

## 付 属 資 料

- 1 . 要請書
- 2 . 調査実施細則 ( S / W )
- 3 . S / W協議議事録 ( M / M )
- 4 . 訪問記録
- 5 . 収集資料リスト
- 6 . 物価調査票
- 7 . 現地再委託先候補
- 8 . 事前評価表



1. 要請書



MINISTERIO DE RELACIONES EXTERIORES  
REPUBLICA DE EL SALVADOR C. A.

RR.EE./DGCE/1010/2001. 08037

EL MINISTERIO DE RELACIONES EXTERIORES DE LA REPUBLICA DE EL SALVADOR, saluda muy atentamente a la Embajada del Japón, en ocasión de remitir los términos de referencia en idioma inglés de la Solicitud de Cooperación Técnica **"ESTUDIO DE AMPLIACION Y COMPETITIVIDAD DE LA OFERTA EXPORTABLE SALVADOREÑA"** presentada por la Comisión Nacional de Desarrollo (CND).

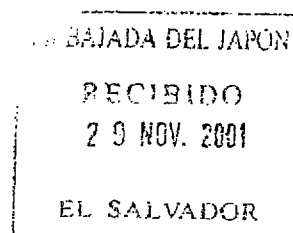
El Ministerio de Relaciones Exteriores, agradecería a la Honorable Representación Diplomática someter a consideración de su Gobierno la solicitud en referencia, la cual constituye una alta prioridad para el país, principalmente porque contribuirá a impulsar acciones complementarias para el desarrollo de la zona oriental y a crear las condiciones mínimas de sostenibilidad del proyecto de reconstrucción y rehabilitación del Puerto de Cutuco.

EL MINISTERIO DE RELACIONES EXTERIORES DE LA REPUBLICA DE EL SALVADOR, al agradecer a la Honorable Embajada su valiosa colaboración y gestiones, aprovecha la oportunidad para renovarle las seguridades de su más alta y distinguida consideración.

San Salvador, 28 de Noviembre de 2001.

A la Honorable  
**EMBAJADA DEL JAPON**  
Presente.

C.C. Agencia de Cooperación Internacional del Japón (JICA).



## APPLICATION FOR JAPAN'S DEVELOPMENT STUDIES / PROGRAM

Date of entry: September, 2001  
Applicant: Government of El Salvador

### 1. PROJECT DIGEST

1.1 Project Title Study for the Expansion and Competitive Strengthening of Salvadoran Exportable Supply

1.2 Location Eastern Part of the Republic of El Salvador, comprising the Provinces of Usulután, San Miguel, Morazán and La Unión

#### 1.3 Implementing Agency

1.3.1 Name of the Agency Comisión Nacional de Desarrollo

1.3.2 Number of Staff 19 as follows:  
Five Presidential Commissioners  
Ten Members of Technical Team  
Four Members of Administrative Team

1.3.3 Budget allocated to the Agency US\$674,072

1.3.4 Organizational Chart: Please refer to Annex 1

#### 1.4 Justification of the Project

##### 1.4.1 Present conditions of the sector

Over the last decade, the maquila industry has become a significant contributor to El Salvador's economy and its external sector, far exceeding the total export value of coffee, the main traditional export product. In year 2000, approximately 55% of total export value was maquila-related while only 10% was contribution from coffee exports.

However, the slow growth of maquila exports and lower employment generated in recent years, together with a stronger competition from surrounding countries to attract investors, and the unstable nature of the sector have raised the urgent necessity to foster new industries.

Furthermore, the country's chronic trade deficit is being offset by growing family remittances (remesas) from Salvadoran immigrants living abroad, mainly in the United States. These remittances have grown from an estimated US\$ 543 million in 1991 to US\$ 1.7 billion in year 2000, and though they have become vital to maintaining macro-economic stability, the oversupply of dollars in the market and the over appreciation of the Colon against the Dollar do not actually reflect the real economic condition of the country. Consequently, export products have lost competitiveness, and sectors such as agriculture, especially, have remained stagnant. It is estimated that around 20% of family remittances go to residents of the provinces in the eastern region of the country.

2/2

The eastern region of the country has been historically left behind in the development process of recent years. According to this year United Nation Development Program (UNDP)'s Human Development Report, the eastern provinces are below the national average - and much lower than the average for the provinces in the central region- on indexes regarding life expectancy, literacy rate, per capita income, access to basic services and other human development indexes.

In addition to this relative lag in development, natural disasters in recent years – Hurricane Mitch in 1998, two earthquakes and a drought in 2001- have impacted the region and contributed to the worsening of the existing condition of poverty and isolation. It is estimated that cities such as Usulután and Santiago de María, and smaller towns in the central volcanic belt have fallen 10 year behind, approximately, in their development process.

#### 1.4.2 Sectoral development policy of the national/local government

The government of President Francisco Flores, which started in June 1999, basically has followed the same policies of his predecessor, implementing a fiscal deficit reduction, modernization and privatization of government institutions, tariff reductions and introduction of a fixed currency exchange system. In order to revitalize the economy and a society worn out by the civil war, he is also implementing a plan for the socio-economic development of the country.

During his presidential campaign, President Flores pledged to the Salvadoran people four pillars of development under his government program known as La Nueva Alianza (The new Alliance), mainly:

- A) Development of new industries and creation of employment opportunities through the reactivation of agriculture, improvement of infrastructure, promotion of SME's activities, and increase of exports and foreign direct investment.
- B) Implementation of basic social policies, such as promotion of regional development and poverty reduction.
- C) Protection of natural resources, promotion of activities regarding environment protection, employment for young people, and assistance for acquisition of technology
- D) Stabilization of civil society, strengthening of legal framework and infrastructure for the improvement of law and order, reforms to the National Civil Police (PNC), strengthening measures for crime prevention.

President Flores' predecessor, President Calderon Sol formed the Comisión Nacional de Desarrollo, which had as its objective to develop and propose a national Development Plan (Plan de Nación) which serve as the basis for the middle-and-long-term national development of the country, with the participation of the civil society and focus on regional development and decentralization. After an extensive consultative process, several priority issues for regional development were identified under the Initial Actions of the Plan de Nación, which culminated in the proposal of the territorial Actions of Plan de la Nación in November 2000 and which included various proposals for activities and projects to reactivate economic activity in the different regions of the country.

#### 1.4.3 Problems to be solved in the sector

The proposed construction of Cutuco Port in La Unión, to be realized with the Japanese technical and financial assistance, will pose a great challenge to the region's development. It is expected that the Port will generate many development opportunities to the eastern region, including creation of

CA 3

new industries, new employment opportunities, improved infrastructure, and increased exports. This Study will help to solve the problem of identifying those opportunities, and formulate plans and strategies to reactivate the agroindustrial productive capacity of the region, and expand and diversify the exportable supply.

#### 1.4.4 Outline of the Project

Elaboration of a plan to identify the opportunities, threats, weakness and strengthens of the Salvadoran export supply with a view to a more competitive economy.

#### 1.4.5 Purpose (short-term objective) of the Project

2. feasibility study for the production of exportable goods, identifying priority geographical zones with major productive potential within the eastern part of the country
3. identification of major agricultural product with competitiveness in international markets
4. Analysis of the investment climate and factors affecting direct investment in El Salvador

#### 1.4.6 Goal (long-term objective) of the Project

- a) to increase and diversify exportable supply
- b) to diversify Agriculture
- c) to reduce poverty in a traditionally poor region
- d) to foster industrialization processes
- e) to expand the entrepreneurial base
- f) to propose strategic investment to the government
- g) to maximize the utilization of the Cutuco Port facilities
- h) to development the tourism industry
- i) to enhance livestock sector
- j) to promote urban development in La Union City and municipalities surrounding the Cutuco Bay

#### 1.4.7 Prospective beneficiaries

6.2 million inhabitants (population of El Salvador) will benefit from the Study, directly or indirectly

#### 1.4.8 Priority of the Project in the National Development Plan / Public Investment Program

The government of El Salvador has given high priority to the construction of the Cutuco Port and to the projects associated with it, as a strategy to trigger national social and economic development. In this regard, this Study is of utmost importance to the success of this strategy since it will guide private sector's economic and productive activities as well as public sector's investment in clearly identified potential areas of development.

#### 1.5 Desirable or Scheduled time of the commencement of the Project

April, 2002

#### 1.6 Expected funding source and/or assistance (including external origin) for the Project

Technical assistance by the Government of Japan

#### 1.7 Other relevant Projects, if any

112

None

## 2. TERMS OF REFERENCE OF THE PROPOSED STUDY

### 2.1 Necessity/Justification of the Study

The construction of the modern Port of Cutuco represents a tremendous opportunity to alleviate poverty conditions and isolation of the eastern region of the country. In this regard, the implementation of a study seeking the expansion and diversification of exportable supply and identification of new investment opportunities is a necessity for the productive sector to benefit and stimulate development associated with the Port in the region. Otherwise, there is a risk of missing the development opportunity presented by the construction of the Port, and left the eastern region of the country in the present lagging condition relative to other regions of the country.

### 2.2 Necessity/Justification of the Japanese Technical Cooperation

The construction of the Cutuco Port will be possible owing to the technical and financial assistance of the Government of Japan. In this regard, the technical assistance for the implementation of this Study is consistent with Japan's interest for the successful operation and utilization of the Port. Additionally, various projects have been carried out recently with the cooperation of Japan in the eastern region, which if integrated into the proposed Study, will more efficiently and effectively complement and lend support to the development efforts of the region.

### Objective of the Study

2. Elaboration of a study to foster productive activity in the eastern part of the country, mainly, Usulután, San Miguel, Morazán and La Unión, to effectively and efficiently utilize the development opportunities generated by the reactivation of Port of Cutuco.
3. Elaboration of a Plan to improve the long-term quality and quantity of exportable supply.
4. Transference of technology to the Salvadoran counterpart to carry out the recommendations arising from the study.

### 2.4 Area to be covered by the Study

The area to be covered by the Study comprises the provinces of Usulután, San Miguel, Morazán and La Unión located in the eastern part of the country, which together comprise 35% of the total territory with 21% of total population. A map of the country identifying the area target of the Study is attached in Annex 2.

### 2.5 Scope of the Study

The Study will be carried out in three phases:

- Phase 1: Study of the current situation of the eastern part of the country and neighboring countries bordering the Fonseca Bay (Honduras and Nicaragua),
- Phase 2: Formulation of plans for the effective utilization of Cutuco Port and for the promotion of exports and direct foreign investment.

12

Phase 3: Formulation of specific projects based on the studies and plans formulated in phases 1 and 2.

**Phase 1:**

1. Current Situation of Eastern Region of the Country and Countries Bordering the Fonseca Bay.
  - a) socio-economic condition
  5. Industry
  6. Industrial promotion policies
  7. Investment promotion policies
  8. Commercialization of agricultural products
  9. Processing of agricultural products
  10. Infrastructure related to commercialization
  11. Analysis of distribution routes by major products/markets
  12. Study of product distribution plans
  13. Study on human resources
  14. Major products and producing regions
  15. Market information system
  16. Environment considerations
  17. Urban growth and development
2. Review of Available Documents and Information
  - a) The New Alliance (La Nueva Alianza)
  - b) The National Plan (Plan de la Nación)
  - c) Other relevant information
3. Workshop #1

**Phase 2**

2. Formulation of Plans and Policies for the Effective Utilization of Cutuco Port.
  - a) Plan for economic regional integration (areas of influence of Cutuco Port in El Salvador, Honduras, and Nicaragua)
  - b) Plan for strengthening the transportation and distribution system
  - c) Plan for developing agroindustry sector
  - d) Plan to support the service sector (tourism included)
- 2.1 Formulation of a Plan for Promotion of Exports
  - 1) Agriculture and fishery sectors
    - a) processed fish products
    - b) agricultural products
    - c) processed agricultural products (agroindustry)



- 2) Textile industry
  - a) Maquila
  - b) identification of other eligible sectors (Anil, etc)

- 3) Forestry Sector
  - a) kuenaf
  - b) Other Sectors/Products with Export Potential

- 4) Tourism
  - a) Beach tourism
  - b) Ecotourism

#### 2.2 Formulation of a Plan for Investment Promotion

- 2 free zones
- 3 attraction of foreign and domestic capital
- 4 adequacy of investment environment
- 5 Promotional Plan to foreign investors (Japan, USA, Europe, neighboring countries)

#### 3. Workshop #2

##### Phase 3

- 5) Project Recommendation
  - a) Projects for economic regional integration
  - b) Projects to Support the Agriculture and Fishery Industries
  - c) Projects for the Promotion of Industrialization
  - d) Projects for the Improvement of Product Transportation and Distribution Systems
  - e) Projects to Adequate Investment Promotion
  - f) Projects to Support Diversification of Export Products
- 6) Workshop and Seminars
  - g) Workshop #3
  - h) Seminar #1

#### 2.6 Study Schedule

It is expected that the study will be carried out during the 2002 -2003 period

#### 2.7 Expected Major Outputs of the Study:

- a) Plans and policies to maximize the Cutuco Port facilities
- b) Plan and policies to expand and diversify the Salvadoran export base
- c) Formulation of a plan to promote exports and direct investment in the country.

#### 2.8 Request of the Study to other donor agencies, if any

N/A

123

## 2.9 Other relevant information

None

## 3. FACILITIES AND INFORMATION FOR THE STUDY TEAM

### 3.1 Assignment of counterpart personnel of the implementing agency for the Study

The counterpart agencies of the project will be Ministry of Agriculture and Livestock, Ministry of Economy, Vice Ministry of Housing and Urban Development, Autonomous Executive Port Commission (CEPA), and the Ministry of Environment and Natural Resources under the coordination of the Comision Nacional de Desarrollo (CND).

### 3.2 Available data, information, documents, maps, etc. related to the Study

The CND and counterparts at various ministries will make available to the study Team all necessary documents and information related to the study areas.

### 3.3 Information on the security conditions in the Study Area:

Security conditions in the area of study are good.

## 4. GLOBAL ISSUES (Environment, Gender, Poverty, etc.)

### 4.1 Environmental components (such as pollution control, water supply, sewage, environmental management, forestry, biodiversity) of the Project, if any.

None

### 4.2 Anticipated environmental impacts (both natural and social) by the Project, if any.

None

### 4.3 Women as main beneficiaries or not.

It is expected that the Study benefit, both, women and men, equally.

### 4.4 Project components which require special considerations for women (such as gender difference, women specific role, women's participation), if any.

None

### 4.5 Anticipated impacts on women caused by the Project, if any.

The Study anticipates to positively impact women since the implementation of recommended programs and policies will bring more options and opportunities for women to fulfil themselves through improved access to work, training, and economic wellbeing

122

4.6 Poverty alleviation components of the Project, if any.

None

4.7 Any constraints against the low-income people caused by the Project.

None

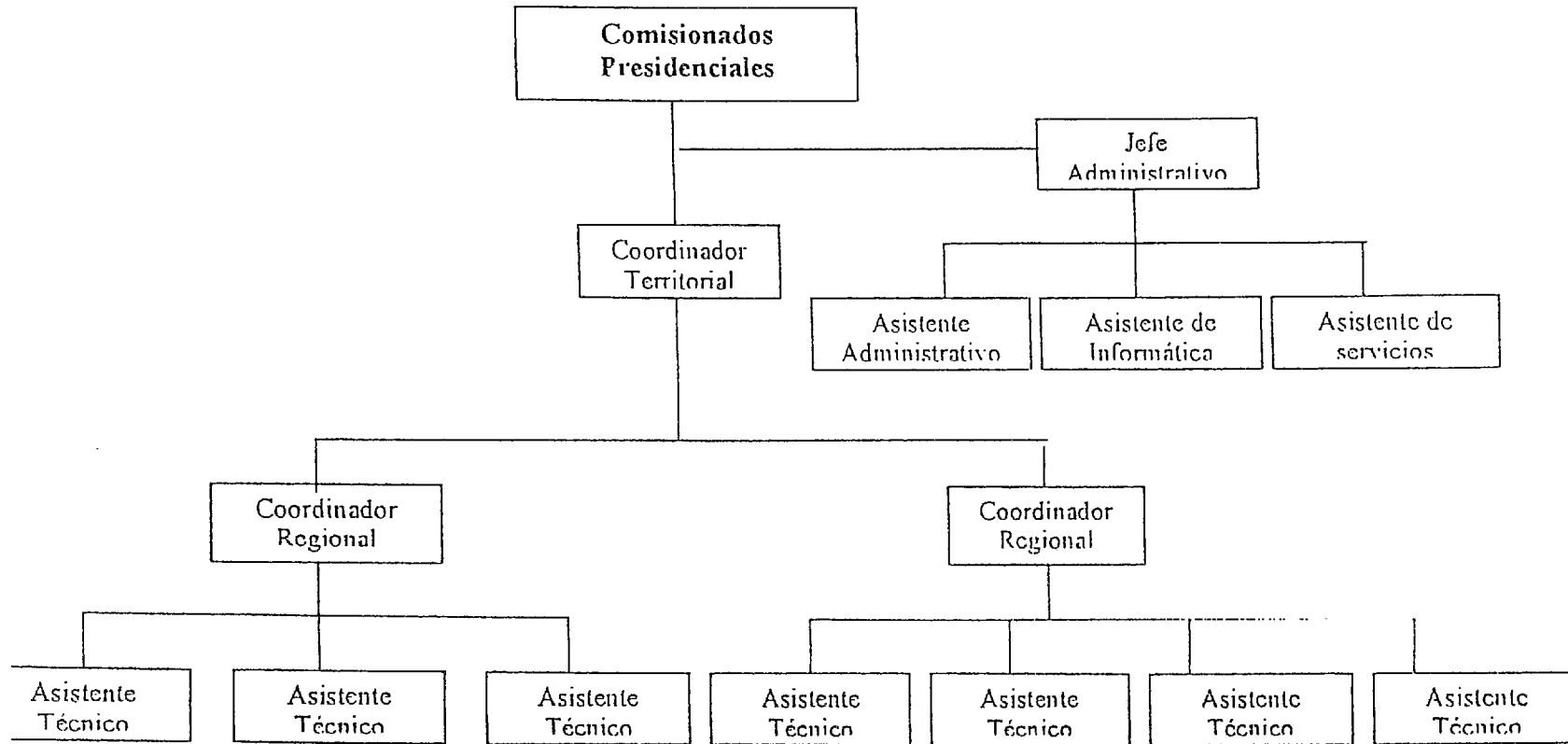
#### 5. UNDERTAKINGS OF THE GOVERNMENT OF EL SALVADOR

In order to facilitate the smooth and efficient conduct of the Study, the Government of El Salvador shall take necessary measures:

- 5.1 to secure the safety of the Study Team,
  - 5.2 to permit the members of the Study Team to enter, leave and sojourn in El Salvador in connection with their assignment therein, and exempt them from foreign registration requirements and consular fees,
  - 5.3 to exempt the Study Team from taxes, duties and any other charges on equipment, machinery and other materials brought into and out of El Salvador for the conduct of the Study,
  - 5.4 to exempt the Study Team from income tax and charges of any kind imposed on or in connection with the implementation of the Study,
  - 5.5 to provide necessary facilities to the Study Team for remittance as well as utilization of the funds introduced in El Salvador from Japan in connection with the implementation of the Study,
  - 5.6 to secure permission for entry into private properties or restricted areas for the conduct of the Study,
  - 5.7 to secure permission for the Study Team to take all data, documents and necessary materials related to the Study out of El Salvador to Japan, and,
  - 5.8 to provide medical services as needed. Its expenses will be chargeable to members of the Study Team.
6. The Government of El Salvador shall bear claims if any arise against member(s) of the Japanese Study Team resulting from, occurring in the course of, or otherwise connected with the discharge of their duties in the implementation of the Study, except when such claims arise from gross negligence or willful misconduct on the part of the member of the Study Team.
7. The CND shall act as counterpart agency to the Japanese Study Team and also as coordinating body in relation with other governmental and non-governmental organizations concerned for the smooth implementation of the Study.
8. The CND will, as the executing agency of the project, take responsibilities that may arise from the products of the Study.

The Government of El Salvador assures that the matters referred to in this form will be ensured for the smooth conduct of the Development Study by the Japanese Study Team.

ANEXO I



12



Signed: Sandra de Barraza

Title: Coordinadora Comisión Nacional de Desarrollo

On behalf of the Government of the Republic of El Salvador

Date: Noviembre 19 de 2001

## APLICACION PARA EL PROGRAMA DE ESTUDIOS DE DESARROLLO DE JAPON

Fecha de entrada : Septiembre, 2001  
Aplicante : Gobierno de El Salvador

### 1. CARACTERISTICAS DEL PROYECTO

**1.1 Título del Proyecto:** Estudio de expansión y fortalecimiento de la competitividad de la oferta exportable salvadoreña

**1.2 Ubicación:** Región Oriental de la República de El Salvador, comprendiendo los departamentos de Usulután, San Miguel, Morazán y La Unión

#### 1.3 Agencia de ejecución

1.3.1 Nombre de la Agencia: Comisión Nacional de Desarrollo  
1.3.2 Número del Staff: 19 personas según la siguiente distribución:  
Cinco Comisionados Presidenciales  
Diez miembros del equipo técnico  
Cuatro miembros del equipo administrativo  
1.3.3 Presupuesto asignado a la agencia de ejecución: US\$674,072

1.3.4 Organigrama de la institución: Ver Anexo I

#### 1.4 Justificación del Proyecto

##### 1.4.1 Condiciones actuales del sector

En las últimas décadas, la industria de maquila ha contribuido significativamente a la economía salvadoreña y a su sector externo, excediendo por mucho el valor total de las exportaciones de café, que fuera el principal producto de exportación. En el año 2000, aproximadamente el 55% del valor total de las exportaciones estuvo relacionado con la maquila, mientras que el café contribuyó únicamente con el 10%.

El lento crecimiento de las exportaciones de maquila y el bajo nivel de empleo generado en los últimos años, aunado a la fuerte competencia de los países vecinos por la atracción de inversiones y a la naturaleza inestable del sector hace urgente la necesidad de impulsar nuevas industrias.

El grave déficit comercial del país ha estado siendo compensado por el creciente monto de remesas familiares que envían los salvadoreños residentes en el exterior, principalmente en los Estados Unidos. Este flujo de remesas ha crecido de un estimado de US\$ 543 millones en 1991 a US\$ 1.7 billones en el año 2000, y a pesar que son vitales para mantener la estabilidad macroeconómica, la sobre oferta de dólares en el mercado y la apreciación del colón respecto al dólar no reflejan actualmente las condiciones económicas reales del país. Consecuentemente, los productos de exportación han perdido competitividad y sectores como la agricultura han permanecido estancados. Se estima que el 20% de las remesas familiares se concentran los departamentos de la región oriental.

La región oriental del país ha estado históricamente marginada de los procesos de desarrollo nacional. De acuerdo con el Informe sobre Desarrollo Humano para el año 2000 del Programa de las Naciones Unidas para el Desarrollo (PNUD) los departamentos orientales se encuentran

por debajo del promedio nacional, y muy por debajo del promedio de los departamentos centrales, en índices relacionados a la esperanza de vida, nivel de escolaridad, ingreso per cápita, acceso a servicios básicos, así como otros índices de desarrollo humano.

Adicionalmente a este atraso relativo, algunos desastres naturales recientes – Huracán Mitch en 1998, dos terremotos y una sequía en 2001 – han impactado fuertemente a la región y han contribuido a empeorar las condiciones pobreza y marginación. Se estima que ciudades como Usulután y Santiago de María, así como pequeños pueblos ubicados a lo largo de la cadena volcánica central han retrocedido aproximadamente 10 años en su desarrollo.

#### 1.4.2 Política nacional / local de desarrollo sectorial

El Gobierno del presidente Francisco Flores que inició en Junio de 1999, ha seguido básicamente las mismas políticas de sus predecesores, implementando una política de reducción del déficit fiscal, la modernización y privatización de las instituciones del gobierno, reducción de tarifas y establecimiento de un sistema de tipo de cambio fijo. Con el propósito de revitalizar una economía y una sociedad deprimida por una guerra civil, también se está implementando un plan de desarrollo socio – económico en el ámbito nacional.

Durante su campaña electoral, el Presidente Flores presentó a los salvadoreños los cuatro pilares de desarrollo de su programa de gobierno, conocidos como La Nueva Alianza:

- A) Desarrollo de nuevas industrias y creación de oportunidades de empleo a través de la reactivación de la agricultura, el mejoramiento de la infraestructura, promoción de las micro y pequeñas empresas y el incremento de las exportaciones y de la inversión extranjera directa.
- B) Implementación de políticas sociales básicas, tales como promoción del desarrollo regional y reducción de la pobreza.
- C) Protección de los recursos naturales, promoción de actividades para la protección del medio ambiente, empleo para jóvenes y asistencia para la adquisición de tecnología.
- D) Estabilización de la sociedad civil, fortalecimiento del marco legal y de la infraestructura para preservar la ley y el orden, reformas a la Policía nacional Civil y endurecimiento de las medidas para la prevención del crimen.

El Presidente Calderón, predecesor del Presidente Flores, conformó la Comisión Nacional de Desarrollo cuyo objetivo era desarrollar y proponer un Plan de Desarrollo Nacional (Plan de Nación) que sirva de base para la planificación del desarrollo nacional en el mediano y largo plazo con la participación de la sociedad civil y focalizado en el desarrollo regional y la descentralización.

Después de un amplio proceso de consulta, varios temas importantes para el desarrollo regional fueron identificados y presentados con el título de Acciones Iniciales del Plan de Nación y posteriormente como Acciones Territoriales del Plan de Nación en noviembre del 2000, que incluyó varias acciones y proyectos para reactivar la economía en diferentes regiones del país.

#### 1.4.3 Problemas a ser resueltos en el sector

La construcción del Puerto de Cutuco en La Unión, que se realizarán con la asistencia técnica y financiera de Japón, significará un gran reto para el desarrollo regional. Se espera que el puerto genere muchas oportunidades de desarrollo para la región oriental, incluyendo la creación de nuevas industrias, nuevas oportunidades de empleo, mejoramiento de infraestructura e incremento de las exportaciones. Este estudio ayudará a resolver el problema de identificar esas oportunidades y formular planes y estrategias que permitan la reactivación de la capacidad productiva agroindustrial y la expansión y diversificación de la oferta exportable.

#### 1.4.4 Alcance del Proyecto

Elaboración de un plan para identificar las oportunidades, amenazas, debilidades y fortalezas de la oferta exportable salvadoreña con una perspectiva de mayor competitividad.

#### 1.4.5 Propósito (objetivo de corto plazo) del proyecto

1. Estudio de factibilidad de la producción de bienes exportables, identificando zonas geográficas prioritarias con mayor potencial productivo en la región oriental
2. Identificación de productos agropecuarios con posibilidades de competir en los mercados internacionales
3. Análisis del clima de negocios y de los factores que afectan la inversión directa en El Salvador

#### 1.4.6 Meta (objetivo de largo plazo) del proyecto

- a) Incremento y diversificación de la oferta exportable
- b) Diversificación de la agricultura
- c) Reducción de la pobreza en una región tradicionalmente pobre
- d) Impulsar procesos de industrialización
- e) Ampliar la base empresarial
- f) Proponer inversiones estratégicas al gobierno
- g) Maximizar las facilidades y oportunidades del Puerto de Cutuco
- h) Desarrollar la industria del turismo
- i) Desarrollar el sector ganadero
- j) Promover el desarrollo urbano en la ciudad de La Unión y los municipios aledaños a la Bahía

#### 1.4.7 Beneficiarios

6.2 millones de habitantes (población de El Salvador) se beneficiaran del estudio, directa o indirectamente

1.4.8 Prioridad del proyecto en del Plan Nacional de Desarrollo / Programa de Inversión Pública  
El Gobierno de El Salvador ha dado la más alta prioridad a la construcción del Puerto de Cutuco y a los proyectos asociados a él como parte de una estrategia de desarrollo nacional. En este sentido, este estudio es de mucha importancia para el éxito de esta estrategia ya que servirá de guía para las actividades económicas del sector privado, así como de guía para las inversiones del sector público.

#### 1.5 Calendario deseado para el inicio del proyecto

Abril 2002

#### 1.6 Fuente de fondos/ o de asistencia (incluyendo las de origen externo) para el Proyecto

Asistencia Técnica del Gobierno de Japón

#### 1.7 Otros proyectos relevantes, si existen

Ninguno



## **2. TÉRMINOS DE REFERENCIA DEL ESTUDIO PROPUESTO**

### **2.1 Necesidad/ Justificación del estudio**

La construcción del moderno Puerto de Cutuco representa una enorme oportunidad para aliviar las condiciones de pobreza y marginación de la región oriental del país. En ese sentido, la implementación de un estudio que busque la expansión y diversificación de la oferta exportable así como nuevas oportunidades de inversión, es una necesidad para el sector para así beneficiarse y estimular procesos de desarrollo asociados al puerto. De lo contrario se corre el riesgo de perder la oportunidad de desarrollo que se presenta con la construcción del puerto y dejar a la región oriental en la misma situación de atraso relativo con respecto a otras regiones del país.

### **2.2 Necesidad / Justificación de la asistencia técnica japonesa**

La construcción del Puerto de Cutuco será posible gracias al apoyo técnico y financiero del Gobierno de Japón, y en ese sentido la asistencia técnica para este estudio es consistente con el interés de dicho gobierno de asegurar el éxito en las operaciones del puerto. Adicionalmente, en la región oriental varios proyectos han sido desarrollados con la cooperación del Gobierno de Japón, los cuales al ser integrados con este estudio podrán servir más eficaz y eficientemente a los esfuerzos de desarrollo en la región.

### **2.3 Objetivos del estudio**

Impulsar las actividades productivas en la región oriental, principalmente en Usulután, San Miguel, Morazán y La Unión para aprovechar las oportunidades de desarrollo generadas por la construcción del Puerto de Cutuco.

Elaborar un Plan para mejorar en el largo plazo la calidad y cantidad de la oferta exportable.

Transferir tecnología a la contraparte salvadoreña para llevar a cabo las recomendaciones resultantes del estudio.

### **2.4 Area a ser cubierta por el estudio**

El área a ser cubierta por el estudio comprende los departamentos de Usulután, La Unión, San Miguel y Morazán, que en conjunto ocupan el 35% del territorio nacional y el 21% del total de población. Un mapa del área de estudio se muestra en el Anexo II.

### **2.5 Alcance del estudio**

El estudio se desarrollará en tres fases:

Fase 1: Estudio de la situación actual de la región oriental del país y de los países vecinos fronterizos al Golfo de Fonseca (Honduras y Nicaragua),

Fase 2: Formulación de planes para la utilización efectiva del Puerto de Cutuco, la promoción de exportaciones y la atracción de inversión extranjera directa

Fase 3: Formulación de proyectos específicos basados en los estudios realizados en las fases 1 y 2.

#### **Fase 1:**

1. Situación Actual de la Región Oriental y de los países fronterizos al Golfo de Fonseca
  - a) Condiciones socioeconómicas
  - b) Industria

- c) Políticas de promoción industrial
  - d) Políticas de promoción de inversiones
  - e) Comercialización de productos agrícolas
  - f) Procesamiento de productos agrícolas
  - g) Infraestructura relacionada a la comercialización
  - h) Análisis de las rutas de distribución a los mercados de los principales productos
  - i) Estudio de los planes de distribución de productos
  - j) Estudio sobre los recursos humanos
  - k) Principales productos y zonas productoras
  - l) Sistemas de información de mercados
  - m) Consideraciones ambientales
  - n) Crecimiento y desarrollo urbano
2. Revisión de información y documentos disponibles
    - a) La Nueva Alianza
    - b) Plan de Nación
    - c) Otra información relevante

3. Taller #1

**Fase 2**

1. Formulación de planes y políticas para la efectiva utilización del Puerto de Cutuco
  - a) Plan para la integración económica regional (áreas de influencia del Puerto de Cutuco en El Salvador, Honduras y Nicaragua)
  - b) Plan de fortalecimiento de los sistemas de transporte y distribución
  - c) Plan de desarrollo del sector agroindustrial
  - d) Plan de fortalecimiento del sector servicios (incluyendo el turismo)
2. Formulación de un Plan de Promoción de Exportaciones
  - 1) Sectores agrícolas y piscícolas
    - a) Procesamiento de productos de la pesca
    - b) Productos agrícolas
    - c) Agroindustria
  - 2) Industria Textil
    - a) Maquila
    - b) Identificación de otros sectores elegibles (Añil, etc)
  - 3) Sector Forestal
    - a) kenaf
    - b) Otros sectores / productos con potencial de exportación
  - 4) Turismo
    - a) Turismo de playa
    - b) Ecoturismo

3. Formulación de un Plan de Promoción Inversiones
  - a) Zonas francas
  - b) Atracción de capital nacional y extranjero
  - c) Adecuación del clima de negocios
  - d) Plan promocional para inversionistas extranjeros (Japón, USA, Europa, países vecinos)

#### 4. Taller #2

### Fase 3

#### 1. Recomendaciones del Proyecto

- a) Proyectos para la integración económica regional
- b) Proyectos de apoyo a la agroindustria y a la industria pesquera
- c) Proyectos de promoción de procesos de industrialización
- d) Proyectos de mejoramiento de los sistemas de distribución y transporte de mercancías
- e) Proyectos de promoción de inversiones
- f) Proyectos de diversificación de productos de exportación

#### 2. Talleres y Seminarios

- g) Taller #3
- h) Seminario #1

### 2.6 Calendario del Estudio

Se espera que estudio se realice en el período 2002 –2003

### 2.7 Principales productos del estudio:

- a) Planes y políticas para maximizar las facilidades del Puerto de Cutuco
- b) Planes y políticas para expandir y diversificar la oferta exportable
- c) Formulación de un plan de promoción de exportaciones y atracción de inversiones directas

### 2.8 Solicitud del estudio a otras agencias donantes

N/A

### 2.9 Otra información relevante

Ninguna

## 3. FACILIDADES E INFORMACION PARA EL EQUIPO RESPONSIBLE DEL ESTUDIO

### 3.1 Asignación de personal contraparte de la agencia de implantación

Las agencias contrapartes del proyecto serán el Ministerio de Agricultura y Ganadería, Ministerio de Economía, Vice-Ministerio de Vivienda y Desarrollo urbano, Comisión Ejecutiva Portuaria Autónoma y el Ministerio del Medio Ambiente, todos bajo la coordinación de la Comisión Nacional de Desarrollo.

### **3.2 Disponibilidad de datos, información, documentos, mapas, etc. relacionados con el estudio**

La Comisión Nacional de Desarrollo y las contrapartes de los diversos ministerios pondrán a disposición de equipo responsable del estudio todos los documentos e información relacionados con el estudio.

### **3.3 Información sobre las condiciones de seguridad en el área de estudio:**

Las condiciones de seguridad en el área de estudio son buenas

## **4. ASPECTOS GLOBALES (Medio Ambiente, Género, Pobreza, etc)**

4.1 Componentes ambientales (tales como control de emisiones, disponibilidad de agua, manejo ambiental, forestería, biodiversidad) del proyecto, si existen

Ninguno

4.2 Impactos ambientales anticipados del proyecto (naturales y sociales) del proyecto, si existen

Ninguno

4.3 Mujeres como principales beneficiarias o no

Se espera que el estudio beneficie de igual forma tanto a hombres como mujeres

4.4 Componentes del proyecto que requieran consideraciones especiales para las mujeres (tales como diferencias de género, rol específico de las mujeres, participación de la mujer), si existen

Ninguno

4.5 Impactos anticipados del proyecto sobre las mujeres, si existen

El estudio anticipa impactar positivamente sobre las mujeres ya que la implementación de sus recomendaciones, programas y políticas traerán más y mejores opciones y oportunidades para las mujeres mejorando sus condiciones de acceso a fuentes de trabajo y riqueza

4.6 Componentes de alivio a la pobreza, si existen

4.7 Alguna restricción del proyecto contra las personas de bajos ingresos

Ninguna

## **5. RESPONSABILIDADES DEL GOBIERNO DE EL SALVADOR**

Con el fin de facilitar la efectiva conducción del estudio, el Gobierno de El Salvador deberá tomar las siguientes medidas:

5.1 Garantizar la seguridad del equipo responsable del estudio,

5.2 Permitir a los miembros del equipo responsable del estudio salir y entrar del país las veces que sea necesario y eximirlos del pago de tarifas consulares,

5.3 Eximir a equipo responsable del estudio del pago de impuestos u otro tipo de recargos sobre el equipo, la maquinaria y otros materiales que traigan al país para conducir el estudio,

- 5.4 Eximir a los miembros del equipo responsable del estudio del pago de impuestos u otro tipo de recargos sobre las actividades relacionadas con el estudio,
  - 5.5 Proveer las facilidades necesarias al equipo responsable del estudio para recibir y utilizar los fondos desde Japón para los gastos relacionados con el estudio,
  - 5.6 Asegurar el acceso a propiedades privadas o áreas restringidas para conducir el estudio,
  - 5.7 Conceder permiso a los miembros responsables del equipo de estudio para trasladar desde El Salvador hacia Japón todos los documentos, los datos y los materiales necesarios para el estudio, y,
  - 5.8 Proveer servicios médicos a los miembros de equipo de estudio cuando sea necesario. Estos costos serán cargados a los miembros del equipo
6. El Gobierno de El Salvador deberá resolver cualquier reclamo en contra de los miembros del equipo japonés responsable del estudio, que puedan resultar del desarrollo del estudio, excepto de aquellos que resulten de actitudes negligentes o de mala conducta por parte los miembros del equipo.
  7. La CND debe actuar como agencia contraparte del equipo responsable del estudio y como cuerpo coordinador con relación a otras agencias gubernamentales y no gubernamentales relacionadas con el buen desempeño del estudio.
  8. La CND tomará, como agencia contraparte, responsabilidad sobre los productos resultantes del estudio.

El Gobierno de El Salvador asegura que los aspectos referidos en este documento garantizarán la buena conducción del Estudio de Desarrollo a cargo del equipo japonés responsable

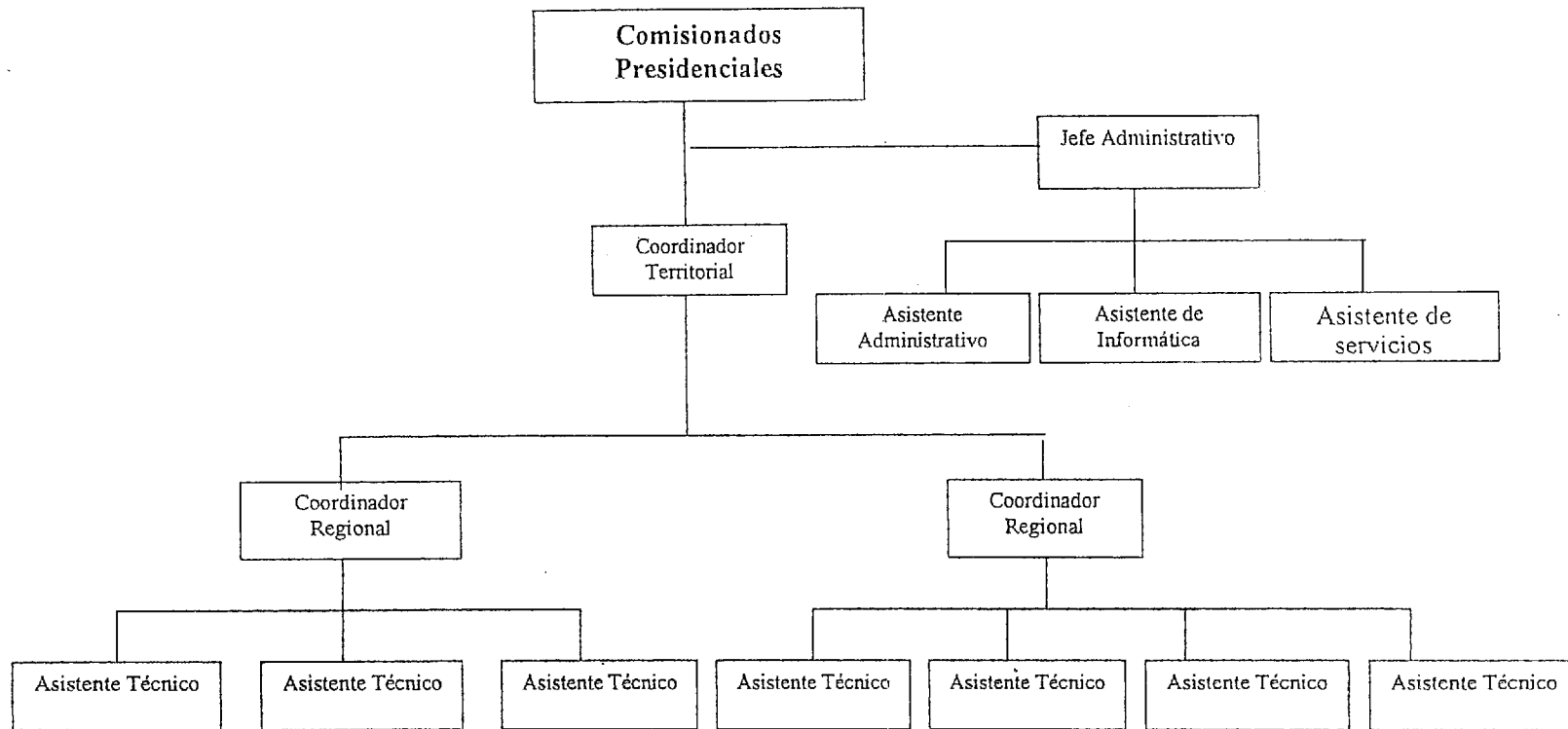


Firma: Sandra de Barraza  
Cargo: Coordinadora de la Comisión Nacional de Desarrollo

Por el Gobierno de la República de El Salvador

Date: 19 de Noviembre de 2001

# ANEXO I



2. 調査実施細則 (S/W)

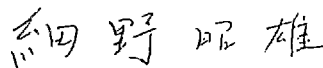
SCOPE OF WORK  
FOR  
THE STUDY  
ON  
ECONOMIC DEVELOPMENT,  
FOCUSING ON THE EASTERN REGION,  
OF THE REPUBLIC OF EL SALVADOR

AGREED UPON  
BETWEEN  
COMISION NACIONAL DE DESARROLLO  
AND  
THE JAPAN INTERNATIONAL COOPERATION AGENCY

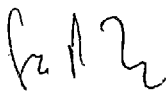
San Salvador, 3, July 2002



Mr. Roberto Interiano  
Vice Minister of Foreign Affairs  
and International Cooperation  
of the Republic of El Salvador



Dr. Akio Hosono  
Leader, Preparatory Study Team,  
Japan International  
Cooperation Agency (JICA)



Ms. Sandra de Barraza,  
Commissioner and Commission Coordinator  
of Comision Nacional de Desarrollo



## I. INTRODUCTION

In response to the request of the Government of the Republic of El Salvador (hereinafter referred to as "GOES"), the Government of Japan (hereinafter referred to as "GOJ") has decided to conduct the Study on Economic Development, Focusing on the Eastern Region, of the Republic of El Salvador (hereinafter referred to as "the Study"), in accordance with the relevant laws and regulations in force in Japan.

Accordingly, the Japan International Cooperation Agency (hereinafter referred to as "JICA"), the official agency responsible for the implementation of the technical cooperation programmes of the GOJ, will undertake the Study in close cooperation with the relevant authorities of the GOES.

The present document sets forth the Scope of Work with regard to the Study.

## II. OBJECTIVES OF THE STUDY

The objectives of the Study are the followings:

- (1) To formulate a master plan for the balanced economic development of El Salvador which aims to strengthen competitiveness of El Salvador through means of a) promoting exports and foreign direct investment and b) developing the eastern region of El Salvador;
- (2) To enhance the capacity of the national and regional counterparts to promote and lead the economic development, assuring the ownership of the government of El Salvador in the implementation of the master plan.

## III. STUDY AREA

All regions of the El Salvador with a major focus on the eastern region (La Union, Morazan, San Miguel, and Usulután) and the Port *Cutuco* (See Attachment 1).

11/12

Q12  
5



#### IV. SCOPE OF THE STUDY

##### [Phase 1] Assessment and Diagnosis

##### Task1 Assessment and Diagnosis of Economic Development and its Competitiveness of El Salvador

To assess the current circumstances of El Salvador in terms of promoting exports and foreign investment with other competitive countries, and identify its strengths and weaknesses, the study team will investigate:

- National development plans, Sector plans and Regional development plans
- El Salvador in the process of integrations: Central America (PPP: *Plan Puebla-Panama*, SICA: *Sistema de la Integración Centroamericana*, etc.), FTAA and bilateral FTAs.
- Macroeconomic framework (trade and investment regime, legal and regulatory framework, financial sector, etc.)
- Human resources and labor markets
- Privatization
- Infrastructure
- Information Technology (IT)

##### Task2 Assessment of Competitiveness : Regions and Economic Activities

To define overall market potential, and to identify highly competitive and prospective activities, the study team will investigate:

- Global and local investment trends
- Global competitors in each activity
- Strength and weakness of each economic activity in El Salvador
- Salvadorians living in foreign countries, as customers, investors and entrepreneurs
- Market potentials and restraints of each economic activity
- Competitiveness of each region of El Salvador
- Case studies of business development (creation of new firms and expansion of existing firms)

Q. M.  
11/12

### Task3 Assessment and Diagnosis of Eastern Region: Economic Prospects and Competitiveness

To assess the potentials and constraints of the development of the eastern region as a strategic hinterland of the Port *Cutuco*, the study team will investigate:

- Existent development strategies
- Existent and prospected economic activities (agriculture, agro industry, fishery, manufacturing industry, port industry, service, tourism, etc.)
- Socio-economic and environmental conditions (port city, infrastructure, human resource, .etc)

### Task4 Preliminary Impact Assessment of the Port *Cutuco*

To understand the prospected impact of the utilization of the Port *Cutuco* and define the major bottlenecks which prevent the Port from being a strategic hub-port in eastern region, whole country of El Salvador and Central America, the study team will investigate:

- Necessary change in transportation and distribution system including the neighboring countries of El Salvador
- Socio-economic and environmental conditions to fully utilize and develop the Port *Cutuco*
- Competitors: ports and other transportation and distribution systems in Central America and their competitiveness.

### **【Phase 2】 Formulation of Strategies and Economic Development Master Plan**

A master plan for the balanced economic development will be proposed based on the assessment and diagnosis made in Phase 1. The study team will define the position of El Salvador in the global economy with major focus on the eastern region and determine the development concept to strengthen its competitiveness. The master plan will have strategies for the following four tentative directions:

- a) Utilizing the Port *Cutuco* as an active strategic hub-port for export and import
- b) Developing eastern region as the prioritized area in *Plan de Nacion* identifying the most appropriate economic activities for the region (agriculture, agro industry, fishery, manufacturing industry, port industry, service, tourism, etc.)

CA 2

10/12

- c) Creating the environment to facilitate export and investment and enhancing the competitiveness of El Salvador
- d) Developing the country as a gateway which connects the Americas and Asia.

Those strategies should be integrated under the development concept and master plan.

### **【Phase 3】 Provision of the Plan for Action**

Development strategies prepared in phase 2 will be structured and apportioned to several programs and projects.

#### Task1 Prioritization of the Development Plans

- (1) Developing criteria for prioritization
- (2) Selecting programs and projects of higher importance
- (3) Estimating costs of each program and project
- (4) Social and Environmental Assessment of each program and project

#### Task2 Formulation of the Action Plan

- (1) Proposing the measures necessary to commence the programs and projects prioritized in Task1 (ex. institutional building, support for formulating draft laws and regulations, support for investment promotion seminars, etc.)
- (2) Preparing the action packages to be implemented by each actors including the central government, the local governments and the private sector R
- (3) Organizing those programs, projects and action packages into a timetable in the Action Plan.
- (4) Proposing the public investment plan focusing on eastern region and the Port *Cutuco*.

Remarks: In the course of the Study, seminars and workshops will be organized to have feedback from stakeholders.

C.M. 7  
11/10

## V. STUDY SCHEDULE

The Study will be carried out in accordance with the attached tentative schedule (See Attachment 2).

## VI. REPORTS

JICA shall prepare and submit the following reports in English to the GOES;

1. Inception Report; thirty (30) copies, at the commencement of the Study
2. Progress Report 1 on phase 1 study; thirty (30) copies, five (5) months after the commencement of the Study
3. Interim Report on phase 2 study; thirty (30) copies, ten (10) months after the commencement of the Study
4. Progress Report 2 on phase 3 study; thirty (30) copies, thirteen (13) months after the commencement of the Study
5. Draft Final Report summarizing the overall results of the Study; thirty (30) copies, fifteen (15) months after the commencement of the Study

The GOES will provide JICA with its comments on the Draft Final Report within one (1) month after the receipt of the Draft Final Report, and

6. Final Report and its summary; fifty (50) copies, within one (1) month after the receipt of written comments on Draft Final Report from GOES

Each report will be presented and discussed with the key actors in the El Salvador (especially in the eastern region). The GOES will provide JICA with its comments on each report two weeks after their receipt.

## VII. UNDERTAKING OF THE GOES

1. To facilitate the smooth conduct of the Study; the GOES shall take the following necessary measures:

- (1) To permit the members of the Team to enter, leave and sojourn in El Salvador for the duration of their assignments therein and exempt them from

AM2 7 11/10

foreign registration requirements and consular fees;

- (2) To exempt the members of the Team from taxes, duties and any other charges on equipment, machinery and other material brought into El Salvador for the implementation of the Study;
- (3) To exempt the members of the Team from income tax and charges of any kind imposed on or in connection with any emoluments or allowances paid to the members of the team for their services in connection with the implementation of the Study;
- (4) To provide necessary facilities to the Team for the remittance as well as utilization of the funds introduced into El Salvador from Japan in connection with the implementation of the study;

2. The GOES shall bear claims, if any arises, against the members of the Team resulting from, occurring in the course of, or otherwise connected with, the discharge of their duties in the implementation of the Study, except when such claims arise from gross negligence or willful misconduct on the part of the Team.

3. *Comision Nacional de Desarrollo* (hereinafter referred to as "CND") shall act as counterpart agency to the Japanese study team and also as coordinating body in relation with other governmental and non-governmental organizations concerned for the smooth implementation of the study.

4. CND shall, at its own expense, provide the Team with the following, in cooperation with other organizations concerned :

- (1) Security-related information on as well as measures to ensure the safety of the Team;
- (2) Information on as well as support in obtaining medical service;
- (3) Available data and information related to the Study;
- (4) Counterpart personnel;
- (5) Suitable office space with necessary office equipment and furniture; and
- (6) Credentials or identification cards

CND  
7

111 111

### VIII. UNDERTAKING OF JICA

For the implementation of the Study, JICA shall take the following measures:

1. to dispatch, at its own expense, a study team to El Salvador; and
2. to pursue technology transfer to the counterpart personnel of the GOES in the course of the Study.

### IX. CONSULTATION

JICA and the GOES shall consult with each other in respect of any matter that may arise from or in connection with the Study.

### X. OTHERS

In case of any divergence arises about interpretation of the Scope of Work and Minutes of Meeting which is prepared in English and Spanish, English text shall prevail.

*Cap 7*

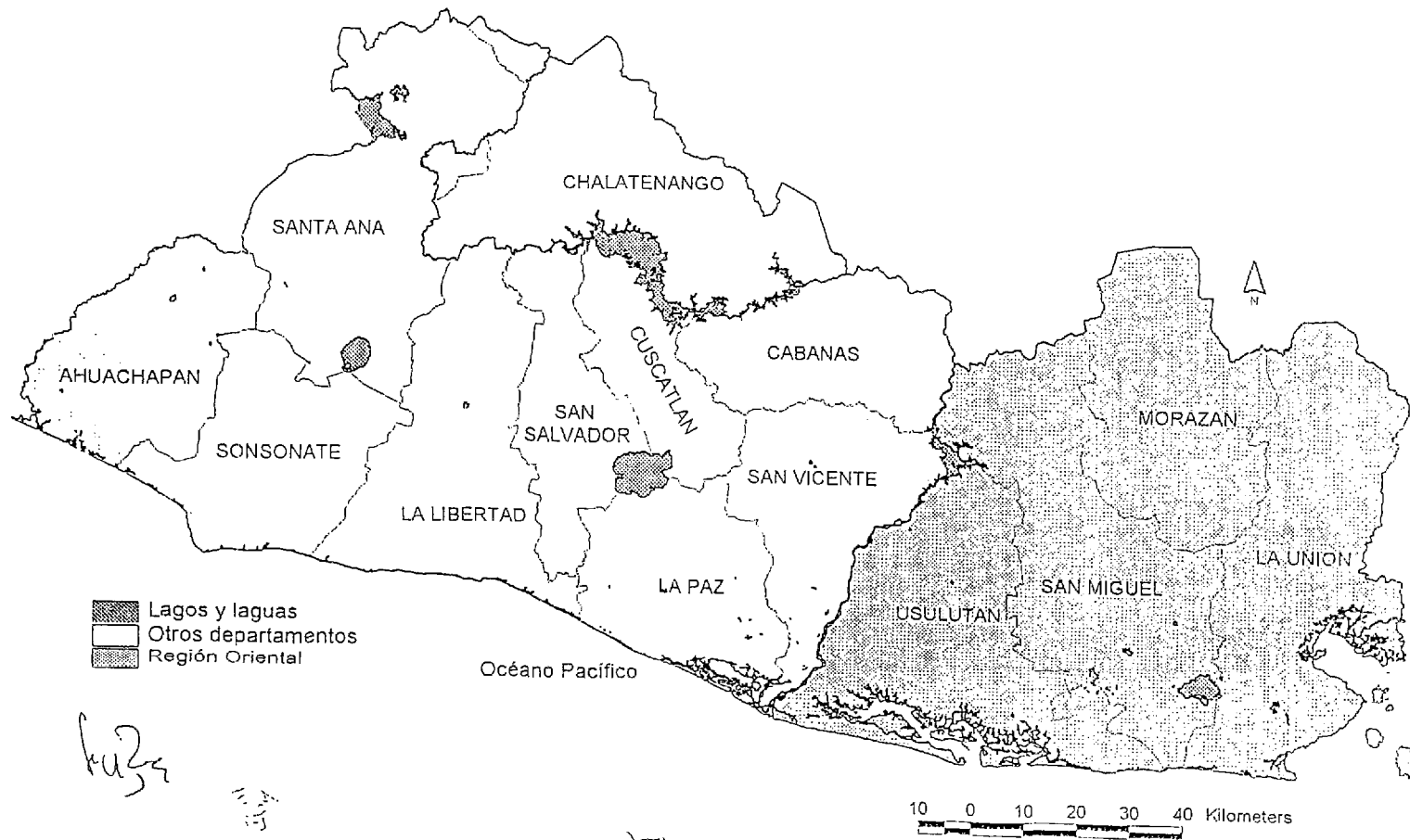
END

*11/11*

*R*

# Study Area

- 105 -



	Study Schedule																	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Study Schedule																		
Reports	△ Ic/R					△ P/R1												

[Legend]

- Ic/R : Inception Report
- P/R1 : Progress Report 1
- It/R : Interim Report
- P/R2 : Progress Report 2
- DF/R : Draft Final Report
- F/R : Final Report

GA 2 1/1/1



3. S/W協議議事録 (M/M)

MINUTES OF MEETING  
ON  
SCOPE OF WORK  
FOR  
THE STUDY  
ON  
ECONOMIC DEVELOPMENT,  
FOCUSING ON EASTERN REGION,  
OF  
THE REPUBLIC OF EL SALVADOR

AGREED UPON BETWEEN  
COMISION NACIONAL DE DESARROLLO  
AND  
JAPAN INTERNATIONAL COOPERATION AGENCY

San Salvador, 3, July 2002

Ms. Sandra de Barraza,  
Commissioner and Commission Coordinator  
of Comision Nacional de Desarrollo



Dr. Akio Hosono  
Leader, Preparatory Study Team,  
Japan International  
Cooperation Agency

The Japanese Preparatory Study Team (hereinafter referred to as "the Team") organized by Japan International Cooperation Agency (hereinafter referred to as "JICA") and headed by Dr. Akio HOSONO, visited El Salvador from June 26th to July 4th, 2002 to discuss the Scope of Work (S/W) for the Study on Economic Development, Focusing on the Eastern Region, of the Republic of El Salvador (hereinafter referred to as "the Study").

The Team conducted meetings with related organizations and had a series of discussions on the Scope of Work for the Study with relevant authorities of the government of the Republic of El Salvador (hereinafter referred to as "GOES"). Both the Team and Salvadorian side agreed and signed the Scope of Work for the Study. The list of participants in the meeting appears in the appendix 1.

As the result of discussions the following points are confirmed between the CND and the Team.

1. The scope of the Study

The Comments of the CND on the Scope of the Study are attached in appendix 2.

2. Study Schedule

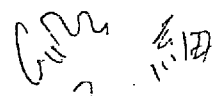
The CND offered that the final report should be ready and presented to the regional and national authorities before April 2004. The draft final report would be ready at the end of 2003.

3. Target Year

Both sides agreed that the target year of the new strategies and policies would be decided at the commencement of the study in due consideration of following events.

• Short term:

- The construction of the Port Cutuco will be started in April 2003.
- A Spanish enterprise (Calvo) is beginning activities in the port Cutuco in January 2003

Handwritten signature and date, possibly "CND" and "11/12".

- The election of the president of the Republic of El Salvador will be held in March 2004
- The new government will be organized in June 2004
- Medium term:
  - The operation of the Port Cutuco will be started in January 2006.
  - The elections of the local authorities (mayors) and legislators will be held in March 2006
- Long term:
  - The election of the president will be held in March 2009.
  - The new government will be organized in June 2009.

#### 4. Steering Committee and Working Group

Both sides agreed that the CND would establish a Steering Committee and a Working Group to facilitate smooth implementation of the Study. The Steering Committee and the Working Group will be formulated before the commencement of the Study and the list of organizations which participate in them will be conveyed to JICA El Salvador Office.

Commission Coordinator of the CND will chair the Steering Committee. The Steering Committee will be composed of decision makers in relevant Ministries and organizations such as vice-ministers and presidents of the organizations. The Working Group will be chaired by the CND and composed of the officials at the working level to provide the Team with feedbacks from the national, local and technical perspective.

The Team requested that the organizations which participate in the Steering Committee and the Working Group should include the Ministry of Economy, the Ministry of Finance, the Ministry of Foreign Affairs, the Ministry of Public Works, the Ministry of Agriculture and Livestock, the Ministry of Education, the Ministry of Environment and Natural Resources, CEPA, PROESA, CONAMYPE, PROEXPO, Central Bank, etc. The CND agreed to the request, explaining that the Working Group is going to be organized taking into account of topics to be considered in each phase, including institutions of the private sector.

ARZ  
7  
11/14

#### 5. Counterpart workshop

The Team explained that JICA has workshop programmes in Japan under this development study scheme. The CND requested utilizing the programmes.

#### 6. Reports

The CND requested that the summary of the final report should be prepared in Spanish, as well as an executive resume of the product of each phase. The Team agreed and confirmed that the English version prevails in case of divergence. Both sides agreed that the number of the copies of the summary of the final report in Spanish is fifty (50).

The Team explained that the final reports and its summaries are open to public. The CND agreed.

#### 7. Seminars and Workshops

Seminars and Workshops for three types of stakeholders (civil society, private sector, and public authorities) will be held on both national and regional level in each phase of the Study. Both sides stressed the importance of the comments and feedbacks from these stakeholders. To gain enough understanding of the policy proposals in each phase among these stakeholders, both side agreed that:

- The seminars and workshops would be held in Spanish or with proper translators.
- The materials summarizing the findings and proposals in each report would be prepared in Spanish.

The CND assured that the CND has responsibility in convocation and coordination of the seminars and workshops.

#### 8. Office Space

The Team requested the suitable air-conditioned office space with necessary office equipments and furniture for the study team. The CND promised to arrange with the Ministry of Foreign Affairs and related authorities to satisfy the needs both on national and regional level one (1) month before the commencement of the Study.

Handwritten signature and initials in the bottom right corner of the page.

9. Vehicles with drivers

The CND proposed to the Team that JICA prepare Vehicles with drivers necessary for the Study by itself. JICA understood this proposal.

END

172  
617

172  
617

The List of Participants

1. El Salvador Side:

<Ministry of Foreign Affairs>

Mr. Roberto Interiano Vice Minister of Foreign Affairs and International Cooperation  
Mr. Alberto Morales Director General of External Cooperation  
Mr. José Domingo Castellanos Sub director General of External Cooperation  
Mr. Mirna de Miranda Director of Cooperation of Asia, Africa and Oceania

<CND>

Ms. Sandra de Barraza Commissioner and Commission Coordinator  
Mr. Roberto Rubio Commissioner  
Mr. David Escobar Galindo Commissioner  
Mr. David Mena National Coordinator  
Mr. Roberto Turcios Coordinator of Eastern Region  
Mr. Giovanni Berti Research Assistant

2. Japan Side:

<The Preparatory Study Team>

Dr. Akio Hosono Leader / Regional Economic Development  
Mr. Takashi Tanaka Industrial Policy  
Mr. Shunsuke Mabuchi Study Planning  
Ms. Mayako Takahashi Export and Investment Promotion  
Mr. Shigeki Takashima Regional Development  
Ms. Yoshiko Fukui Translator

*Handwritten notes:*  
CND  
5  
11/10

<Embassy of Japan>

Mr. Saburo Yuzawa

Ambassador

Mr. Kiyotaka Kosugi

First Secretary

<JICA El Salvador Office>

Mr. Makoto Kitanaka

Resident Representative

Ms. Satomi Wakamatsu

Project Coordinator

0.2  
7

細田

## The Comments of the CND on the Scope of the Study

- a. The aim of technical cooperation for the Study is the following: To assure conditions to make the Port *Cutuco* financially self-sustainable; Balanced development of Eastern Region in relation to the other regions of the country; National competitiveness; and the expansion of economic relations between El Salvador, Central America and Asia.
- b. There are studies already completed regarding several issues of development and sectors. The Japanese consultant team should study and evaluate them and should make its proposals taking into account of conclusions of such studies. It should be emphasized that the Japanese consultant team should not repeat what other previous studies have already done. There are some national studies which should be useful as information of reference for regional diagnosis and proposals.
- c. Considering the above-mentioned aspects, tasks 3 and 4 should be emphasized in the Phase I (Assessment and Diagnosis of the Study). Tasks 1 and 2 are essential to understand specific aspects of the Eastern region in a wider context of the country's development. In the analysis corresponding to tasks 1 and 2, the Study should focus on the Eastern region, proposing new options for the country's development that will be made possible due to the construction of the Port *Cutuco* and to the new conditions in the Gulf of Fonseca. These priorities should be reflected in the adequate composition of the analysis related to the four tasks of the Phase I of the Study. It should be understood that to give priority to the Port *Cutuco* and the Eastern region should be complementary and necessary to the efforts of CEPA for the construction of the Port. It is justified because strategies based on the diagnosis would assure the profitability of the Port project. Therefore, the hypothesis of the Study could be "National development that would be initiated by the Port *Cutuco*."

0.12  
5  
11/12



- d. In the Phase II (strategies), the orientation of the Study would be guided by the following structure proposed by the CND:
1. Use of the Port *Cutuco* as a logistic and strategic port for exports and imports.  
(Hub, logistic activities zones)
    - a. Ports system
    - b. Development plan of the Port in the Gulf
    - c. Development plan for the Port City
    - d. Equipment and expansion plan of the logistic Activities Zone (ZAL)
    - e. Local groups competitiveness (Gestores de the port *Cutuco*)
    - f. Implementation strategy of Dry Canal
    - g. Port promotion program (maritime companies)
  2. Regional development (departments of *La Union, San Miguel, Morazan and Usulután*, prioritized in the *Plan de Nación* )
    - a. Significance and opportunity of the eastern region and the Port *Cutuco* for the development of the country and Central America
    - b. Evaluation and identification of economic activities (agriculture, agro industry, industry, services) and their competitiveness
    - c. Implementation strategy of the project of *Rio Grande de San Miguel*, linked to the Port *Cutuco*
    - d. Evaluation of opportunity of private investment (domestic and foreign) and requirement of public investment
    - e. Identification of science, technological and human resources development requirements and opportunities
    - f. Options of his regional public. administration
    - g. Plan of public equipment
  3. National Competitiveness: regions and economic activities
    - a. Regionalization
    - b. Integration between take-off of eastern region and of northern region
    - c. Relationship between the Port *Cutuco* and other regions of the country

017 1.14

- d. Relationship between the eastern region and other regions of the country
- c. Strategy to enhance entrepreneurship
- 4. Development of the country as a gateway which connects Central America and Asia

W. J. L.

END

糸田