



Uruguay One UN Coherence Fund

Final Project Narrative Progress Report

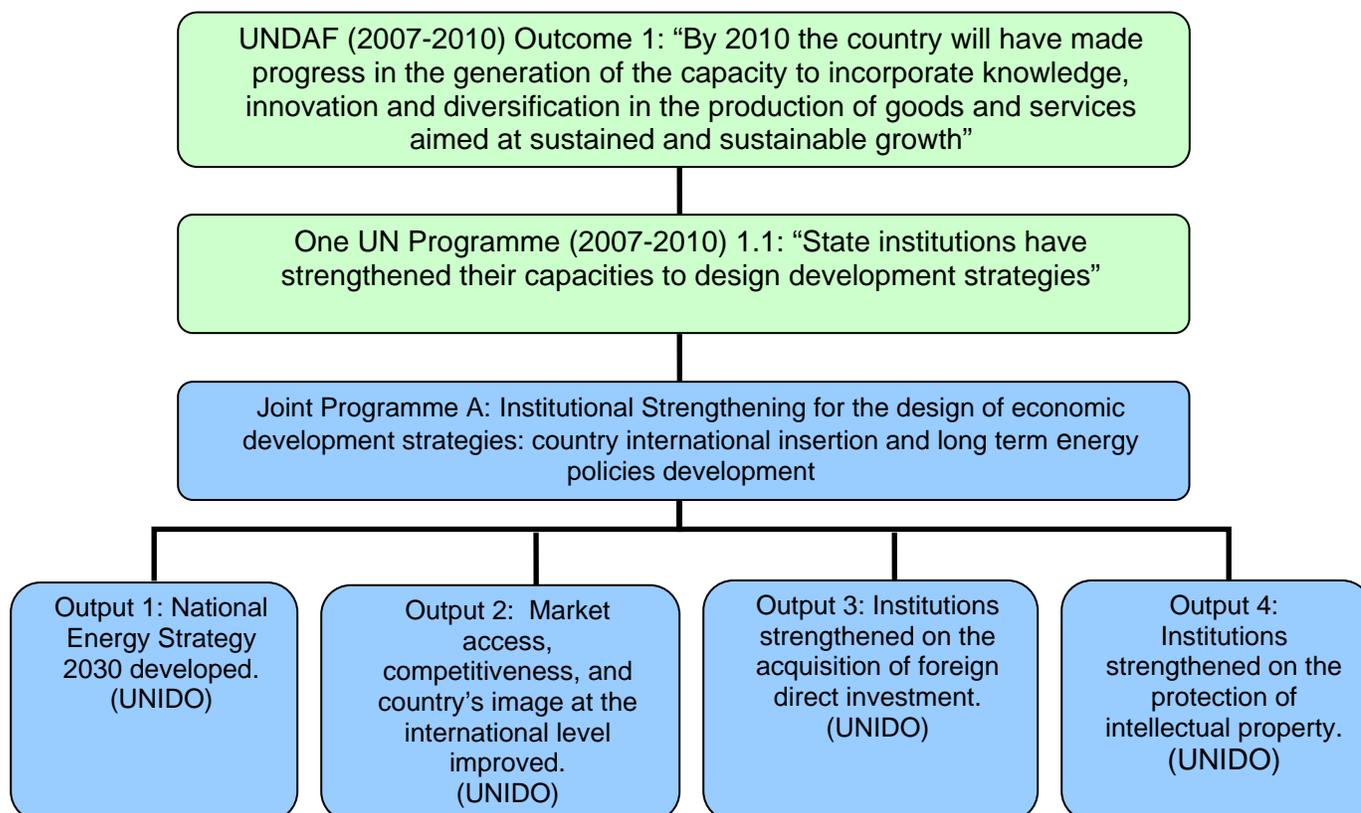
<p>Submitted by: Ms. Susan McDade, United Nations Resident Coordinator in Uruguay</p> <p>Contact information: susan.mcdade@undp.org</p>	<p>Country and Thematic Area</p> <p>Uruguay, Sustained and sustainable development</p>
<p>Programme No: A MDTF Office Atlas No: 66241 Programme Title: Institutional Strengthening for the design of economic development strategies: country international insertion and long term energy policies development</p>	<p>Participating Organization(s):</p> <p>Resident Agency: UNIDO</p>
<p>Implementing Partners: Office of Planning and Budget (OPP) Ministry of Industry, Energy and Mining (MIEM) Ministry of Tourism and Sports (MTD) National Agency for Investigation and Innovation (ANII)</p>	<p>Programme Budget (from the Fund):</p> <p>UNIDO: US\$ 481,500</p>
<p>Programme Duration (in months): 27 Start date¹: 10-Jul-2008 End date: 31-Oct-2010</p> <p>Original end date: 30-Jun-2010 Revised end date: 31-Oct-2010 according to the ToRs for the One UN coherence fund and the grace periods it granted.</p> <p>No budgetary revisions.</p>	

¹ The start date is the date of the first transfer of funds from the MDTF Office as Administrative Agent.

I. PURPOSE

Programme Description:	Develop public policies that address energy issues, the improvement of the country image, the potential for increasing foreign direct investment, and intellectual property. The project provided support to achieving sustained and sustainable economic growth for the country. It also promoted coordination between the Executive Branch and diverse Government agencies in the development of long-range strategies for national economic development.
Development Goal:	UNDAF (2007-2010) 1. "By 2010 the country will have made progress in the generation of the capacity to incorporate knowledge, innovation and diversification in the production of goods and services aimed at sustained and sustainable growth"
Outcome:	One UN Programme (2007-2010) 1.1 "State institutions have strengthened their capacities to design development strategies"
Outputs and Key Activities:	<ol style="list-style-type: none"> 1. National Energy Strategy 2030 developed. 2. Market access, competitiveness, and country's image at the international level improved. 3. Institutions strengthened for the acquisition of foreign direct investment. 4. Institutions strengthened on the protection of intellectual property.

Outputs for the joint project A and their relation to the One UN Programme and the UNDAF



II. RESOURCES

Participating UN Organization(s)	Approved Joint Programme Budget	Approved Disbursements		
		2008	2009	2010
UNIDO	481,500	213,385	256,880	11,235
Total:	US\$ 481,500	US\$ 213,385	US\$ 256,880	US\$ 11,235

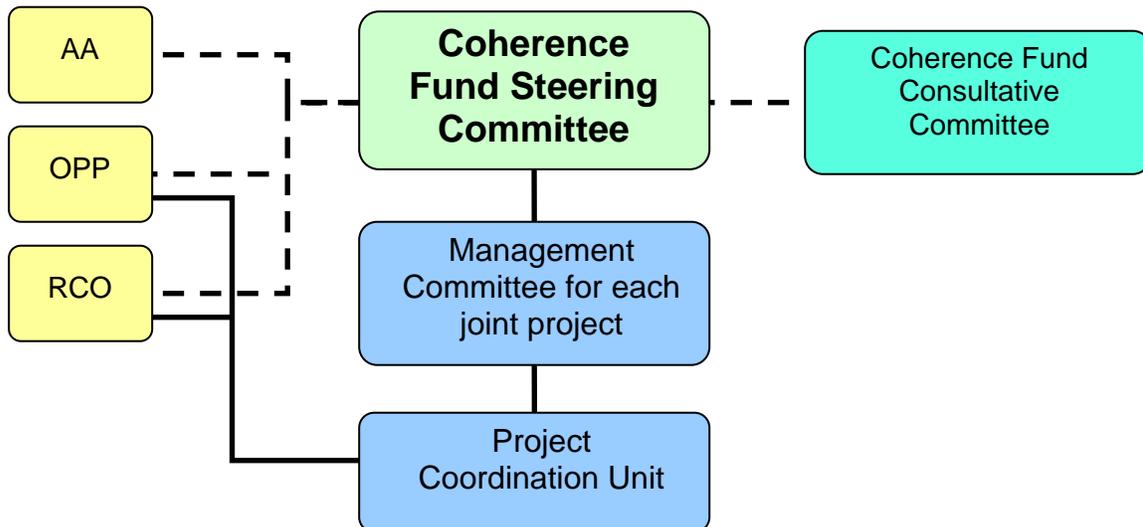
III. IMPLEMENTATION AND MONITORING ARRANGEMENTS

To support the One UN Programme (2007-2010), the Government and the UNS in Uruguay agreed to establish the Uruguay One UN Coherence Fund; a common, un-earmarked, development fund, under the leadership of the United Nations Resident Coordinator. The Uruguay One UN Coherence Fund supports the coordinated resource mobilization, allocation and disbursement of donor-contributed resources for the unfunded elements of the One UN Programme.

The Uruguay One UN Coherence Fund has several governance mechanisms to ensure proper management of funds, supervision of project execution, and monitoring of results. The mechanisms are: The Coherence Fund Steering Committee, The Coherence Fund Consultative Committee, The Management Committees and the Administrative Agent (AA).

The members of the Management Committee were: Office of Planning and Budget (OPP), Ministry of Industry, Energy and Mining (MIEM), Ministry of Tourism and Sports (MTD), National Agency for Investigation and Innovation (ANII), the Resident Coordinator's Office (RCO), UNIDO and the associated UN Agencies (FAO, UNDP, UNEP, UNESCO, WHO).

Governance mechanisms for the Uruguay One UN Coherence Fund.



IV. RESULTS

Main achievements obtained:

- The project sought to develop a long term development strategy and the generation of inputs for the design of public policies.
- The activities were implemented in close contact with experts from the national counterparts as a way of ensuring direct involvement and ownership by the National Associates in the implementation of the project's results.
- Inter-institutional coordination prevented duplication of activities with other national projects financed through different sources. This permanent coordination also assured quality execution.

Main difficulties encountered in the project execution were as follows:

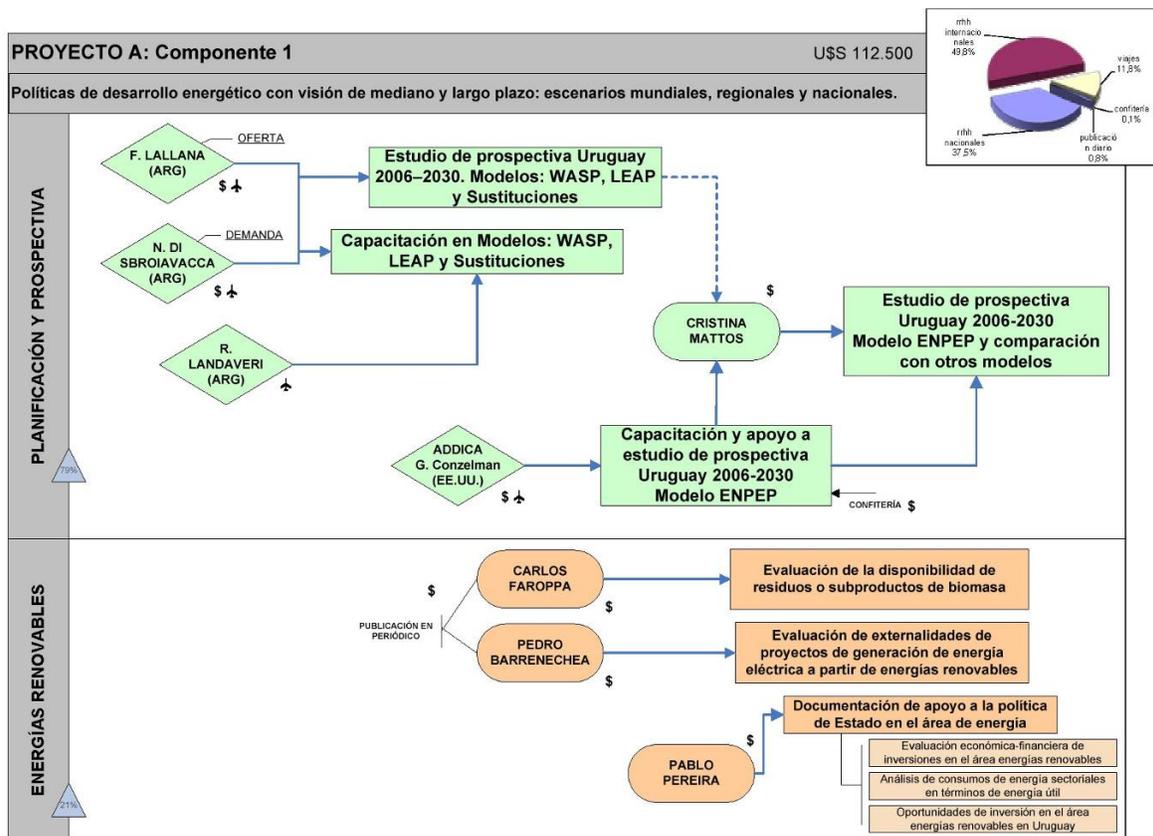
- As a consequence of the long project elaboration process, some of the activities originally foreseen for this joint project were implemented by the national counterparts with funds from other sources. For this reason, it was necessary to adapt the work plan during the first semester in order to generate activities that were complementary and coherent with the spirit of the project originally designed.
- Even though Government officials, responsible for the formulation of the project participated in the implementation phase, this process was not carried out as profusely as expected. Additional activities had to be conducted to increase ownership of the project within the national counterparts.
- Difficulties arose in finding international experts in a number of technical areas specified in some components.

Output 1: National Energy Strategy 2030 developed. (UNIDO)

The activities undertaken were geared primarily toward developing a long-term public policy, an area that is usually scarce on resources mainly because its long-term focus collides with short-term needs and perspective or the lack of sufficient resources.

- Trainings in different types of simulation and modeling of energy scenarios. The workshops incorporated broad disciplinary perspectives and utilized several models i.e.: the models of *Fundación Bariloche* (WASP, LEAP and substitutions) as well as Argonne – Chicago (ENPEP).
- For this purpose, three international experts were hired from *Fundación Bariloche* and one from *Argonne-Chicago*; worldwide specialized institutions in this field, to contribute to the design of energy policies with a long-term perspective. Technical teams of the National Directorate of Energy and Nuclear Technology (DNETN) and the National Administration of Petroleum, Alcohol and Portland (ANCAP) were trained in managing energy planning tools so as to be able to effectively implement these practices.
- A "Prospective Study of the Demand and Supply of Energy of the Republic of Uruguay" was completed. The study utilized several models provided by the *Fundación Bariloche* to determine the demand and supply of energy up to 2030.
- Two studies on the national energy matrix placing special emphasis in the development of renewable energies:
 - "Assessing the availability of biomass waste or by-products at national level".
 - "Economic Evaluation of the externalities associated with the projects of electricity generation from unconventional renewable energy sources".

These Actions were coordinated with another project that UNIDO carried out in Uruguay, addressing the establishment of an Observatory on Renewable Energies. Below is a chart depicting the actions carried out in the development of these activities:

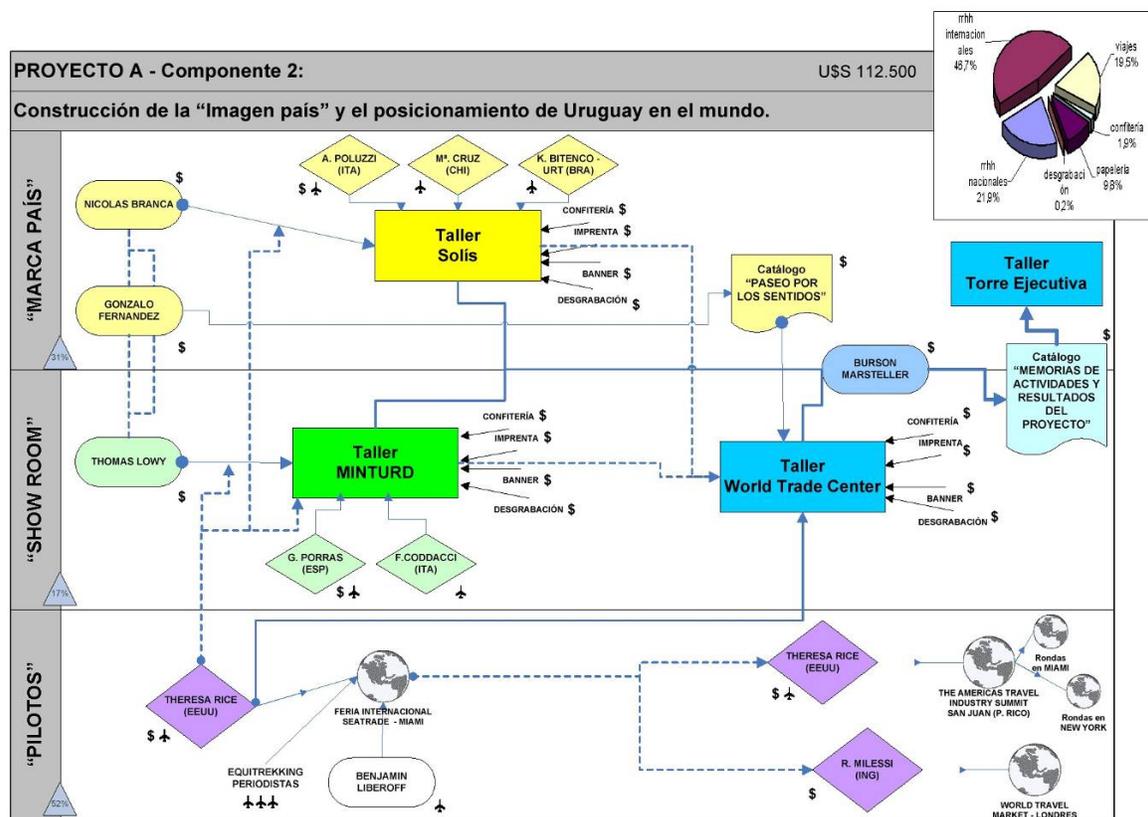


Output 2: Improve market access, competitiveness, and country's image at the international level. (UNIDO)

The activities carried out presented a clear state of affairs in the area of market access, competitiveness, and country's image at the international level, depicting the various opinions the subject and highlighting the major agreements and next actions that should be taken.

- An international consultant carried out three pilot experiences in order to evaluate the development and implementation phases of the Uruguayan participation at international fairs and events. National counterparts of the Ministry of Tourism, National Port Administration and private stakeholders participated in:
 - "Trade Fair for Cruise Ship Operators in Miami" (Miami, USA).
 - "La Cumbre -- The Americas' Travel Industry Summit" (San Juan, Puerto Rico).
 - "World Travel Market" (London, England).
- A study titled "Collection and analysis of the background in marketing and promotion of a country image for increasing investment, exports and tourism, as well as the identification and design of publications" was published. It presented an analysis of successful international experiences and evaluated other national precedents regarding country image promotion.
- An international expert was recruited to assist the Ministry of Tourism and Sports in the evaluation of successful international practices regarding the construction of a "country brand" as well as to assess and update the strategy currently used by Uruguay.

- A team of national and international experts researched the conditions and characteristics that a “show room” or space for “country promotion” would require; their research was concluded. This space would act as a permanent business centre in Uruguay. The report included a benchmark of successful international practices that could be implemented in Uruguay regarding “show room design for country promotion”. The report also made significant contributions in the design of a strategy at the local level.
- The activities carried out in this component involved:
 - More than 30 interviews with public and private sector stakeholders concerned with developing a positive country image.
 - Three business seminars/workshops throughout the country presenting the results of the research. Each workshop gathered approximately 70 public and private sector stakeholders concerned with developing a country image. These seminars were implemented by seven international experts of different countries (Brazil, Chile, Italy, Spain, UK, USA).
- A national expert was recruited to design and elaborate promotion materials with the purpose of enhancing the country image at the international level. A specific output was the publication of a brochure titled “Uruguay Natural: A walk through the senses”.
- In order to raise awareness and provide information on the activities and results achieved by the project, a report entitled “Analysis of Brand country Uruguay: Construction of the image and position the country in the world” was completed.

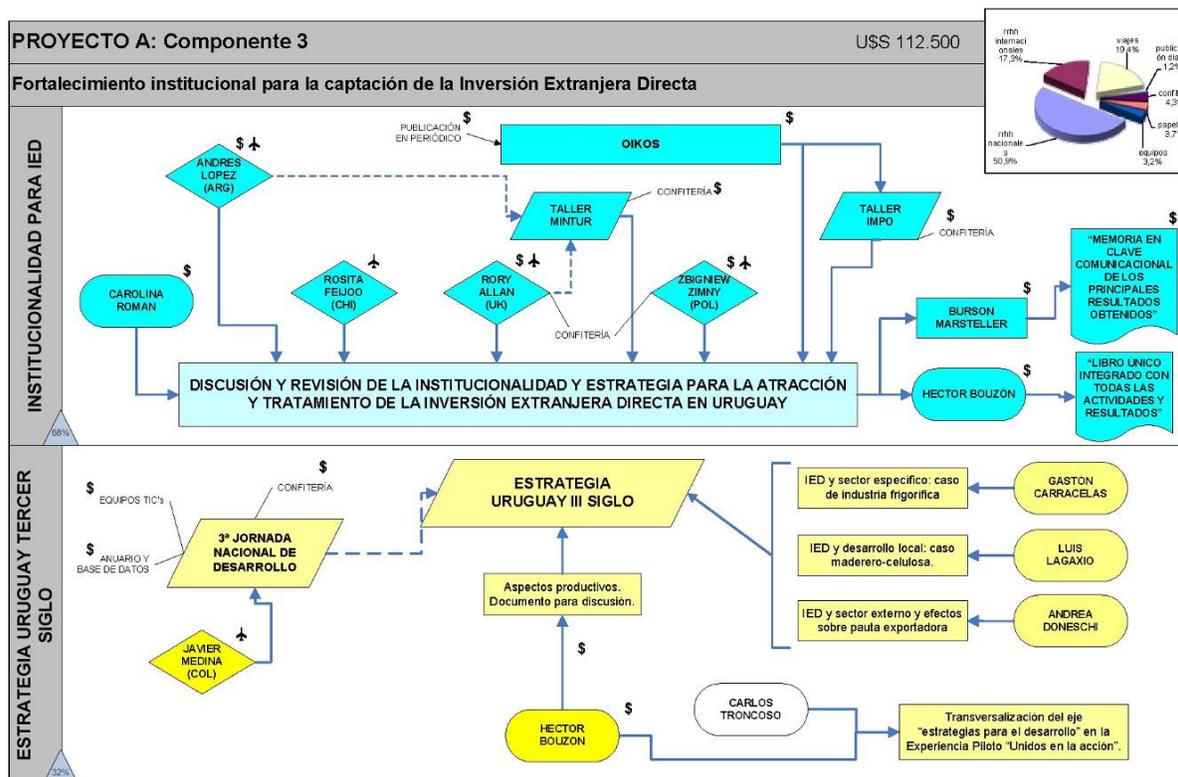


Output 3: Institutional strengthening for the acquisition of foreign direct investment. (UNIDO)

The activities implemented sought to generate inputs and stimulate debate about the best institutional framework for the collection and monitoring of foreign direct investment (FDI) oriented to the country’s long term development. This effort involved the pertinent State institutions and

spaces: (CIACEX), The Institute of Investment Promotion and Exports of Goods and Services (Uruguay XXI) and (UNASEP-MEF).

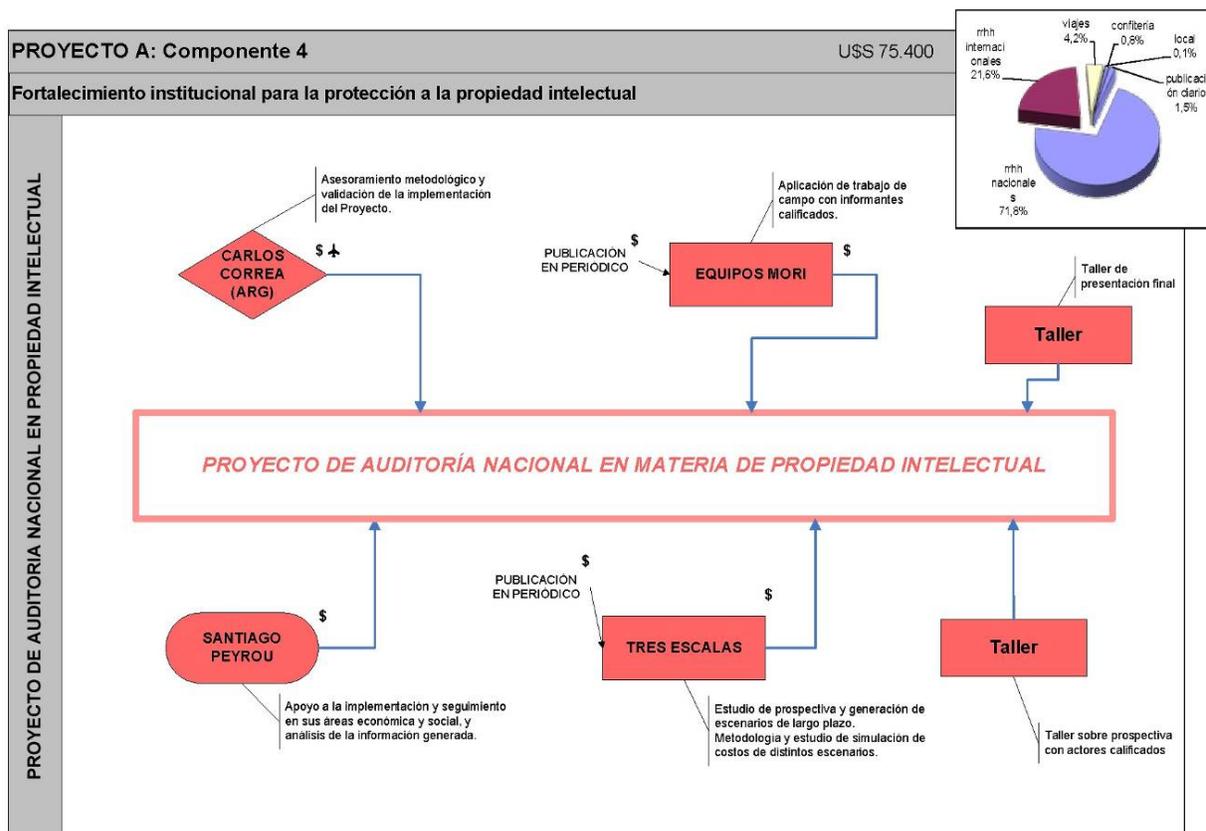
- “Diagnosis of Uruguayan institutions for attracting FDI” was completed.
- “Analysis of successful international experience in terms of institutional framework for attracting FDI” was completed. Meetings, workshops and reports were developed by the three foreign experts with specific experience on FDI promotion (including two former members of UNCTAD). Recommendations for the improvement of current Uruguayan institutions in the field were made.
- The dissemination and public discussion of a National Development Strategy for Uruguay, in the mid-term and long-term perspectives; at three levels were considered: sector-based, national and in regions within the country, all of them presented an emphasis on the role of FDI. For this purpose an event was organized with the participation of more than 100 participants of public and private sectors.
- The project also assisted in the development of an analysis of the mainstreaming of development strategies for the Delivering as One joint projects as they align with the Government’s development strategy.
- Complete field survey about the perception of the top 100 transnational corporations on the treatment of foreign investment in Uruguay.
- Develop materials to disseminate and improve access to the results of activities undertaken around the institutions for FDI.
- Studies linking FDI and its strategic orientation in relation to the country strategy:
 - Analysis of the contribution of FDI inflows to finance external sector and the impact of trans-national companies (TNCs) on long-term export patterns in Uruguay.
 - Analysis of the effects and determinants for attracting FDI on local development, including a case study in the field of cellulose.
 - Analysis of the effects and determinants of FDI attraction on the development of a specific economic sector: a case study the meat packing industry.



Output 4: Institutional strengthening for the protection of intellectual property. (UNIDO)

This component was targeted at fostering an activity that had been considered of importance but which had not been implemented at the country level, a national audit project on Intellectual Property (IP) driven by WIPO worldwide which implements a comprehensive assessment system for IP in the country.

- In coordination with the National Agency for Investigation and Innovation (ANII) a project for a national assessment of intellectual property was carried out.
 - National survey was undertaken: "Research on intellectual property in Uruguay" where 100 qualified respondents participated.
 - Prospective study implemented: "Prospective analysis of intellectual property in Uruguay: trajectories and scenarios to 2030" was completed.
- Concluded the national assessment of intellectual property, that includes:
 - Simulation study and cost analysis of two contrasting scenarios for the country in terms of protecting Intellectual Property in key sectors.
 - Final report by the ANII about the of national assessment of intellectual property project.



V. MONITORING REPORT

Expected results	Indicators	Status/measure
Output 1: National Energy Strategy 2030 developed.	• Availability of a Prospective Study of the Demand and Supply of Energy of the Republic of Uruguay.	Completed
	• Studies on the national energy matrix placing special emphasis in the development of renewable energies	3 completed
Output 2: Market access, competitiveness, and country's image at the international level improved.	• Pilot Experiences implemented.	3 completed
	• Collection and analysis of the background in marketing and promotion of a country image for increasing investment, exports and tourism, as well as the identification and design of publications.	Completed
Output 3: Institutions strengthened on the acquisition of foreign direct investment.	• Field survey on FDI perception by corporate leaders.	Completed
	• Studies linking FDI to the country's development strategy.	5 - completed
	• Seminar on the National Development Strategy for Uruguay	Completed
Output 4: Institutions strengthened on the protection of intellectual property.	• Survey of stakeholders on intellectual property.	Completed
	• Prospective analysis of intellectual property in Uruguay	Completed
	• Simulation and cost analysis for protection Intellectual Property	Completed
	• Report on the national assessment of intellectual property	Completed

VI. ABBREVIATIONS AND ACRONYMS

AA	Administrative Agent
ANII	National Agency of Investigation and Innovation
CFCC	Coherence Fund Consultative Committee
CFSC	Coherence Fund Steering Committee
CIACEX	Commission on International Trade
DaO	Delivering as One
DNETN	National Directorate of Energy and Nuclear Technology
ENPEP	Energy and Power Evaluation Program
FDI	Foreign Direct Investment
INE	National Institute of Statistics
LEAP	Long range Energy Alternatives Planning
MIEM	Ministry of Industry, Energy, and Mining
MTD	Ministry of Tourism and Sports
OPP	Office of Planning and Budget
PUNO	Participating United Nations Organization
TNC	Trans-National Company
UNASEP-MEF	Private Sector Support Unit – Ministry of Economics and Finance
UNCTAD	United Nations Conference on Trade and Development
UNIDO	United Nations Industrial Development Organization
UNS	United Nations System
WASP	Wien Automatic System Planning Package
WIPO	World Intellectual Property Organization