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SECTION C - DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK

C.1 STATEMENT OF WORK

Guyana Trade and Investment Support (GTIS) Project

Introduction

This Scope of Work calls for the implementation of Guyana Trade and Investment Support (GTIS) Project. Implementation of the Project will be based on the strategy outlined in the Mission's Country Strategy Paper (CSP) (attached) that was approved by USAID/Washington in December 2003.

1. Background/Problem Statement

1.1 Context for USAID Assistance:

This solicitation is to obtain technical proposals from an Institutional Contractor (IC), specializing in trade, investment and private sector development to implement GTIS. This Program focuses on the following outcomes:

- Developing and implementing key trade and investment policies, standards and practices consistent with the country's obligations and international best practices.
- Working with private sector firms to increase competitiveness of their value-added export products intended for high value niche markets.
- Working with tourism sector agencies, operatives and other stakeholders to boost development of the eco-tourism sector.

Current USAID/Guyana Initiatives to Promote Economic Growth:

Ongoing Mission initiatives are targeted towards establishing a solid foundation for the successful start-up of this program in 2004. Over the past four years, USAID has implemented a number of economic growth initiatives in this respect. These include: establishing a favorable enabling environment by supporting the development of policies and legislation such as the Investment Code, Small Business Act, National Trade Strategy and National Trade Capacity Building Strategy; strengthening private sector organizations, in particular, the rural chambers of commerce, to enhance their advocacy capabilities and performance and; increasing technical assistance and training to support microenterprises, particularly, those operating in the wood products and agricultural sectors.

New Economic Growth Strategic Objective

USAID has recognized that significant emphasis must be placed on an economic growth program which focuses on exporting. The economic growth strategy is designed to maximize Guyana's benefits from international trade agreements and position target firms to exploit niche markets. It focuses on the creation of an enabling environment which will foster greater levels of foreign direct investment and second, reduce and eliminate bottlenecks to competitiveness.

Economic Overview

Guyana's economy is primarily resource-based with agriculture, mining, and forestry accounting for more than 50 percent of GDP; manufacturing and services account for only 24 percent, and government services the remainder. Rice and sugar accounted for 22 percent of agricultural production.

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After decades of poor economic performance under a state-controlled economy, privatization of state-owned enterprises began in the late-1980s. The current government promotes a private sector model for economic growth and welcomes foreign investment, though the present levels of foreign investment are insufficient to stimulate business activity. Growth is principally constrained by infrastructure deficiencies and a dearth of skilled human resources resulting from years of emigration.

Guyana's population is estimated at 750,000, with an approximately equal number of Guyanese residing overseas, chiefly in the U.S., Canada, United Kingdom (UK), and the Caribbean. Despite a rich natural resource endowment that includes mineral resources, biodiversity, arable land, relatively pristine rain forest in the hinterland, and a small but well-educated population, Guyana has been classified as one of the Western Hemisphere's poorest countries, with a gross domestic product per capita (GDP) of \$797 in 2002. Roughly 35 percent of the population lives below the poverty level as stated in the Poverty Reduction Strategy Paper (PRSP).

With its small population, Guyana's domestic market is too small to generate high rates of growth. Thus, the country has traditionally relied on exports to sustain the economy. Yet, world prices for most of Guyana's traditional export commodities have fallen dramatically in real terms over the last several decades. Guyana's competitiveness has also been eroded: partly by the deterioration of existing infrastructure and the lack of investment in new, more modern facilities, especially transportation, and partly by the emergence of aggressive new competitors for these traditional products, especially from Asia. The long-term decline of the Guyanese economy has been mitigated to some extent by the maintenance of preferential arrangements for some of Guyana's exports, in particular sugar to Europe and rice to the Caribbean. However, these preferences are also being gradually removed under the pressure of international competition and the emergence of a new, more liberal global trading system under the aegis of the World Trade Organization (WTO). Perhaps because of resource constraints and the access it enjoys under the Caribbean Basin Initiative (CBI) and Africa-Caribbean Pacific-European Union (ACP-EU), Guyana has not fully and aggressively participated in regional efforts to negotiate free trade agreements, despite the fact that it is a member of the Caribbean Community (CARICOM) and the WTO.

From the foregoing, the principal areas of concerns in the economic area can be summarized as those relating to: (1) policies, legislation and regulations and (2) issues linked to private sector competitiveness.

1.2 Policies/Legislation/Regulations

A critical weakness of the Guyanese economy is the cumbersome legal and regulatory framework relating to trade and investment. Many critical policies and regulations are unclear, outdated, or simply not in place. This problem is compounded by a relatively inefficient public administration and slow public sector decision-making, in part a function of the country's dwindling professional cadre. The judicial system, on whose integrity economic transactions depend, is also slow and in need of reform to be truly effective and independent. Together these factors have interfered with establishing an investment climate which is credible, stable, secure, and optimistic.

Additionally, Guyana's trade environment is relatively weak. It is a small economy which lacks sufficient analytical or negotiating capability to participate in or implement trade agreements and negotiations. The Ministry of Foreign Trade and International Cooperation (MOFTIC) which is mandated to formulate all trade policies, is in urgent need of capacity-building assistance in light of the fact that most of its staff are either new or inexperienced. The other key ministry—the Ministry of Agriculture—as well as semi-autonomous agencies such as the New Guyana Marketing Corporation (which promotes non-traditional products) and the Guyana National Bureau of Standards are beset with the same problems. Further, relevant inter-agency forums that were set up, for example, the National Trade Negotiations Committee (NTNC) and the National Advisory Committee on External Negotiations (NACEN) to articulate on trade matters, have been ineffective due mainly to poor participation.

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The high degree of centralization of decision making militates against consensus and compromise. With a tradition of strong executive control, progress in making other branches of the central government more independent and responsive has been very slow. Oftentimes, the implementation of key policies and legislation is delayed as a result.

The outward migration of many Guyanese has resulted in a "brain drain" of educated professionals. These emigrants span a broad spectrum, from entrepreneurs and financial experts to health care workers and teachers. This loss of human capital undermines the GoG's capacity and impedes government administration and management, particularly with respect to policies and legislation development. Emigration has however led to another important development, that is, remittance transfers of up to US\$230 million/year from overseas Guyanese to their families at home becoming more and more significant.

Key industries and processes, such as forest operations and industrial production processes, need to be standardized and certified to meet international standards. The public also needs to be educated on these issues. Without careful examination of regulatory matters such as standards for weights and measures, laboratory standards, quality assurance mechanisms, and phyto-sanitary certification of agricultural products, Guyana will not be able to take full advantage of international trade opportunities.

1.3 Private Sector Competitiveness

A major weakness in the economic sphere is the competitiveness and reliability of Guyanese private sector. Traditionally, Guyana has exported traditional commodities such as sugar and rice that have not been competitive on the international market without preferential arrangements.

With the emerging world trade order, the prices of these undifferentiated commodities will continue to decline. Moreover, many of Guyana's exporters are either unknown in the international market place or, worse, have a reputation for poor quality, delivery delays, and apparent indifference in negotiating and honoring contractual arrangements. This image is the polar opposite of what is needed for an export-oriented economy based on competitive factors other than cheap price.

The local business landscape is characterized by relatively inexperienced business leadership, weak business culture and institutions, poor management capability, no common business vision, and feeble market information links and international marketing capabilities. In addition, the family nature of most locally-owned businesses creates barriers to collaboration and outside investment since public participation is precluded from such enterprises. The lack of a strategic view of business and economic growth contributes to the prevalence of corporate failures and the poor international image of many Guyanese businesses.

Nevertheless, some of Guyana's exporters of both raw and processed products have been successful in achieving high quality and meeting strict standards. Guyana's ecotourism industry also offers an example of an internationally competitive, differentiated service. This suggests that in selective sectors, Guyanese businesses can be successful in targeting markets with products that are attractive in terms of quality, service, special characteristics, and price.

To enhance its competitiveness, Guyana's business community must devise ways of identifying and exploiting promising markets. They must create market niches by identifying services and products for which customers are willing to pay a premium, and produce and export products and services that meet international standards. Exports must therefore become specialized and increasingly value-added in nature. Developing quality and differentiated market focus, will allow Guyana to seek premium prices. In turn, it will provide incentives for meeting international criteria for environmental stewardship, fair trade, and quality.

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Competitiveness of the private sector is also adversely affected by human resource constraints because the limited availability of qualified personnel. This requires making difficult choices between increasing personnel costs (e.g., expatriate staff), decreasing profits, or lowering standards.

Poor economic infrastructure, including the water and electricity utilities, has also had negative impacts in this area. While electricity and water supplies have improved in recent years, these improvements are largely confined to the coast. In addition, these services are still expensive and somewhat unreliable. The transport system is particularly poor, with approximately 160 kilometers of paved highways in disrepair. The lack of good efficient external transport links is also a significant impediment to business development—those entities which are able to meet export market stipulations often find that inadequate refrigeration facilities, insufficient cargo space on flights out of Guyana, and irregular shipping schedules negatively impact the efficiency and quality of exports. The lack of transportation infrastructure probably reflects the lack of sufficient cargo volumes to justify the very large investments required. In this sense, Guyana appears to be caught in a low-production/low-investment trap. Great hopes ride however on the eventual upgrading of the Guyana-Brazil road which connects the Guyanese coast with the town of Boa Vista in northern Brazil. It is hoped that sufficient export cargoes will be generated from Brazil to justify the construction and maintenance of a high-quality road and a deepwater port terminal on the Atlantic, which Guyana can also benefit from to reduce transportation costs and improve its access to foreign markets.

2. Economic Growth Results Framework

The Mission's activities under the proposed CSP are designed to achieve the Strategic Objective of "environment for sustained growth of value-added exports strengthened." The Results Framework (please see figure below) shows the relationship between the smaller units of results (IRs and sub-IRs) and the larger SO. The Results Framework represents the overall development hypothesis and links the SO, IRs and sub-IRs with both vertical and horizontal logic. The supporting sub-IRs are crafted to form necessary and sufficient packages of results to achieve IRs, but also: 1) take into account activities of key donors in the sector.

IR 1 seeks to ensure that Guyana has in place a "rules-based" trade regime that complies with: 1) Guyana's obligations as a member of the WTO and CARICOM; 2) regulatory standards and practices emerging in the FTAA negotiations, and 3) trade-related international best practices.

IR 2 addresses the need to "transition to free trade," identified in the national Trade Capacity Building (TCB) strategy. USAID EG support under IR2 will ensure that the Guyanese private sector is successfully tailoring the country's comparative advantages—and building competitive advantage—to market value-added products and services to high-value niche markets on a sustainable basis.

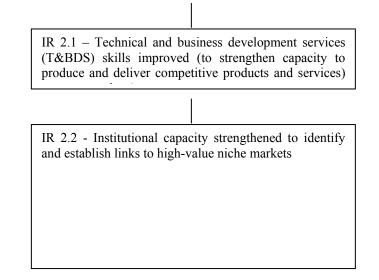
USAID/Guyana - Economic Growth Results Framework

SO : Enabling environment for sustained growth of value-added exports strengthened.	
IR 1 - Key T&I policies, standards, and practices implemented consistent with negotiated obligations and international best practices	IR 2 - Firms effectively interacting to increase competitiveness in the export of value-added products and services to high-value niche markets

IR 1.1 - Human and institutional capacity strengthened to prepare negotiating positions and implement negotiated commitments

IR 1.2 - Trade policy consultative process strengthened to foster:

- Public/private agreement on policy, regulatory, and legislative priorities; and
- Increased domestic support for negotiating positions and international commitments



2.1 Synergies with other USAID Programs

USAID must take advantage of the value of synergies and collaboration with other donors in overcoming the constraints to sustained growth of value-added exports. The recommended Results Framework will support the Mission's other SOs and benefit from synergies with them. Effective coordination will highlight and develop these synergies over the program period.

Linkages with Democracy and Governance. Issues of contract enforcement, corporate governance, commercial law, public-private dialogue, institutional reform, legislative involvement, and other elements of the EG strategy segue with the DG strategy, which places emphasis on transparency and accountability in government (IR 2) and input from civil society in the affairs of government (IR1). Such an environment will stimulate collaboration and trust between businesses and the government and motivate businesses to take greater risks.

Linkages with HIV/AIDS. The HIV/AIDS SO contributes to the EG SO by maintaining a productive and healthy workforce, and reducing business and government expenditures on treatment and care. Successful containment of the HIV/AIDS epidemic is also expected to have a positive impact on long-term macro-economic performance because it will decrease the myriad social, economic, and political costs of confronting this devastating disease.

Linkages with Environmental Issues. The EG strategy views Guyana's rich environmental heritage as an economic resource that must be wisely and effectively used, promoted, and protected. The proposed strategic framework is congruent with the recommendations of the Section 118/119 (environmental) assessment (Annex F). IR 2 includes addressing trade-related environmental issues in order to foster the sustainable production of products and services for niche export markets, and recognizes the economic incentives and competitive advantages that accrue from fair trade, environmental conservation, and unique biodiversity. As an example, the Mission will support study tours for representatives from agriculture, agribusiness and tourism so that they become familiar environmentally sound products and approaches, such as those developed in Costa Rica, Uganda, Madagascar, Sri Lanka, South Africa, and elsewhere.

As noted in the environmental analysis, improving the road to Brazil is a high national priority, and offers striking potential benefits and challenges of an environmental nature. USAID activities related to the road to

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Brazil must focus on community involvement in planning, developing, and using the road in a manner that enhances Guyana's increasing economic competitiveness, while preserving its biodiversity as a sustainable, economic resource.

Linkages with Gender Issues. The EG Strategy has considered ways to ensure that women participate in and benefit from the promotion of value-added exports. USAID will take an affirmative role in assuring that women are participants in policy, planning, and decision-making activities supported by USAID. USAID will also examine the potential for women's small business creation and growth, employment generation, employment benefits, as well as backward and forward linkages between micro/small and medium/large businesses when identifying economic growth activities or sectors.

3. Outcomes/Results to be Accomplished through the Contract

The contractor shall be responsible for assisting USAID/Guyana to achieve the following results:

Strategic Objective: Enabling Environment for Sustainable Growth of Value-added Exports Strengthened

USAID/Guyana will use indicators developed in the performance monitoring plan (PMP) to measure impacts. The contractor shall be responsible for assisting in developing, monitoring and updating the PMP.

Illustrative SO-level indicators:

- Frequency of passage/ implementation of essential trade policies, regulations and legislations.
- Increase in the share of non-traditional sectors (e.g ecotourism, agriculture) in Guyana's GDP and exports.
- Percentage of key export institutions strengthened (with training and TA) and functioning effectively (i.e executing their scheduled work programs).
- Annual increase in productivity and competitiveness (e.g percentage increases in output and revenues and reduction in costs) of program-supported entities.

Vision Statement:

By the end of the strategy period (2004-2008):

- All key trade-related policies will have been implemented with significant input coming from the private sector and civil society.
- Guyana will be participating effectively in international trade negotiations and effectively implementing its commitments.
- Firms receiving assistance will be employing modern methods of production, marketing and management in their day-to-day operations.
- Firms targeted for assistance will be exporting non-traditional products to niche markets on a regular and viable basis.
- Eco-tourism legislation, strategies and policies developed and implemented and conditions created for its sustainable development.
- Strengthened policy-making institutions with streamlined mechanisms in place.

A. IR 1: Key Trade & Investment Polices, Standards, and Practices Implemented.

The contractor shall devote approximately 40% of resources for this IR, which is broken out into two sub-IRs. Each offeror's proposal shall include specific activities/ approaches that shall achieve the expected outcomes listed below.

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Illustrative indicators:

- Number and quality of negotiating positions presented by Guyana companies exporting;
- Implemented National Trade Strategy, Trade Capacity Building Strategy and Investment Law;
- Implemented export standards and quality management program;
- Percentage increased in local and FDI.

1. Sub-IR 1: Human and institutional capacity strengthened to prepare negotiating positions and implement negotiating commitments

Expected Outcomes:

- 1) Better trained public and private sector officials in technical trade and business knowledge and skills.
- 2) Better equipped trade-related agencies fully networked with essential equipment in place.
- 3) Improved record of implementation of commitments and obligations and identification of negotiating priorities.
- 4) Improved quality of briefs and position papers for presentation to negotiating forums.
- 5) Greater access to training and technical assistance made available during the course of negotiations.

Illustrative Approaches:

- The contractor shall provide technical assistance and training to ministries and semi-autonomous institutions involved in trade policy formulation to analyze, draft, and negotiate specific trade agreements.
- The contractor shall conduct organizational assessments/strategic plans of public and semi-autonomous trade entities and provide technical assistance, equipment, and training to improve computerization and internet connectivity among key public trade organizations
- The contractor shall provide technical assistance and training to enable staff within trade institutions to assess Guyana's position vis-à-vis the major trade negotiations of the FTAA, WTO and CARICOM and devise mechanisms for monitoring and implementing the country's obligations under these agreements.
- The contractor shall secure assistance to develop and finalize an Investment Guide which would highlight, among other things, fiscal and other incentives available to businesses.
- The contractor shall establish a quality management and export standards program, in collaboration with the Bureau of Standards, aimed at ensuring compliance with international standards and accrediting local laboratories.

Illustrative Sub-IR level indicators:

- Percentage decrease in number of times misses meeting its deadlines and trade obligations.
- Program trained line staff addressing trade issues and participating in trade negotiations.
- Key public trade agencies adequately and regularly fulfilling their mandates.

2. Sub-IR 1.2: Country Trade Policy Consultative Process Fosters:

- Public and private sector consensus on policy, regulatory, and legislative priorities.
- Domestic support for negotiating positions and international commitments.

Expected Outcomes:

- Regular meetings of private-public consultative bodies/forums addressing trade negotiations matters from which documented decision/positions are arrived at.
- Greater input from civil society into policy formulation and implementation.

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- Development of a mutually agreed (private-public) sound negotiating agenda to advance Guyana's interests during international negotiations.
- Enhanced domestic awareness and support for GoG positions and participation in international negotiations.

Illustrative Approaches:

- The contractor shall undertake an assessment of the efficacy of Guyana's trade negotiation infrastructure and implement concrete measures aimed at enhancing consultation in this regard.
- The contractor shall be responsible for inventorying deficient or absent legislation, regulations or standards and develop mechanisms aimed at corrective action.
- The contractor shall provide technical assistance, training, and program support for public awareness programs, symposia, and seminars on negotiating issues and the Multilateral Trading System.
- The contractor shall develop other formal and informal mechanisms from which to obtain regular input into trade issues from the established trade forums, private sector and civil society.

Illustrative Sub-IR level indicators:

- Number of high-level government/business forums held to address and resolve negotiating issues.
- Number and theme of private-public training seminars and workshops held to address negotiating issues.
- Reports/positions/decisions emanating, and accepted, from the joint consultative process.

B. IR 2: Guyana-based firms interact to increase competitiveness in the export of value-added products and services to high-value niche markets

The contractor shall devote approximately 60% of resources for this IR, which is broken out into two sub-IRs. Each offeror's proposal shall include specific activities/ approaches that shall achieve the expected outcomes listed below.

Illustrative indicators:

- Number of new firms entering the market to produce niche products.
- Quality of niche exports (reflected for example in the diversity of export markets and products).
- Frequency of certification under frameworks such as organic certification.

1. IR 2.1: Technical and Business Development Services (T&BDS) Skills Produce and Deliver Competitive Products and Services

Expected Outcomes:

- Firms better able to identify and exploit niche products and markets.
- Improved production and marketing of targeted niche products.
- Better trained management in BDS skills in target firms.
- Strengthened marketing linkages between local firms and their foreign counterparts.
- Greater adherence to production methods, codes and certifications necessary to comply with international standards.

Illustrative Approaches:

• The contractor shall identify a cluster of firms, specific firms or, sectors targeted for special attention during the life of the Program and outline methodologies and a program of work, among other things, for enhancing their business skills, increasing productivity and developing export market penetration strategies.

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- The contractor shall provide technical assistance, training, and program support to specialized business sectors, including hands-on training in various aspects of business, utilizing volunteer retired executives and managers of similar businesses.
- The contractor shall provide technical assistance, training, and program support to establish export standards and quality management programs.

Illustrative Sub-IR level indicators:

- Export standard and quality management program established.
- Trained management officials, in specialized business topics, participating in the execution of niche marketing programs.
- New windows of export finance that are created and accessed.

2. Sub-IR 2.2: Institutional Capacity to Identify and Establish Links to High-Value Niche Markets

Expected Outcomes:

- Improved internal management systems in targeted firms.
- Improved capabilities in identifying and exploiting promising markets and market niches.
- Strict adherence to production standards, marketing and certification requirements in order to capitalize on international market opportunities.
- Strengthened linkages between local firms and their international markets.

Illustrative Approaches:

- The contractor shall design training interventions for government and business in market analysis, strategic planning, product development (including labeling) and implementation, cost analysis and reduction.
- The contractor shall undertake technical assistance and training in export marketing and public relations campaigns.
- The contractor shall undertake initiatives, such as participation in international trade shows to bring targeted local entrepreneurs into contact with their foreign counterparts in order to expose them, for example, to modern production techniques.
- The contractor shall design and implement a tourism sector marketing plan for the sustainable development of ecotourism in Guyana.

Illustrative Sub-IR level indicators:

- Strengths, weaknesses, opportunities and threats (swot) analyses completed for targeted firms.
- New sales generated as a result of export marketing strategies implemented for target firms.
- Number and types of training interventions conducted.

4. Applicable Documents:

To undertake this work the contractor shall review the design documents as well as other applicable documents outlined below:

- a) Guyana's Poverty Reduction Strategy Paper(PRSP) <u>www.worldbank.org</u>
- b) National Development Strategy of Guyana <u>www.guyana.org/NDS/NDS.htm</u>
- c) USAID/Guyana Country Strategy Paper (CSP) 2004-2008.

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- d) USAID Strategy on *Building Trade Capacity in the Developing World* (March 2003)
- e) National Trade Strategy of Guyana <u>www.moftic.gov.gy</u>
- f) National Trade Capacity Building Strategy <u>www.moftic.gov.gy</u>
- g) WTO Trade Policy Review (TPR) of Guyana www.wto.org
- h) GoG Statistical publications such Annual Reports and Bulletins of the Bank of Guyana, Statistical Bureau, MOFTIC Digest etc
- i) Guyana's Laws and planned legislation affecting the enabling environment such as the Investment Law, Companies Act, Intellectual Property Rights, Customs Act etc.
- j) Reports, bulletins, market studies and surveys of USAID activities under the current *Guyana Economic Opportunities (GEO) Project.*
- k) Country Strategic Plan (attached)
- 1) Performance Monitoring Plan (attached)

5. Program Management

This program will operate under the general framework established by USAID/Guyana for its Strategic Objective 7 (SO 7). The SO 7 team is comprised of two USAID employees. An "Expanded Strategic Objective Team" is co-chaired by the USAID SO 7 Team Leader and a representative of the GOG. It will meet twice a year to review implementation and give guidance. It is anticipated that team representatives from USAID and key participating GOG institutions will be assigned to the team to review and approve new activities, work plans, and budgets as well as monitor program progress. The expanded team will be a main point of coordination for the contractor.

A. Role of the Government of Guyana

The Contractor shall work in close coordination with Government of Guyana (GoG) institutions such as the Ministry of Foreign Trade and International Cooperation (MOFTIC), Ministry of Agriculture (MOA), Ministry of Fisheries, Crops and Livestock (MFCL), Ministry of Tourism, Industry and Commerce (MTIC), New Guyana Marketing Corporation (NGMC), Guyana National Bureau of Standards (GNBS), Guyana Bureau of Statistics, Guyana Tourism Authority (GTA) and any others, where appropriate, to implement activities under this contract. At the beginning of each fiscal year, the Contractor shall discuss the program's Annual Work Plan with its main GOG counterparts to identify potential areas of collaboration and synergism.

B. Role of USAID

USAID/Guyana shall be responsible for the direction and management of this program. The CTO will coordinate technical supervision of the Contract with the Mission Team. A schedule of regular coordination meeting will be agreed to between the Contractor and the CTO. The completion of the performance requirements, measured against the established standards and in accordance with the delivery schedule proposed by the contractor will be monitored by the Mission Technical Team and the CTO, through site visits, meetings and in consultation with participating counterparts (see additional details on section 7 -Monitoring and Evaluation Plan.

C. Role of the Contractor

The Contractor shall be responsible for providing technical services to help the Mission, its partners, including the private sector, meet defined performance targets necessary to achieve the economic growth strategic objective of strengthening the enabling environment for the sustainable growth of value-added exports. The Contractor shall implement a package of initiatives over a 4-year three-month period (June 2004 through September 2008), which focus on developing, strengthening and implementing trade-related legislation and regulation, expanding export market opportunities, value-added production and higher competitiveness and private investment in export diversification activities. A quick efficient mobilization of resources is essential

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in order to achieving all of the desired outcomes/results. Each Offerors' proposals shall be evaluated on their ability to mobilize and begin activities promptly after contract award. As a result of this activity, USAID expects to see strengthened trade institutions, increased export of non-traditional and niche products and more effective participation in international trade negotiations. The Contractor may sub-contract or partner with other U.S. firms or local institutions for the implementation of specific areas and activities under this contract in order to benefit from the expertise and core competencies of the sub-contractor/partner on key implementation areas. Please note that there is a mandatory 10 percent set-aside for small business. Potential partners and counterparts, proposed areas of collaboration and required resources should be included in the Proposal and expanded on in the Work Plan. The contractor is expected to field long term personnel and short term technical assistance from Guyana and the surrounding region to the maximum extend practical. Each Offerors' proposals shall be evaluated on their ability to field local and regional personnel.

6. Monitoring and Evaluation Plan

The preliminary Performance Management Plan (PMP) in Attachment J. provides SO indicators, baselines, and targets that will be used to monitor achievement of intermediate results toward the SO. The contractor shall assist in the development and implementation of the PMP. A variety of mechanisms will be also be used to monitor the progress and success of the program and the Contractor's performance, including:

- Business meetings between the Contractor's team and USAID/Guyana SO Team.
- Feedback from counterpart Ministries, such as the Ministry of Agriculture.
- Meetings with participating counterparts and program beneficiaries.
- Site visits
- Meetings to review and evaluate work plans and annual progress reports.
- USAID/Guyana will conduct periodic Contractor Performance Reports (CPRs) to monitor the progress of work and the achievement of results under this contract, based on contract terms and conditions.
- The Contractor shall monitor and update the PMP and provide inputs to the Annual Report and the semi-annual reports as needed.
- The Contractor shall monitor relevant indicators and other disaggregated information that relate to benefits and participation.

7. Beneficiaries:

The direct beneficiaries under the project will be key public and semi autonomous trade institutions receiving assistance in the form of technical assistance, training and essential equipment. The public institutions will become more efficient in the area of trade policy formulation and negotiations. The private sector will also benefit from similar type assistance which should lead to increased productivity and higher revenues resulting from exporting high-value niche products. The general beneficiaries will be however, the people of Guyana, who will benefit from a more efficient and transparent economy with key policies and regulations in place, as well as from increased revenue flows into the country.