermined by SIEX.	**Status** This activity could not be accomplished since no more funding from SIEX was made available and the project was preparing to close down operations in FY2013 third quarter.	**Evidence**
Alliance Building	**Result 1: Public-private partnerships.**			
	Indicator 1.1 Elaboration by PRA of a technical guide based on the PRA alliance-building model for SIEX to leverage resources from public and private partners to fund business plans.	**At a minimum:** 1 technical guide for SIEX to leverage resources from public and private partners.	**Status** This activity could not be accomplished since no more funding from SIEX was made available and the project was preparing to close down operations in FY2013 third quarter.	**Evidence**
Monitoring and Evaluation	**Result 1: Training SIEX's staff in the Monitoring and Evaluation System.**			
	Indicator 1.1 SIEX Monitoring and Evaluation team will carry out supervision and results auditing tasks independently.		**Status** This activity could not be accomplished since no more funding from SIEX was made available and the project was preparing to close down operations in FY2013 third quarter.	**Evidence**

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