PROMOTING INCLUSIVE GROWTH, PROSPERITY AND SUSTAINABLE DEVELOPMENT:
A YEAR IN REVIEW
2013–2014
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It was indeed an honour for Trinidad and Tobago to assume the Chairmanship of Pathways to Prosperity in the Americas at the beginning of 2014 having achieved full membership of the Initiative in 2013 following our observer status since its inception in 2008.

Trinidad and Tobago views the Pathways Initiative as aspiring to create a hemisphere that is not only economically viable, but one that advocates development with social inclusion. Much gains have been made in our hemisphere, yet it is often quoted that the Latin America and Caribbean region is among the world’s most unequal. Poverty and extreme poverty remain a salient feature for many of our peoples.

As we are all aware, the development of individuals, families, communities and nations is multifaceted, with social, ecological, cultural, political and economic dimensions. Through the introduction of new and on-going projects in Member States, the Pathways Initiative continues to carve its own niche in our hemisphere as a mechanism for positive change by the sharing of best practices and collaboration among its members by empowering small businesses; facilitating trade; building a modern workforce; and promoting sustainable business practices and environmental cooperation.

Indeed, the theme chosen by Trinidad and Tobago for the hosting of the 2014 VII Americas Competitiveness Forum (ACF) revolves around the concept of “The Human Imagination at Work: Driving Competitiveness, Powering Innovation.” Borrowing from the theme chosen for the VII ACF, Trinidad and Tobago strongly felt that its Chairmanship of the Pathways process should seek to promote the concept of fostering the human imagination - the creative aspect of human capital which are innovation and
entrepreneurship - to build competitive advantage.

Our approach was concentrated on the theme “The Role of the Human Imagination and Innovation in Work Force Development and in Empowering Micro Small and Medium Enterprises (MSMEs).” It was felt that exploring the concept further, would have undoubtedly brought additional attention to the innovative capacity of the Americas on these thematic areas thereby encouraging an exchange of views of each other’s experiences and expertise given that small and medium size enterprises form the backbone of the Latin American and Caribbean economies. Additionally, it was felt that such a focus would have allowed Member States to share their successful experiences on public policies and programmes that promote inclusive and competitive economies with high quality employment, dynamic entrepreneurship and innovative practices involving the micro, small and medium-sized enterprise sector. Thus, the Pathways dialogue afforded an opportunity for the exchange of experiences and information on replicable programmes in other Member States and promoted horizontal cooperation initiatives by the sharing of expertise among countries in the region on issues of mutual interest.

In the context of human imagination and innovation, mention must be made of the Pathways to Prosperity in the Americas Innovation Challenge launched by the United States this year in partnership with the World Environment Center (WEC). As a competitive process designed to help small-and medium-sized enterprises (SMEs) in Latin America and the Caribbean by means of financial assistance and technical support, the Innovation Challenge is indicative of the strides being made under the Pathways Initiative to strengthen SMEs development thereby ensuring their growth and survival in a competitive global environment. I am pleased to note that four winners of the Pathways to Prosperity Innovation Challenge were selected in July, 2014 each representative of the thematic areas relating to Empowering Micro, Small and Medium Enterprises; Facilitating Trade; Developing a Modern Workforce; and Promoting Sustainable Business Practices.

Unlocking of the human imagination has a significant contribution to the overall wealth and growth of our countries. The creation of education systems and enabling environments to foster innovation has implications for institutional and human capacity which can only strengthen national efforts for sustainable job growth; workforce development; and the building of strong regional economies based on two key economic drivers - innovation and regional collaboration.

May I take this opportunity to thank all the Member States that attended and contributed to the dialogue of the Washington Working Group meetings; my sincere gratitude to the Clearinghouse Mechanism for their constant guidance and support; and to the Tripartite Committee (ECLAC, IDB and OAS) for steering the work of the Pillar Co-Chairs which is fundamental to the success of the Pathways process.

It was a privilege for me to Chair the Washington Working Group, but more importantly it was an opportunity for Trinidad and Tobago to enhance and advance the work of the Pathways Initiative in our region. It is hoped that the Chairmanship of Trinidad and Tobago provided some measure of attention to the dynamism of the human imagination and innovative practices in the development of our economies and the importance of idea generation and innovation as essential components to the achievement of economic competitiveness and prosperity for all our peoples in the Americas.
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ABBREVIATIONS, ACRONYMS AND SYMBOLS

DSD  Department of Sustainable Development, Organization of American States
CATS  Client Activity Tracking System
CP  Cleaner production
ECLAC  Economic Commission for Latin America and the Caribbean
ICT  Information and communication technology
IDB  Inter-American Development Bank
IIT  Illinois Institute of Technology
INTEC  Instituto Tecnológico de Santo Domingo (Dominican Republic)
MIF  Multilateral Investment Fund
MSME  Micro, Small and Medium Enterprise
OAS  Organization of American States
SBDC  Small Business Development Center
SID  Sustainable Industrial Development
TEC  Instituto Tecnológico de Costa Rica
UCA  Universidad Centroamericana “José Simeón Cañas” (El Salvador)
UNI  Universidad Nacional de Ingeniería (Nicaragua)
UTSA  University of Texas at San Antonio
1. INTRODUCTION AND BACKGROUND

“Pathways to Prosperity in the Americas” is a policy-level dialogue through which Western hemisphere countries share experiences, learn from each other’s experiences and collaborate to foster the benefits of economic growth, as they seek to put broader opportunities within the reach of all. Policy dialogue within the initiative takes place under the leadership of a chairing country, through a Ministerial level forum and the Washington Working group comprised of trade and foreign affairs representatives of each of the participating countries, from the observer countries, and from the Tripartite Committee.

The Chairmanship for the period 2013-2014 was the responsibility of Trinidad & Tobago, under the Chairmanship of H.E. Dr. Neil Parsan, Ambassador to the United States of America and the United Mexican States and Permanent Representative to the Organization of American States.

In follow up to the Cali Declaration (2012), a Clearinghouse Mechanism was established in the General Secretariat of the OAS, in close collaboration with the Inter-American Development Bank (IDB) and the Economic Commission for Latin-American and the Caribbean (ECLAC). The Inter-American Development Bank (IDB), the Organization of American States (OAS) and the Economic Commission for Latin America and the Caribbean (ECLAC) are strategic Pathways partners and have supported its efforts since the Initiative was launched in 2008. These institutions collectively form the Tripartite Committee.2

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1 Pathways countries currently include Belize, Canada, Chile, Colombia, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Peru, Uruguay, United States, and Trinidad and Tobago. Brazil has observer status since 2013. Source: Fact sheet found on the Pathways website, <http://www.pathways-caminos.org/en/Home.html>.

2 The OAS-IDB-ECLAC Tripartite Cooperation Committee was established on December 7, 1960 with the goal of promoting coordination, cooperation and agreements among the institutions in their efforts on issues of common interest. In 2010, the three organizations re-launched the Tripartite Cooperation Committee and reasserted their commitment to redoubling efforts for closer collaboration.
Pathways focuses on the promotion of inclusive growth, prosperity and sustainable development. Partner countries involved in this Initiative are committed to deepening their cooperation by focusing on four distinct pillars. These are:

- Pillar I – Empowering Micro, Small and Medium Enterprises (MSMEs);
- Pillar II – Facilitating Trade and Regional Competitiveness;
- Pillar III – Developing a Modern Workforce;

Each Pillar is co—chaired by two member countries of the Initiative on a bi—annual rotating basis.

Pathways Stakeholders:
Collaboration among partner countries was strengthened over the past year and many activities have been successfully implemented in follow up to the Panama Action Plan (2013). This report highlights milestones of this cooperation in contributing to policy dialogue amongst Pathways countries and also highlights the contributions of four selected cooperative programs to the Pathways to Prosperity in the Americas goals. The purpose of this report is not only to inform progress but to illustrate the relationship between high-level policy commitments established in the Pathways Ministerial Declarations and Plan of Actions and tangible accomplishments on the ground.

While this document is not an exhaustive account of all the success stories within Pathways to Prosperity, it highlights cooperative efforts that stand out for their current and potential impact to promote sustainable development.

To this end, the following cooperative programs were selected by the Clearinghouse Mechanism as they are representative of the strategic vision of Pathways countries in the framework of each Pillar of the Initiative:

- Pillar I – Promotion, Creation and Strengthening of Small Business Development Centers (SBDCs)
- Pillar II – Central American Border Management Reform
- Pillar III – Women Entrepreneurs Network (WEAmericas)
- Pillar IV – Pathways to Cleaner Production in the Americas

The main source of information for this report is a desk review conducted by the Clearinghouse Mechanism, consultations and structured interviews with government stakeholders of Pathways countries, including Pillar co-Chairs, and finally beneficiaries of the cooperative efforts addressed in this report.

**Program Overview**

The Pathways to Prosperity in the Americas Initiative was launched in September 2008, by partner countries due to the realization that gains from trade and economic growth had not always been equitably shared, and that the promise of economic and social opportunity remained elusive for large segments of their respective populations. Pathways seeks to close this gap “by encouraging public policies and public-private sector partnerships aimed at empowering small farmers, small businesses, women, indigenous communities, Afro-descendants, youth, and vulnerable groups to participate effectively in the global economy.” Pathways serves as a platform for participating countries to:

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provide a space and opportunity for continuous dialogue
identify and share innovation, best practices and policies
bring together stakeholders to address key challenges
ensure continuity of efforts that are supportive of the Pathways Action Plans
provide input to development policies

During the VI Ministerial Meeting of Pathways to Prosperity in the Americas Initiative held in Panama City, member countries recognized the need to continue strengthening collective efforts through the exchange of best practices under the Pathways to Prosperity in the Americas Initiative to promote prosperity, inclusive economic growth and sustainable development in order to contribute to poverty reduction in the Hemisphere by expanding opportunities for all sectors of our societies.

Consequently the following countries assumed the roles of co-Chairs of the pillars, as follows:

Pillar I: “Empowering Micro, Small, and Medium Enterprises (MSMEs)”
Co-Chairs:
· Dominican Republic and El Salvador

Pillar II: “Facilitating Trade and Regional Competitiveness” Co-chairs:
· Costa Rica and Panama

Pillar III: “Developing a Modern Workforce” Co-Chair:
· Honduras

Pillar IV: “Sustainable Business Practices and Environmental Cooperation” Co-chairs:
· United States and Peru

Based on the Declaration of the VI Ministerial Meeting of the Pathways to Prosperity in the Americas Initiative, depending on the capacities of each Government and with the support of the Tripartite Committee and other international bodies, the member countries of the Initiative pledged to effectively implement further specific actions for the 2013-2014 period. The following section details those actions related to policy dialogue and the selected cooperative efforts per pillar.
2. PILLAR I – EMPOWERING MICRO, SMALL AND MEDIUM ENTERPRISES

Under Pillar I, the following commitments were made at the Ministerial level under the Initiative:\(^5\)

1. Continue disseminating best practices to facilitate Micro, Small and Medium Enterprises' market access, modernization, technological innovation and access to credit and finance mechanisms so as to promote economic growth, encourage high quality investment to expand funding capacity.

2. Continue fostering dialogue regarding the empowerment of MSMEs in order to identify more and better mechanisms and instruments at the local and national levels to promote MSMEs.

3. Strengthen MSMEs led by women and those in vulnerable sectors with a view to developing more and better opportunities for new businesses and other sectors to establish contacts, promote training, hold practical seminars and business roundtables, and engage in other activities, as well as helping them undertake initiatives to stimulate economic growth and market access.

4. Strengthen and consolidate national support networks for small businesses such as the model of the Small Business Development Centers (SBDC) with the aim of expanding networks in the region and strengthening trade opportunities for MSMEs in the Americas. Furthermore, continuing to forge links between MSMEs throughout the region in order to strengthen the Small Business Network of the Americas (SBNA).

5. Continue facilitating opportunities for MSME executives to exchange knowledge, methods and techniques with colleagues abroad with a view to improving business, learning best practices, building relationships, and promoting economic development in the region through the International Business Fellowship Program.

\(^5\) PLAN OF ACTION VI MINISTERIAL MEETING PATHWAYS TO PROSPERITY IN THE AMERICAS INITIATIVE, October 2, 2013
Selected Cooperative Effort: Promoting, Creation and Strengthening of Small Business Development Centers (SBDCs)

The objective of this project is to establish and strengthen the role of SBDCs, following a tripartite structure involving the public and private sectors and academia, to promote MSME participation in the formal economy and in international trade.

MSMEs are key economic agents that support large segments of the population and the economy. The effect they have on people and wealth generation stems from their capacity to close productivity gaps, which requires them to incorporate technology, innovations and knowledge into products and to foster management improvements.

MSMEs account for more than 90% of companies operating in Pathways partner countries. Depending on the area of the economy, their contribution varies greatly—from significant in terms of employment, to moderate in terms of production and very small in terms of exports. A focus on MSMEs provides an appropriate mix of information regarding aspects for which these enterprises act as key players, i.e., production growth, innovation and social inclusion. The United States SBDC model rests on a small business assistance network that links the higher education sector with all orders of government, in support of MSME development. This model has been tailored and replicated in Latin American countries, with assistance from government, private business and academia stakeholders operating in each country. As such, this represents one of the main sources of technical and administrative advisory for MSMEs.

6 In Spanish, “Centros de desarrollo de micro y pequeñas empresas” (CDMYPE).
Services provided by SBDCs are tailored to the needs of MSMEs in each country\(^8\) and may include: start-up assistance; general and specialized training; business development assistance; cooperation with other funds or programs that support MSMEs (i.e., funds); support for partnership development; productive linkages; supplier development; services for information and communication technologies (ICTs); government contracting; and international trade and financial advice. SBDCs also provide MSMEs with assistance in the areas of manufacturing, financial assessment, marketing, and human resources.

SBDCs have enabled small companies to expand their business networks, gain customers, increase their sales and penetrate new markets, thus promoting their growth, productivity and profitability. Moreover, access to markets generated economies of scale and scope by creating new marketing and negotiation capacities for small producers, thus enabling them to formalize relationships with clients and intermediaries and to enter more demanding markets.\(^9\)

The project has allowed MSMEs not only to grow sales, but also to improve their competitiveness and create jobs, therefore fuelling and promoting long-term economic impacts. For instance, since 2009, the Mexican Association of SBDCs has grown to include 101 centers and, in 2009 alone, has helped more than 32,000 small enterprises while supporting the creation of 12,000 jobs.

In El Salvador, 11 centers are now operational, reaching 1,474 entrepreneurs with individual counselling and technical assistance. Two more SBDCs will be established in 2014. Several economic sectors have been identified as priorities, including: agribusiness; food; textiles and garment-making; chemicals and pharmaceuticals; ICTs; tourism; and construction and handcrafts.

The promotion and development of SBDCs continue throughout Latin America with the organization of initial consultation events called “Knowing the SBDC Model,” which explore the possibility of transferring this model to individual countries, and with the delivery of capacity training activities for professionals and/or private sector representatives who will become technical advisors for the SBDCs.

Honduras has expanded the network and launched six SBDCs,\(^10\) assisting 2,800 entrepreneurs in 2013 alone. Four of the new centers are located in

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\(^8\) In this text, italics are used to highlight statements that could be regarded as potential results.  
\(^9\) ECLAC, IDB, OAS. Ibid., 12.  
\(^10\) These are located in: Golfo de Fonseca; Valle de Olancho; Valle de Sula; Tegucigalpa; Santa Rosa de Copán; and Valle de Lean.
universities, one is run by an association, and one is hosted by a national network of managers.

In Costa Rica, efforts to build and link with CREAPYME centers—an existing network of small business attention centers that delivers business development services—have led to six of these centers being transformed into SBDCs that engage in a broader range of interventions and provide a wider array of services to support MSME development. In addition, 20 additional CREAPYME centers are now providing basic information on, and referring clients to, these new SBDCs.

In Costa Rica, virtual and in-person training on how to use ICTs has been delivered, in the context of capacity building efforts regarding the adoption and harmonization of the SBDC model in Central America and the Dominican Republic. This training was provided in 2012 by the Center for the Development of Information and Communication Technologies in Asturias, Spain. Participants were made aware of, instructed in, topics such as: significance of the digital divide and how to combat it; importance of the digital maturity model; optional ICT tools available to businesses and potential applications of such tools; and tools for teamwork and knowledge management.

*The value added of SBDCs lies in the provision of free confidential advice and technical assistance; in-group training and business practices focused on topics of interest to SMSEs; and in market research adapted to customer requirements.*

One of the mechanisms used to support SBDCs is SBDCGlobal.com (see Box 1), which was launched by the International Trade Center of the University of Texas at San Antonio (UTSA). This first-ever trade platform that links small business clients from the United States, Mexico, El Salvador and Colombia, in support of bilateral trade opportunities. SBDCs from El Salvador are now linked to this platform, which allows them to expand their business opportunities and explore new markets.

**Box 1**

**SBDCGlobal.com**

SBDCGlobal.com is an online trading platform that links SBDC clients from the United States, Mexico, Central and South America and the Caribbean to various trade opportunities. It also helps small companies penetrate new markets, gain exposure to new clienteles and increase their business.

SBDCs that belong to SBDCGlobal.com can benefit from minimized costs (e.g., lower transportation costs and less time spent on customer/service provider premises) and reduced business risks (e.g., advisors provide support to make better decisions).
The project’s expansion to other countries has promoted the development of MSMEs with partner countries, by means of increased awareness, support building, and guidance to sustain the creation of the SBDC model and ensure that new SBDCs have all the necessary tools to successfully operate and assist clients. In 2012, the SBDC model was transferred to the Caribbean, i.e., in Belize, Jamaica, Barbados, Saint-Lucia and Dominica. Meanwhile, in South America, Colombia opened a SBDC in Aguablanca. The project’s expansion has helped create and consolidate a hemisphere-wide network that aims to improve MSME competitiveness, boost international trade opportunities, and promote economic integration within the region.

MSMEs have increased their knowledge and confidence, the project has leveraged existing talent, expertise and infrastructure to help MSME clients to grow sales, increase their competitiveness and create jobs. By helping build international trade assistance capacities within the region, the project is also making a contribution to improve the global competitiveness of small businesses through increased export sales, new market penetration and negotiations with new suppliers. As a consequence, MSMEs are conducting initiatives to extend and broaden their products and services, and are getting introduced to new methods to build strategic public-private sector partnerships.

Support delivered by the project has enabled MSMEs to grow sales, improve competitiveness, create sustainable jobs, and achieve long-term economic impact.
SBDCs have enabled small companies to expand their business networks, gain customers, increase their sales and penetrate new markets, thus promoting their growth, productivity and profitability. Moreover, access to markets generated economies of scale and scope by creating new marketing and negotiation capacities for small producers, thus enabling them to formalize relationships with clients and intermediaries and to enter more demanding markets.

Services provided by SBDCs are tailored to the needs of MSMEs in each country and may include:

- Start-up assistance
- General and specialized training
- Business development assistance; cooperation with other funds or programs that support MSMEs
- Support for partnership development
- Productive linkages
- Supplier development
- Services for information and communication technologies (ICTs)
- Government contracting
- International trade and financial advice
- Assistance in the areas of manufacturing, financial assessment, marketing, and human resources

**The Caribbean**
During 2013-2014, the SBDC model continued to be transferred in Belize, Jamaica, Barbados, Saint-Lucia and Dominica

**Colombia**
Inauguration of a SBDC in Aguablanca (Cali)

**Costa Rica**
Number of enterprises benefitting from the services
Six CREAPYME centers were converted into SBDCs, and 20 additional CREAPYME centers provide basic information and refer clients to the pilot centers

**Dominican Republic**
105 professionals trained

**El Salvador**
1,574 entrepreneurs supported through SBDCs
350 professionals trained
172 professionals trained

**Guatemala**
Six pilot SBDCs as of October 2014, i.e., four located in universities, one run by an association, and one hosted by a national network of managers

**Honduras**
6 SBDCs launched in 2013
2,800 enterprises supported during the first implementation phase of SBDCs

**Mexico**
First country in Latin America to develop SBDCs
Currently 101 centers
In 2009, more than 32,000 small enterprises were assisted, and 12,000 jobs were created

**Panama**
“Knowing the SBDC Model” consultation event, during which the possibility of transferring the model to Panama was explored
Certificate training for future SBDC counselors and directors, aimed at transferring the SBDC methodology
In October 2014, the Plan of Action VII Ministerial Meeting on Pathways to Prosperity in the Americas Initiative was held. The meeting focused on the facilitation of trade and regional competitiveness. The following commitments were made at the Ministerial level under the Initiative:

6. Continue supporting the exchange of information and experiences so that more mechanisms and instruments can be identified at the local, national and regional levels to promote trade facilitation and optimize the business-related infrastructure.

7. Continue to support the work of the Inter-American Single-Window Network for Foreign Trade (RedVUCE) in order to implement the Plan of Action agreed upon in the RedVUCE meeting held in Costa Rica in September 2012, as well as the agreements reached at the RedVUCE meeting held in El Salvador in May 2013 and in RedVUCE Steering Committee meetings. In particular, it remains a priority to continue to support efforts to consolidate and expand Single-Windows at the national level and to move towards interoperability amongst countries with the objective of achieving paperless, cross-border trade, automation of border checkpoints, better coordination among customs agencies and improved transparency of foreign trade operations, processes, and waiting times.

8. Improve mechanisms and opportunities to optimize infrastructure and reduce logistical costs related to trade through the selection and execution of projects including the Crossroads Fund, among others.

9. Continue supporting the identification of the principal limitations imposed by customs procedures in the region, providing training and helping to create public-private working groups that will meet regularly to formulate recommendations that will incentivize the development of reforms through the Central American Border Management Reform Project and other such programs.

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15 Plan of Action VII Ministerial Meeting Pathways to Prosperity in the Americas Initiative, October 2, 2013
Selected Cooperative Effort: Central American Border Management Reform

The Central American Border Management Reform focuses on priorities associated with the modernization of customs services, in countries of the Americas where trade facilitation—in particular border management—has been singled out as a major barrier to business competitiveness at the Western Hemisphere level. In a context where businesses primarily concerned with optimizing their operations and securing supply chains to produce, transport and deliver goods to customers in a timely, cost-efficient fashion, any interruption or problem along the supply chain may result in lost sales and exports. Delays in moving goods are costly, as demonstrated by evidence that a one-day setback reduces trade by more than one percent. Delays have a particular significant impact on time-sensitive goods such as perishable agricultural products, which are a major item in Central American trade flows.12

Adding to the challenges raised by economic inefficiency13 and loss of competitiveness is the fact that government and private sector stakeholders have differing priorities regarding customs. In Central America, this problem is amplified by the lack of interaction between customs officials and the private sector on the issue of customs reform. Thus, public-private cooperation should be viewed as an essential foundation for trade facilitation.

To address critical challenges to competitiveness and meet the needs of American businesses, the United States Department of Commerce—working with such partners as the United States Customs and Border Protection Agency (CBP), the United States Agency for International Development (USAID) and the United States Department of State—has developed a multi-objective customs and border management project that seeks to establish and strengthen dialogue between public sector and private sector stakeholders, with respect to trade facilitation, in order to boost competitiveness within individual Central American countries. Activities under this pillar are geared towards optimizing trade and address various related topics (e.g., poor communication; infrastructures; interoperability; coordination of foreign trade agency work; efficiency and transparency), with a view to increasing the flow of trade within the region.

The project is also supporting the ongoing exchange of information and experiences to allow more mechanisms and instruments to be identified at the local, national and regional level, in an effort to promote trade facilitation and enhance business-related infrastructures.\(^\text{14}\)

The specific objectives of the project are:

- To reduce barriers to trade and investment in the region;
- To establish and strengthen public-private sector partnerships in Honduras, Costa Rica and El Salvador; and
- To increase technical expertise of public sector and private sector stakeholders in each country, with respect to customs.

The project has helped pinpoint bottlenecks and identify the primary barriers and limitations that exist in customs procedures, such as: coordination of formalities, documentation and valuation; processes used to store and standardize certificates; common e-systems and other applications of new technologies; and the design of one-stop shops and “paperless trade” mechanisms.

Involved in this Department of Commerce-led initiative are significant partnerships and consultations with United States government agencies and international organizations and donors.\(^\text{15}\) Project partners have played in the past, and are still playing today, key roles such as: providing speakers and experts for in-country workshops; sharing research reports and expertise, and providing access to site locations for visits in United States ports; and raising awareness of the project among their respective constituents. One result of the project has been a monthly conference call hosted by the United States Department of Commerce, in which any concerned partner may decide to participate to share information on customs/border management activities, in an effort to coordinate interventions and avoid duplication. Synergy between United States government international organizations, donors, and government and private sector stakeholders from each participating country has fostered country ownership and allowed each targeted country to lead the development of programs.

Interesting results have come out of the project, in the wake of educational exchanges and workshops designed to reduce barriers to trade and stimulate

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\(^\text{14}\) PLAN OF ACTION VI MINISTERIAL MEETING PATHWAYS TO PROSPERITY IN THE AMERICAS INITIATIVE, October 2, 2013

\(^\text{15}\) Government agency partners involved in United States Department of Commerce work are: CBP; the United States Department of State; USAID; the Office of the United States Trade Representative; the United States Trade and Development Agency; and the United States Department of Agriculture. International partners include: the World Customs Organization; the IDB; the World Bank; and the International Finance Corporation. The Department of Commerce also coordinates work with the United States Chamber of Commerce, the Association of American Chambers of Commerce in Latin America, and local American Chambers of Commerce in Central America.
public and private sector cooperation. As of 2013, over 100 participants from Honduras and Costa Rica and 150 participants from El Salvador had attended these exchanges and workshops.  

In Honduras, a joint collaborative undertaking of Honduran and United States counterparts from the business community and the civil society, regarding the regulatory and legal framework, led to the creation by presidential decree, in 2011, of the “Comisión Presidencial para la Modernización del Servicio Aduanero” (COPREMSA), a public-private consultative group in which business and government leaders discuss ways to strengthen customs and border management in Honduras. Sub-committees were also created to deal specifically with border management inefficiencies and mechanisms, and their work has been instrumental in the introduction of operational improvements, such as an extension of operating hours and a simplification of express shipment procedures resulting from improved information sharing and from best practices identified during a port visit in the United States. One of Honduras' major achievements in the last two years has been its moving from the 108th to the 90th rank on the list of countries rated in the World Bank’s annual “Doing Business” report, with respect to the “trading across borders” indicator. Moreover, during the same period, Honduras saw a reduction in both its number of days to export (from 18 to 12) and its number of days to import (from 22 to 16).

Inspired by best practices identified during a visit in United States and Chilean ports, and with support from the IDB in the form of US$100 million loan, Costa Rica has undertaken a modernization initiative that calls on public and private sector stakeholders to improve the operations of four major overland border posts. Among these, the Atlantic port has been selected as a priority facility.

In El Salvador, the project was instrumental in the creation, in March 2013, of the “Comisión Intergremial para la Facilitación del Comercio” (CIFACIL), a formal public-private sector forum that examines important trade facilitation issues, in an effort to give the private sector a single, unified voice in its dealings with Salvadoran customs. In a country devoid of formal public-private sector forum to address key trade facilitation issues, this represents a significant achievement. Furthermore, with help from the project, several laws and regulations have been simplified to facilitate trade.

The creation of public and the private sector working groups and/or sub-committees reflects the degree of interest and attention Pathways countries pay to border and customs management. As a result of regular meetings

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held by these working groups to discuss, identify and implement measures to reduce barriers to trade and foster cooperation, *at least three action-oriented proposals have been developed, sparking new commitments from the parties to these agreements.*

At the concluding conference of the Customs Modernization and Central American Cross-border Management Program, held in Chile in July 2013, each participating country had a chance not only to share lessons learned and best practices associated with customs reform, but also to discuss ways to sustain future progress. Participants unanimously recognized Pathways’ significant contribution to the ongoing exchange of information and experience, as well as its role in facilitating the identification and/or adoption of mechanisms and instruments to facilitate trade. The major outcome of this project has been the creation of public-private sector consultative groups, i.e., groups of 10-20 representatives from government and private sector organizations who hold regular meetings, currently in Costa Rica, Honduras and El Salvador.

Phase I of the project ended in September 2013. Pathways countries worked with the United States Department of Commerce and CBP to modernize their customs procedures and interagency border management processes. This was achieved by leveraging public-private sector partnerships to facilitate increased trade through in-country workshops and site visits to United States ports established for Costa Rica, Honduras and El Salvador during the initial phase of the project. Similar ports will be established during the second phase of the project, for the Dominican Republic, Guatemala, Peru and Uruguay.

The true value added of this initiative lies in the creation (or strengthening) of communication and dialogue lines between government agencies involved at the border (i.e., Customs, Agriculture, Health, etc.) and private sector stakeholders whose business depends on efficient trade flows (i.e., brokers, importers, shippers, etc.). Existing public-private consultative groups have been invigorated, and new groups have been set up. These bodies hold regular meetings and are beginning to build the kind of trust and confidence that lie at the heart of any reform. In this context, Phase I of this project has been a success. However, there is still a need for continued technical assistance, exchanges of experience, and sharing of best practices to enrich and broaden public-private sector dialogue and to better facilitate trade. One way to encourage continuity would be to have participants from Phase I participate in Phase II work in the Dominican Republic, Guatemala, Peru and Uruguay. This could include some level of involvement in in-country workshops focused on experience sharing.\(^{17}\)

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\(^{17}\) *Such workshops have already taken place or are currently being planned in all four countries.*
Table 2
Country Profile of, and Results Achieved by, the Border Management Reform Project (Phase I)

<table>
<thead>
<tr>
<th>Activities</th>
<th>Areas of analysis</th>
<th>Beneficiaries</th>
<th>Results [notes 1, 2]</th>
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| **HONDURAS**
Two-day workshop in Tegucigalpa on February 8-9, 2011 | Authorized economic operator (AEO); advanced rulings; rules of origin (re., agricultural, textile and non-textile products); ensuring integrity in customs administration | • 100 participants from various Honduran government ministries, companies, chambers of commerce and trade associations, as well as officials from the IDB and the World Customs Organization (WCO)
• Numerous visitor education exchanges | • COPREMSA has established five technical sub-committees to ensure more efficient border management mechanisms and tackle current issues. These sub-committees deal with: the simplification of procedures; technical obstacles to trade in Puerto Cortes; the handling of complaints; trade barriers; and human resources.
• The Human Resources sub-committee is currently looking at ways to make customs administration less political and more professional, through better recruitment of personnel and through the creation of a computerized portal to file corruption complaints.
• Three action-oriented proposals have been made, sparking new commitments from the parties to honour these agreements.
• A customs and border administration risk register matrix (created by COPREMSA) was discussed in an open forum, to identify next steps and develop mitigation strategies. |
<p>| Roundtable | Businesses, private sector associations and public sector border institutions, including the “Dirección Ejecutiva de Ingresos,” the “Secretaria de Salud” and the “Servicio Nacional de Sanidad Agropecuaria” | | |
| Visitor exchanges | United States port operations in two ports that report significant Honduran trade flows (i.e., Mobile, Alabama; Gulfport, Mississippi) | 19 Honduran private and public sector participants (including 15 representatives from COPREMSA) | The new hours (i.e., 24/7 for all approved ships; 7 am-5 pm for merchandise services) make it easier to perform the necessary verifications and inspect the arrival of incoming vessels and cargo. In addition, express shipment procedures were simplified, in line with best practices identified during a port visit in the United States (i.e., Mobile, Alabama). |</p>
<table>
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| Two-day workshop in San Jose on March 28-29, 2012 | Technical presentations: AEO; single window; best practices for product registration; advance rulings; risk management | 100 participants from various Costa Rican government ministries, companies, chambers of commerce and trade associations, as well as officials from the IDB and the International Finance Corporation (IFC) | · Through its existing public-private working group on customs and border issues, the “Ministerio de Comercio Exterior” developed an action plan, with matching goals and outcomes, which was shared during the roundtable. • Specific proposals drawn from the action plan were discussed. Solutions identified during the roundtable were incorporated in an “Ayuda Memoria” signed by representatives of the “Ministerio de Comercio Exterior,” the “Dirección General de Aduanas” and the American Chamber of Commerce, as well as the United States Ambassador to Costa Rica.  
· A modernized single window program called VUCE 2.0 (“Ventana Unica Comercio Exterior”) was introduced to boost public-private sector collaboration. Announced in April 2012, this program will reduce the cost and time to process goods at the border by up to 90 percent.  
· Four principal overland border posts are being modernized, with the support of a US$100 million IDB loan. Priority is given to the Atlantic border post.  
· A public-private advisory council is actively supporting the customs modernization and reform process. The following priorities were identified: reforms needed at the Peñas Blancas port; border post modernization; and technology upgrades. |
| Roundtable                                      | Roundtable discussions with broad participation from the private and public sector (including the “Ministerio de Comercio Exterior,” the “Ministerio de Agricultura y Ganadería,” the “Dirección General de Aduanas” and the “Ministerio de Salud”). During the roundtable discussions, officials from the WCO and the IFC led discussion of specific proposals drawn from the action plan, to encourage further discussion. To secure commitment to the action plan, solutions were enshrined in an “Ayuda Memoria” that was signed at the conclusion of the workshop by representatives of the “Ministerio de Comercio Exterior,” the “Dirección General de Aduanas” and the American Chamber of Commerce, as well as the United States Ambassador to Costa Rica. |                                                                                             |                                                                                                                                                                                                                                                                                                                                                      |
Visitor exchanges | Learning about port and terminal operations; in-depth discussions with CBP and the Food and Drug Administration; tour of Entomology Lab run by the United States Department of Agriculture’s Animal and Plant Health Inspection Service; tour of trans-shipping operations at the Miami International Airport | 17 public and private sector participants from Costa Rica (including officials in charge of implementing the Action Plan) visited Miami and the Miami Port

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<th><strong>Activities</strong></th>
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<tr>
<td>Two-day workshop on July 16-17, 2012</td>
<td>AEO; Customs-Trade Partnership Against Terrorism; registration and labelling of cosmetics; courier procedures; rules of origin for non-textile products and origin verification</td>
<td>150 participants from several Salvadoran government ministries, companies, chambers of commerce, and trade associations, as well as officials from the IDB, the WCO and the “Secretaría de Integración Económica Centroamericana” (a regional organization)</td>
<td>• Challenges to customs/border management were identified by public and private sector representatives, and recommendations for reform were discussed. • Six working groups (made up of government and private sector representatives) were established to discuss AEO, risk management, single window, couriers, verification of origin, and cosmetics registration. These groups hold bimonthly meetings. • The cosmetic registration working group developed and shared a proposal for technical regulations regarding sanitary notification, as well as a best practices guide with the “Ministerio de Economía.” • A public-private sector team, created to develop the AEO program, designed a work plan and identified a potential pilot project. • An “Ayuda Memoria” was signed by key Salvadoran government officials, representatives from the private sector, and the United States ambassador.</td>
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<tr>
<td>Roundtable</td>
<td>One issue for each of six separate groups of participants, including AEO, product registration and risk management</td>
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| Visitor exchanges | Port operations with port authorities; meetings with local businesses; in-depth briefings from CBP on United States port security and trader operations | 19 Salvadoran public and private sector participants travelled to Miami and Port Everglades, Florida on November 13-17, 2012, to visit both ports | · CIFACIL was created in 2013, to give the private sector a single, unified voice in its dealings with Salvadoran customs. CIFACIL brings together private sector trade groups, and has assumed the coordination of work issues from six tables.  
· Courier services must now go through three fewer steps to clear customs. |

Note:

Source: Pathways Custom and Border Management Program, Executive Summary, 11 p.
4. PILLAR III – DEVELOPING A MODERN WORKFORCE

Under Pillar III, the following commitments were made at the Ministerial level under the Initiative:18

10. Continue sharing best practices in order to improve the respect of workers’ rights, working conditions and access to the labor market for women and youth, promoting equal pay for equal work by taking into consideration international standards and regulations.

11. Promote the exchange of information, experiences and dialogue between the different government entities, workers, and employers, encouraging the use of alternative dispute resolution mechanisms, a culture of labor compliance, and a favorable investment climate.19

12. Disseminate best practices in order to incentivize the establishment and implementation of innovative policies that will expand economic opportunities for vulnerable sectors, including initiatives that bring workers from the informal sector into the formal sector.

Selected Cooperative Effort: Women Entrepreneurs Network (WEAmericas)

One way to support the development of a modern workforce in Latin America and the Caribbean is to promote and strengthen entrepreneurship and cooperation between women entrepreneurs. To this end, initiatives have been launched that provide tools to strengthen skills, encourage networking and innovation, increase the competitiveness of businesses, and provide easier access to international markets.

One such initiative is the Women Entrepreneurs in the Americas (WEAmericas) initiative, which was launched by President Obama at the 2012 Summit of Americas, in Cartagena. WEAmericas leverages public-private partnerships to encourage inclusive economic growth in the Western Hemisphere. The initiative reduces barriers and increases opportunities for women

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18 PLAN OF ACTION VI MINISTERIAL MEETING PATHWAYS TO PROSPERITY IN THE AMERICAS INITIATIVE, October 2, 2013
19 Chile highlights the importance of socially responsible investments.
entrepreneurs to start and grow small and medium-size enterprises (SMEs) by improving: access to markets; access to capital; skills and capacity building; and leadership opportunities. Research has shown that women entrepreneurs are a driving force in promoting economic growth, as they account for nearly two-thirds of all consumer spending in their societies.

Through WEAmericas, public, private, and nonprofit partners are working together to build a stronger and more collaborative environment for women entrepreneurs to achieve mutually beneficial goals: inclusive economic growth; social impact from commercial activity/growth; formalization of informal sector work; and enhanced competitiveness for firms and local economies. Over 20,000 women in 17 countries are expected to directly benefit from WEAmericas partnerships in the region by 2015.

One of the WEAmericas partnerships contributing to this goal is the National Association of Women Business Owners and Women Entrepreneurs in Colombia, ColEmpresarias. ColEmpresarias has developed a Strategic Plan for the Development of the Women Entrepreneurs to increase the economic development and visibility of entrepreneurial women in Colombia, with an emphasis on rural and indigenous populations, by strengthening their businesses through increased capacity building and access to business networks. The Strategic Plan aims to build and strengthen at least five networks of women entrepreneurs in the country, equipping them with entrepreneurial skills and competencies that will improve their quality of life, strengthen their businesses, increase their participation in economic development, and improve the entrepreneurial ecosystem for women entrepreneurs in Colombia.

ColEmpresarias’s partnership with the Department of State began under Pathways with the goal of business skills and increasing market access opportunities for women entrepreneurs, through selected capacity-building interventions. Women entrepreneurs in Colombia strengthened their commercial skills as a result of their participation in a year-long training program in 2011. Following a successful introductory year, this program was extended to other cities, where it helped support the participation of women entrepreneurs in the Summit of the Americas, held in Cartagena in April 2012, during which WEAmericas was established.

Since partnering with WEAmericas, and developing a strategic plan, ColEmpresarias has strengthened networks for more than 300 women entrepreneurs in Bogotá-Cundinamarca, Antioquia, Boyacá, Huila and...
Santander y Valle of Cauca. ColEmpresarias has reached women entrepreneurs in other cities through activities ranging from forums to workshops designed to improve business competitiveness. To increase women’s access to markets; access to capital; skills and capacity building; and leadership opportunities in Colombia, ColEmpresarias has:

- Invited women to business fairs, including Colombia’s largest fashion fair, and other expositions where women could showcase their products, to increase sales and attract new customers, in new markets where they could export their products. ColEmpresarias also organized a product exposition at the 2012 Pathways Ministerial Meeting in Cali, Colombia, for forty women entrepreneurs from various parts of the country.

- Organized workshops and roundtables in Cali, Bucaramanga and Bogota, focused on women’s economic empowerment, and business, technological, administrative, commercial and financial management for 80 participants.

- Supported the strategic planning of ColEmpresarias 2013-2014, a network involving 320 entrepreneurs from six departments. Among these individuals, 242 attended a Regional Technical Assistance Conference, including 208 who decided to constitute six regional network of women entrepreneurs.

- Created six regional networks of business women in Colombia.

- ColEmpresarias most recently partnered with WEAmericas to put on the first TechCamp in support of women entrepreneurs. The WEAmericas TechCamp will take place in October 2014 and will bring together local and regional technology experts with women entrepreneurs to identify low-cost technology solutions to challenges women entrepreneurs face in growing their businesses.
5. PILLAR IV – SUSTAINABLE BUSINESS PRACTICES AND ENVIRONMENTAL COOPERATION

Under Pillar IV, the following commitments were made at the Ministerial level under the Initiative:20

13. Continue promoting and facilitating sustainable growth in the Americas by creating centers of excellence in education and in the development and implementation of best practices for cleaner production.

14. Continue developing opportunities for constructive dialogue on sustainable business practices and environmental cooperation in order to disseminate successful experiences involving local, national, and regional efforts.

15. Support the search for innovative solutions that will contribute to the identification and application of best practices for the creation of low-cost alternatives to help MSMEs finance initial investments in cleaner production technologies.

16. Exchange best practices in order to help strengthen capacities for the implementation of environmental laws and regulations.

17. Exchange experiences to strengthen institutional capacities for compliance and encourage transparency and public participation in environmental decision-making.

18. Continue promoting best practices and successful experiences under the Pathways to Prosperity in the Americas Initiative aimed at protecting and conserving endangered species and their habitats, preventing wildlife trafficking, and fostering legal trade in wildlife and forest products according to what is stated in the Report to Ministers.

20 PLAN OF ACTION VI MINISTERIAL MEETING PATHWAYS TO PROSPERITY IN THE AMERICAS INITIATIVE, October 2, 2013
19. Promote the exchange of best practices to help farmers and MSMEs, among other sectors, with the objective of increasing market access for goods produced in a sustainable manner.

**Selected Cooperative Effort: Pathways to Cleaner Production in the Americas**

The Pathways to Cleaner Production in the Americas project is a multidisciplinary initiative that incorporates business, engineering and environmental education to help generate a modern workforce, capable of implementing cleaner production (CP) and sustainable industrial development (SID) practices across the Americas. The Pathways to Cleaner Production Initiative is a network of non-governmental organizations, academia and private sector companies that is training the next generation of CP professionals while assisting MSMEs’ efforts to green their production practices. The project brings together nine higher education institutions from Central and South America. The National Cleaner Production Centers and the World Environment Center also play key roles in implementing activities stemming from this partnership, by facilitating student engagement with industry and by providing practical, applied learning experiences while helping local MSMEs turn to CP practices.

The primary objective of the project is to promote and facilitate SID in the Americas through the creation of centers of excellence in education, and through the development and implementation of best practices for CP and SID. The project aims:

- To strengthen academic training in CP and SID by building the capacity of faculty to deliver new content, new curricular design and new modifications, and by consolidating their capacity to train environmental professionals in all partner countries;

- To increase the adoption of CP and SID in MSMEs in Latin America by promoting enhanced interaction with academia, especially through experiential learning opportunities where students work directly with MSMEs;

- To create a virtual forum that promotes systematic collaboration, information sharing and exchanges between partner institutions (and beyond) with respect to SID education and application.

21 These are: Illinois Institute of Technology, from the United States; New York Institute of Technology, from the United States; Instituto Tecnológico de Costa Rica, from Costa Rica; Instituto Tecnológico de Santo Domingo (INTEC), from the Dominican Republic; Universidad Centroamericana “José Simeón Cañas,” from El Salvador; Universidad San Ignacio de Loyola, from Peru; Universidad Rafael Landívar, from Guatemala; Universidad Nacional Autónoma de Honduras, from Honduras; and Universidad Nacional de Ingeniería, from Nicaragua.
As a result of capacity building workshops in CP and SID set up by the project and contextualized to reflect existing institutional capacity and country context, faculty members from participating institutions have increased their knowledge of diagnostics and energy audits for CP; life cycle assessments and Eco designs; and business cases and implementation strategies for CP. In addition to being introduced to, and learning to talk about, the Energy Auditing and ISO 14000 tools (i.e., a set of guiding principles and standards for environmental management), participants in the workshops are introduced to plant evaluation methods, including mass balance, energy balance and techno-economical evaluation of CP strategies. Knowledge transfers deal with how to conduct a life cycle assessment; how to analyze economic incentives and implement Eco design principles (including in-house savings) while avoiding downstream costs; and how to utilize case studies to demonstrate the effectiveness of specific eco-design practices. The workshops also give input on how institutions can highlight and communicate financial benefits. As a complement to theoretical knowledge, participants have a chance to visit the Illinois Institute of Technology’s (IIT’s) Idea Pro workshop, where students work to develop business ideas with faculty support, and to tour the Robert W. Galvin Center for Electricity Innovation and discuss IIT’s micro grid, which enables the university to be self-sufficient in meeting its electricity needs.

Over the years, the project has made significant progress towards strengthening the capacity of Latin American Institutions to train the next generation of CP professionals. The initiative has helped expand CP and SID in participating countries, by incorporating this approach into curriculum development and practicum internships at the local university level. The project’s outreach strategy consists in recruiting local MSMEs to work with students and act as host sites in the practicum course—a clear win-win solution, as students have a chance to gain practical, applied learning experiences while assisting the implementation of CP practices locally, within MSMEs. Thus, students are given an opportunity to assist MSMEs in their efforts and to personally contribute to CP and to a more efficient utilization of vital materials and processes in production facilities—especially energy, water, and raw materials. This on-site method for training the workforce of tomorrow and building institutional capacity has also benefitted from the participation of National Cleaner Production Centers and local MSMES that act as “practical classrooms.”

The project’s underlying approach has enhanced and strengthened not only the students’ capacity to identify and recommend CP solutions to local businesses, but also their capacity to measure opportunities for companies to save on total costs, conserve energy, and reduce waste. Through the practicum courses, 36 students from the Instituto Tecnológico de Santo Domingo

22 Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, Peru, and the United States
(INTEC), in the Dominican Republic, and the Universidad Centroamericana “José Simeón Cañas” (UCA), in El Salvador, have enriched their classroom knowledge with applied experience and have been asked to suggest valid CP practices to local businesses operating in various sectors (see Box 2).

**Box 2**

**Sectors of Intervention for CP and SID Practicum**

In the Dominican Republic, students examined a rattan furniture manufacturer and a company specialized in modular kitchen (i.e., Rattan Dominico/ROA Industrial).

In Costa Rica, students prepared in-depth reports based on their analysis of food service companies (i.e., Del Surco Agro Industrial and Finca Caprina).

In El Salvador, students analyzed and evaluated options to incorporate CP and SID practices in the food, dairy production and metallurgical manufacturing industries (i.e., Protecno, Comali Foods, Alsasa and Lacteos San José) and in commercial displays/visual branding (i.e., Herometal and Dulces la Mascota). As part of a pilot course called “Industrial Processes of Production and Cleaner Production and Energy Efficiency and Cleaner Production,” launched by the “Instituto Tecnológico de Costa Rica” (TEC) and the “Universidad Nacional de Ingeniería” (UNI), a total of 61 students began collaborating with 15 companies (i.e., 8 in Costa Rica and 7 in Nicaragua). Moreover, in Costa Rica, two students performed an internship with local companies (Del Surco Agroindustrial and Finca Caprina) in which they drafted reports sharing their observations and recommending cost- and energy-saving measures to enhance the host company’s sustainability. Both businesses have confirmed they are currently analyzing these recommendations to determine whether they can be realistically implemented.

The project has made MSMEs more aware of CP and SID practices and has yielded interesting results, especially with customized recommendations emanating from the students’ practicum in companies to implement CP and energy efficiency practices. If applied, these recommendations should help improve the environmental and competitive performance of MSMEs while providing substantial economic and environmental benefits. So far, students have supplied on-the-ground assistance to 15 businesses located in various parts of the Dominican Republic, Costa Rica and El Salvador, in operating in a range of industries such as: furniture manufacturing; food services; dairy products; manufacturing of industrial pump and garden sprayers; metallurgical mechanics; engineering application for the production of hardware metal parts; sweets and bake goods; and design and assembly of commercial displays using metal and plastic structures. Specifically, 69 energy-saving recommendations were made to these companies, as an
outcome of CP practicum courses delivered by TEC, INTEC, and UCA. These recommendations (see example in Box 3) dealt with a variety of topics, such as the approach to curing wood, the replacement of extraction systems, changes to plant lighting, the development of an environmental policy, or the installation of solar collectors, boiler economizers and bioclimatization devices. Through such collaborative work, faculty and students have successfully applied their knowledge in a real-life environment while helping local business representatives and stakeholders improve their comprehension of CP and SID practices.

Box 3
PROTECNO Pump Production and Repairs
After visiting this company, students made 21 recommendations. Some of these involved simple solutions such as lowering nickel-plating temperature in equipment, or reducing molding time. Others were more complex and required substantial upfront investments to achieve long-term cost savings, such as the installation of efficient, high-power engines to drive equipment used on a variable basis. Overall, based on an overall assessment made by the students, the 21 recommendations should yield annual cost savings of approximately $30,000, following an initial investment of $15,945. Thus, this invested should be recouped in roughly six months.

Source: Semi-annual project progress report, April to September 2013.

With its practicum internships in MSMEs and its additional capacity building sessions for industry operators, the partnership has been particularly effective at increasing the knowledge of CP and SID practices held by students, faculty and local businesses. Furthermore, the partnership has been flexible and innovative in its efforts to develop instruments to promote regional collaboration and new approaches to recruit MSMEs involved in practicum courses. Participating companies have acknowledged positives changes in their awareness and knowledge of CP and SID practices, inspiring a number of them to become CP advocates in their respective fields and industries. MSMEs in three partner countries have also enhanced their awareness of cost-saving measures that could be implemented to improve their sustainability and energy efficiency.

The initiative has been successful at making stakeholders more aware of the business case for CP and at introducing them to tools used to promote effective regional collaboration.

Despite some technical limitations, the platform used to host the project

23 The web software platform used by the project (i.e., WordPress) has its limitations. For instance, the platform makes it impossible to incorporate tools to measure the number of site visits or to include a “members-only” portion to promote document sharing.
The website has provided a useful forum for partners to work together and share information. The project intends to build on discussions stemming from its latest annual meeting, held in Chicago, where joint research was examined.

To leverage the participants’ existing knowledge and resources, four collaborative research studies targeting national and regional development goals have been launched. These studies focus on issues such as: the role and contribution of academia and higher education institutions in CP; coffee growing as a case study model for analyzing CP practices; field-based resources on hand to improve experiential learning opportunities for engineering students; implementation of a database of case studies and criteria available to the global network of CP practitioners. One research manuscript, “From Cleaner Production to Sustainable Development: The Role of Academia,” was drafted and submitted to the Journal of Cleaner Production, which accepted it for publication.24

The partnership has formally been expanded to include the Universidad Nacional Autónoma de Honduras and the UNI, which will allow the CP network to achieve greater impact at the regional level.

24 The manuscript is currently at the revision stage.
6. THE CLEARINGHOUSE MECHANISM: FOSTERING MEANINGFUL POLICY DIALOGUE

The OAS-Department of Sustainable Development (DSD), in close coordination with the Tripartite institutions, established the Pathways Clearinghouse as a focal point for communication, exchange of experiences, collaboration and sourcing of innovative solutions to address the challenges embedded in the Pathways agenda. The main objective of the Clearinghouse is to ensure continuity of efforts that are supportive of the Pathways Action Plans by enabling an environment that fosters commitment, innovation and multiplication of successful impacts. The Clearinghouse serves as a support mechanism for the Pathways countries by translating and branding their strategic vision into a platform of shared knowledge with clear benchmarks of success.

A Clearinghouse Mechanism was established at the General Secretariat of the Organization of American States in close coordination with the IDB and ECLAC, and co-Chairs of the Pathways to Prosperity in the Americas Initiative as a tool for participating countries to:

- provide a space and opportunity for continuous dialogue
- identify and share innovation, best practices and policies
- bring together stakeholders to address key challenges
- ensure continuity of efforts that are supportive of the Pathways Action Plans
- provide input to development policies

The Clearinghouse Mechanism focuses on the following elements:

(1) Translating the Pathways to Prosperity common vision into action
*Supporting and executing strategic planning and ensuring visibility throughout the hemisphere.*

- Develop and implement of a strategic plan for the Clearinghouse.
- Develop outreach and communications strategy focused on target audiences and increasing the private sector participation and other Pathways key stakeholders.

(2) Fostering a meaningful policy dialogue with key stakeholders
*Utilizing events and outreach tools to support continuous policy and technical dialogue amongst key stakeholders within the Pathways to Prosperity initiative, to include, in particular, the private sector.*

- Undertaking an opportunity analysis at the Pillar level to identify specific challenges that are relevant and shared by governments, businesses, civil society, and other stakeholders.
Supporting the establishment of a dialogue platform (face-to-face and virtual), fostering the exchange of information and experiences regarding interventions and partnerships.

Paragraph 20. We applaud the efforts on the development of the Initiative’s Communication Strategy, a tool that will seek to raise the profile of the Clearinghouse mechanism, ensure greater interaction and communication with member countries and enable actions that are tailored to respond to new international trends including social media and new technological demands in order to showcase the Initiative as a dynamic, relevant, and coherent vehicle;

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Panama City, Republic of Panama
October 2, 2013

The Clearinghouse has helped broaden the network of Pathways stakeholders by working with pillar co-Chairs and the Tripartite Committee to support the exchange of experiences and best practices in the priority areas of the Initiative. The Clearinghouse Mechanism has also expanded the engagement of stakeholders through outreach and information sharing about the Initiative and by implementing a communication and outreach strategy. Some key results of this effort include:

- Level of involvement of members of the Initiative in communication platforms
- Number of materials designed and produced
- Frequency and rate of participation of meetings
- Consistency of the message conveyed by each member of the Initiative
- Responsiveness of members

The OAS/DSD acting as the Clearinghouse Mechanism of the Pathways to Prosperity in the Americas Initiative co-organized and participated in several...
conferences and events to promote the Pathways to Prosperity Initiative, share best practices, and network with strategic partners:

Meetings of the Inter-American Network of International Trade Single Windows (RedVUCE)

The Clearinghouse supported the meetings of the Inter-American Network of International Trade Single Windows (RedVUCE) hosted by the Inter-American Development Bank (IDB) jointly with the Governments of Chile and Colombia, respectively. The IV Meeting of the Inter-American Network of International Trade Single Windows (RedVUCE) was held on 5 and 6 December 2013, in Santiago, Chile. The objective of the meeting was to promote dialogue among countries, as well as knowledge transfer of work undertaken to date on the implementation of national single window projects and steps needed to ensure their interoperability in the future. In particular, the dialogue examined the results of the work of RedVUCE’s three Working Groups (regulatory, data harmonization, and technological), thereby seeking to agree upon action plans and review their implementation, and to exchange best practices and lessons learned between countries and Asia.

- The countries validated the idea to advance to a scheme from point to point as the first attempt to promote the interoperability of the VUCE’s in the region. The exchange of experiences and practices with Asian countries shows that this path would save LAC several years in comparison to the ASEAN experience.
- It was recognized that interoperability is a complex issue that will take time, but that there are elements and conditions on which progress can be made. In this sense, the reasonable idea is to start with a pilot.
- It was recommended to use the Network as a portal to disseminate and exchange documents on the advances of the VUCE’s in the countries.
- It was highlighted the importance of measuring results and impact of VUCE’s in the countries. Some countries stressed their interest in working jointly with the IDB and the OECD in the development of these indicators for VUCE.
- The IDB reiterated its commitment to the work of the Network, and stressed the need to refine the conclusions of the Working Groups to define concrete goals and deliverables for the next meeting of the RedVUCE.
- It was agreed to maintain ongoing coordination through virtual meetings, and country participation was requested.

The “V Meeting of the Inter-American Network of International Trade Single Windows” was held in Cartagena, Colombia May 29-30, 2014. In the framework of the meeting, the Clearinghouse Mechanism organized a panel
discussion titled “Trade Facilitation and Environment: the role of VUCE.” The composition of the panel was as follows:

**Moderator:** Oscar Ceville, OAS and Pathways to Prosperity in the Americas Clearinghouse Mechanism,

- Maria Amparo Alban, Executive Director, ACD Consulting
- Jehan Sauvage, Trade Policy Analyst, Trade and Agriculture Directorate, Organisation for Economic Co-operation and Development (OECD)
- Mathieu Lamolle, Market Analyst, International Trade Centre (ITC)

The panel discussion aimed at exploring ways in which VUCE could help promote trade of environmental goods and services.

**“Innovation in Business: The Caribbean Experience”**

To support activities under Pillar III, the OAS/DSD also participated in the “Innovation in Business: The Caribbean Experience” that took place in Trinidad and Tobago, from July 9-10, 2014.

**IX International Symposium on Cleaner Production**

The Clearinghouse Mechanism of Pathways to Prosperity in the Americas supported the “IX International Symposium on Cleaner Production: ‘Intersectoral Dialogue on Competitiveness and Environmental Performance of MSMEs.’” In the framework of the IX International Symposium on Cleaner Production (http://www.simposio-ambiente.com/) which took place on 19-20 March 2014 in Panama City, where the OAS/DSD, acting as the Clearinghouse Mechanism of the Pathways to Prosperity in the Americas Initiative, organized the panel “Intersectoral Dialogue on Competitiveness and Environmental Performance of MSMEs.” The panel aimed to exchange ideas and practical experiences to improve competitiveness through environmental performance of MSMEs and the productive sector. This panel discussion helped highlight initiatives implemented by different sectors to promote competitiveness and environmental performance of MSMEs. The panel focused mostly on themes related to Pillar I (Empowering micro, small and medium enterprises) and Pillar IV (Sustainable business practices and environmental cooperation). In the framework of this symposium the OAS/DSD also hosted a roundtable with experts from the SME and cleaner production sector to have an open discussion on issues related to competitiveness and environmental performance to provide additional input to the panel.
Forum of Strategic Partners and Stakeholders of the Central American Commission on Environment and Development

In the framework of the activities under the environmental cooperation component of Pillar IV, the OAS/DSD participated and provided support to the Forum of Strategic Members and Regional Partners of the Central American Environment and Development Commission (CCAD) held in San Salvador, El Salvador on May 14, 2014. The objective of the forum was to promote a dialogue with key partners, agencies/organizations for cooperation, including multilateral and regional organizations, in order to get inputs for a new medium/long term strategy for CCAD with a focus on Sustainable Development. The meeting was attended by several regional and international organizations (European Union, UNEP, ECLAC); bilateral partners (Germany and Switzerland); and other financial institutions such as the Central American Bank for Economic Integration. The general outcomes of the CCAD meeting include:

1. To continue efforts to strengthen the CCAD, from its definition, through a participatory process, with a medium to long term strategy that reflects the priorities of the countries within the framework of CCAD and consistent with the Agenda for Central American Integration and its specialized agencies, the Inter-American Agenda, the Post 2015 Development Agenda, and the Sustainable Development Goals in the scope of CCAD.

2. To promote a dialogue and exchange with and between strategic partners, in order to facilitate greater coordination of efforts that have been implement to achieve a greater impact on the sustainable development of the region.

3. To convene an annual meeting of the Regional Partners, as a mechanism for dialogue, exchange and monitoring the priorities that have been identified by the countries in the medium to long term strategy in terms of the CCAD.

4. To integrate a monitoring committee under the coordination of the Pro Tempore Presidency of SICA and the Executive Secretariat of CCAD, composed of a representative from each of the following Strategic Members and Regional Partners:

   I. International and Regional Organizations
      a. Organization of American States (OAS)
      b. European Union
d. The United Nations: The Economic Commission for Latin America and the Caribbean (ECLAC)

II. Bilateral partners
   a. Germany
   b. Switzerland

III. Financial institutions
   a. Central American Bank for Economic Integration.

The authorities of environment and development present at the meeting, acknowledged the support of strategic members and regional partners in achieving this first meeting, and to the Secretary General of SICA and the Executive Secretariat of CCAD respectively for their joint-support for this effort.
7. TRIPARTITE COMMITTEE

During the VI MINISTERIAL MEETING OF THE PATHWAYS TO PROSPERITY IN THE AMERICAS INITIATIVE, Pathways countries in the Panama Declaration thanked and asked the representatives of the Tripartite Committee – Inter-American Development Bank (IDB), Economic Commission for Latin America and the Caribbean (ECLAC) and the Organization of American States (OAS) – to keep supporting the joint effort to organize events and provide spaces that promote exchanges of best practices and lessons learned, provide technical and research assistance, and discuss potential funding sources for the implementation of innovative policies that promote sustainable development.

The Tripartite institutions have supported the initiative in the 2013-2014 period in the capacity of expert advisers to pillar co-chairs as follows:

- Pillar I: ECLAC
- Pillar II: IDB
- Pillar IV: OAS
8. A FINAL REPORT FROM THE CHAIR: A YEAR IN REVIEW

Four Washington Working Groups were convened at the Embassy of the Republic of Trinidad and Tobago - 1714 Massachusetts Avenue, N.W. 20036 with support of the Clearinghouse Mechanism:

<table>
<thead>
<tr>
<th>Meeting</th>
<th>Date</th>
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<tbody>
<tr>
<td>Washington Working Group I</td>
<td>Wednesday February 26, 2014 – 3:00 p.m.</td>
</tr>
<tr>
<td>Washington Working Group II</td>
<td>Monday May 5, 2014- 10:00 a.m.</td>
</tr>
<tr>
<td>Washington Working Group III</td>
<td>Wednesday July 6, 2014 – 2:00 p.m.</td>
</tr>
<tr>
<td>Washington Working Group IV</td>
<td>Monday September 29, 2014 – 10:00 a.m.</td>
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</tbody>
</table>

Additionally, a series of meetings between the Chair, Tripartite Committee, and the Pillar Co-Chairs and their expert advisers, with the support of the Clearinghouse Mechanism also took place:

<table>
<thead>
<tr>
<th>Meeting</th>
<th>Date</th>
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<tbody>
<tr>
<td>Tripartite Committee</td>
<td>Tuesday, March 25, 2014– 1:00 p.m.</td>
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<tr>
<td><strong>Pillar I Co Chairs:</strong></td>
<td></td>
</tr>
<tr>
<td>Dominican Republic and El Salvador</td>
<td>Tuesday, March 25, 2014– 3:00 p.m.</td>
</tr>
<tr>
<td><strong>Pillar II Co Chairs:</strong></td>
<td></td>
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<tr>
<td>Costa Rica and Panama</td>
<td>Thursday, April 10, 2014– 1:30 p.m.</td>
</tr>
<tr>
<td><strong>Pillar III Co Chair:</strong></td>
<td></td>
</tr>
<tr>
<td>Honduras</td>
<td>Thursday, April 16, 2014– 2:15 p.m.</td>
</tr>
<tr>
<td><strong>Pillar IV Co Chairs:</strong></td>
<td></td>
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<tr>
<td>Peru and United States</td>
<td>Monday, April 28, 2014– 2:00 p.m.</td>
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9. ONGOING PROJECTS IN TRINIDAD & TOBAGO RELATED TO PATHWAYS

<table>
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<th>ONGOING PROJECTS</th>
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<td><strong>StarTT ICT Access Centres</strong></td>
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| **Centre for Enterprise Development** | The Centre for Enterprise Development, an initiative of the Caribbean Industrial Research Institute (CARIRI), was opened in 2013 and accommodates the full gamut of activities along the enterprise creation spectrum ie from idea to marketplace. The Center supports national development and comprises of the following facilities:  
  - Innovation Incubator  
  - Business Incubator  
  - Technology Incubator  
  - ICT Centre/Tekmania |
| **Cradle to Cradle/Closed Loop Cycle Production (CLCP)** | Pilot project currently being implemented in Trinidad and Tobago under the Energy and Climate Partnership of the Americas (ECPA). The lead Ministry for the project is the Ministry of Planning and Sustainable Development. The program is focused on increasing awareness of the relevance and viability of innovative CLCP methods as a means for energy efficiency and sustainable production in companies. The pilot project in Trinidad and Tobago will focus on the creation of biodegradable food containers. Additional information on the CLCP is available here: http://www.ecpamericas.org/data/files/Factsheets/CLCP/CLCP One pager.pdf |
| **AmCham T&T Business Incubator Project** | AmCham T&T Business Incubator Project is a project initiated by the Chamber in order to grow and support the T&T Small and Medium Enterprise sector, to focus on high value business propositions outside the oil and gas sector, to support in a tangible way entrepreneurship and innovation and to assist entrepreneurs with developing business plans. |
10. CONCLUSION

This Report has sought to capture the work and successes of Pathways to Prosperity in the Americas which form the basis for future collaboration under the Initiative. By the sharing of best practices, expertise and through continuous dialogue with the Member States on the promotion and implementation of projects in their countries, it is hoped that Pathways to Prosperity in the Americas will continue to be a mechanism that provides a sustainable framework that yields tangible socio-economic outcomes for the peoples in our region given the challenges of the 21st century.