



UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

Project title	Development of export consortia in the Valle del Cauca Region of Colombia in the agro-industry and cosmetic sectors (150184)		
Thematic area code	Trade Capacity Building (TCB), DD 13		
Starting date	October 2015		
Duration	2 years (24 months)		
Project site	Colombia		
Main Counterparts	Ministry of Industry, Commerce and Tourism (MINCIT)		
Other Counterparts	SENA, PROCOLOMBIA, Chamber of Commerce of Cali		
Executing agency	UNIDO		
Project inputs			
⇒ KOICA	USD 530,000		
⇒ <i>Supp. costs (13%):</i>	USD 68,900		
TOTAL	USD 598,900		
KOICA asked for UNIDO's support to further develop and implement an already framed project to support agro-industry clusters in the agribusiness and cosmetics sectors in Valle del Cauca on the basis of the export consortia approach. This approach combines the lessons learned in UNIDO's long experience in MSME cluster and network development, with other UNIDO areas of expertise in investment promotion, quality management, industrial upgrading, and agro-industry development. The proposed project aims at enhancing the competitiveness and market access of MSMEs with an export potential in the two sectors, thereby also improving employment possibilities of local people. In this sense the project is structured around the following two outputs: • Output 1: At least 2 export consortia in the Valle del Cauca established comprising local MSMEs with an export potential in the agro-industry and cosmetic sectors. • Output 2: A number of MSMEs comply with relevant quality standards and market requirements in selected sectors This project will contribute to SDG 8 (Promote inclusive and sustainable economic growth, employment and decent work for all) and SDG 9 (Build resilient infrastructure, promote sustainable industrialization and foster innovation).			
<u>Approved:</u>			
	Signature:	Date:	Name and title:
On behalf of MINCIT, Republic of Colombia			

On behalf of UNIDO:	<i>[Signature]</i>	<i>11/11/2015</i>	<i>Johannes Dotsinger</i>
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A. CONTEXT

A 1. Origin of Project

In February 2015, a meeting was held in Bogota, Colombia, between the Ministry of Commerce, Industry and Tourism, KOICA (local team and the HQ-based Assistant Manager of the Latin America Section) and the UNIDO Representative. In this meeting KOICA and government counterpart asked for UNIDO's assistance to develop export consortia of agro-industry/cosmetics' producers in the Valle del Cauca. The UNIDO project would be a component of an approved programme developed in close coordination with the Ministry of Commerce, Industry and Tourism. Cooperation details were then further explored in the course of a joint UNIDO-KOICA mission to the field at the beginning of April and following visit of an international export consortia expert, who presented its findings to KOICA and counterpart at the beginning of May.

The Department of Valle del Cauca ("Cauca Valley") is located in the south-west of the country (between 05°02'08" and 03°04'02" north latitude and 72°42'27" and 74°27'13" west longitude) and forms part of the Andean and Pacific regions. It comprises an area of 22.140 km², which represents 1.9% of the country. It is circled in the north by the departments of Chocó, Caldas and Quindio; in the east by the departments of Quindio and Tolima, in the south by the department of Cauca and in the west by the Pacific Ocean and Choco.

It has a total population of 4,532,378 inhabitants and a population density of 204.31 people per km². It is divided into 42 municipalities, out of which the capital is Santiago de Cali with a population of 2,423,381 inhabitants.

The economy of the department Valle del Cauca is dominated by the services sector, followed by industry and agriculture. Among services, the most important ones are trade, transport, banking and communications. Agriculture is quite technology based; the most relevant product for the departmental economy is sugar cane of which the largest and most important plantations of the country are located in this area; followed by sorghum, cassava, cotton, soybeans, corn, coffee, palm oil and cocoa. The local industry is dominated by food products, sugar processing, chemicals, pharmaceuticals, plastics and publishing/printing industry. Livestock comprises mainly cattle.

In 2013, Valle del Cauca participated with 9.3% in the Colombian GDP. It also concentrates 8.2% of agricultural activity in the country.

The transport system in Valle del Cauca is based on the north-south axis that is part of the Pan American Highway and crosses the plain area of its territory with connecting roads to Buenaventura on the Pacific coast, and several routes that connect the department with Bogota, Armenia, Ibagu , Neiva, Pereira, Medell n and Popayan; all municipalities are connected by roads with the major cities of the department and the Cali area.

Buenaventura is Colombia's main port, located on the Pacific Ocean, and endowed to host large vessels. It counts with good natural conditions and adequate port facilities and is operated by the Sociedad Portuaria Regional de Buenaventura SA. The Cauca River allows navigation of small boats, which is however rarely used.

The department also disposes of an airport network located in the municipalities of Palmira, Buenaventura, Cartago and Tulua. The "Bonilla Arag n" International Airport, located in the

municipality of Palmira and providing air service to the Cali region, is one of the busiest in the country - both for passengers and cargo.

A 2. Problems Addressed

MSMEs in the cosmetics and agri-business sectors of the Valle del Cauca face various challenges in exporting to foreign markets among which they often lack the necessary market knowledge and financing, often do not meet foreign regulatory requirements, nor produce products in quantities or quality that are adequate for foreign buyers. However, these problems can often be overcome through cooperation among MSMEs: by combining their knowledge, financial resources and contacts within an export consortium, MSMEs can significantly improve their export potential and reduce the costs and risks involved in penetrating foreign markets.

An export consortium is a voluntary alliance of firms with the objective of promoting the export of goods and services of its members through joint actions.

An export consortium is a formal organization to promote medium- to long-term strategic cooperation among firms, and it organizes joint activities to facilitate access to foreign markets. Most consortia are non-profit entities, and members retain their financial, legal, managerial, and commercial autonomy. So, despite their participation in the export consortia, member firms do not give up any control over their business to others. This is the main difference between consortia and other types of strategic alliances.

By cooperating with other firms within an export consortium, MSMEs can effectively penetrate and increase their share of foreign markets, at reduced cost and risk. At the same time, members can improve their profitability, achieve productivity gains and accumulate knowledge through various types of joint action that are not directly related to export marketing, such as joint management training programmes, joint certifications, improve shop floor procedures, and the like.

A 3. Target Beneficiaries

The groups that will benefit from UNIDO assistance are MSMEs with little or no export experience, but that produce exportable products. Preference will be given to those enterprises that have close links with local suppliers, as increasing business of consortia members may have a positive effect on other companies in the supply chain and therefore indirectly create jobs.

The key target group will be MSMEs in the cosmetics and agribusiness sectors. In particular those include producers of the following products:

1. Cosmetics, personal care and hygiene:

- body and facial creams
- Masks
- Haircare products
- Disinfectants
- Natural soaps

There is a growing market for cosmetics. This growth potential was identified and quantified by PROCOLOMBIA in Latin America, the Middle East and Asia Pacific.

2. Agribusiness

- Aloe juices
- Natural sweeteners (stevia and panela)
- Confectionery
- Specialty coffee
- Plantain (flour and peel)
- Jams and Jellies

- Snacks (peanuts, nuts)
- Herbs and spices

Potential markets identified and quantified by PROCOLOMBIA and CCC in Latin America, the European Union, Middle East and Asia Pacific

Readiness and capacity of firms and their support institutions:

Between 11-15 May 2015, staff of the UNIDO Regional Office with the support of an international export consortia expert and a national cosmetics expert, organized an exploratory mission to the Valle del Cauca to gather facts justifying a potential UNIDO intervention through an export consortia project. During that mission they held interviews with staff and associated experts of the following institutions:

- SENA
- PROCOLOMBIA
- Agricultural Secretariat of the Valle del Cauca Department
- Municipal Government of de Dahua

They also visited small firms focused on agribusiness and cosmetics such as (See Annex 2):

- CAPSO
- BELSA
- NATURA AFRO
- LUCERITO
- VITAL ALOE
- ZEN NATURAL

The main conclusions from this mission include the following:

- There is a core group of local public and private institutions interested in participating in a potential export consortia programme and committed to provide an in-kind contribution to such initiative - at least one professional who would be trained in the UNIDO methodology and work as export consortia facilitator/coordinator.
- There are small and medium sized enterprises in the agribusiness, cosmetics, and personal care / hygiene sectors that are not only interested in participating in a potential UNDO export consortia programme but also have the right profile: i.e. a.- they have an exportable offer, b.- they have export experience, or at least have been exporting through third parties or are almost ready to export, and c.- have management skills.
- Therefore the Valle del Cauca offers conditions which would justify a "UNIDO Programme for the Development of Export Consortia", with funding from KOICA.

A.4. Host Country Strategy

The identified target sectors were marked as key priorities by the following local and national institutions:

- Ministry of Industry, Commerce and Trade: world-class sectors
- PROCOLOMBIA: exportable offer of Valle del Cauca
- Chamber of Commerce of Cali: cluster initiatives with INNPULSA competitive routes/trails
- Ministry of Agriculture: projects for strengthening primary and agro-industrial production

See section A5 for additional information.

A.5. Institutional framework

SENA

SENA has a regional center in Valle del Cauca led by Dr. Lucilla Gutierrez, who was interviewed during the expert mission on 12 May.

This institution covers 42 municipalities in the area and provides technical training and training on new technologies with a view to increase competitiveness and productivity indices of strategic sectors of the region such as agri-business, services and commerce. This is being done within the context of promoting sustainable development and social inclusion of the Colombian Pacific region.

The SENA Valle del Cauca section also hosts an Entrepreneurship Programme, which seeks to promote an entrepreneurial culture through the identification of business ideas and guidance to existing sources of financing in the market. This programme consists of four key pillars: *EmprendeT*, Entrepreneurship Fund, Strengthen your SME, and Young Rural Entrepreneurs. Within the Young Rural Entrepreneurs Programme they developed around 500 cases out of which approximately 100 are export-oriented and from the agro industrial or cosmetics sectors. It is estimated that about 25 companies from this programme have participated in seminars on exporting delivered by PROCOLOMBIA.

On this basis, the proposed UNIDO export consortia project is fully complementary to the described SENA initiatives as it provides a platform also for companies with exportable products that have gone through SENAs entrepreneurship programmes.

PROCOLOMBIA

PROCOLOMBIA is in charge of promoting tourism, foreign investment, non-mining exports and the country's image as a whole. Through its national and international network of offices, it offers support and integral consultancy to clients through services or instruments aimed at facilitating design and execution of its globalization strategy, which seeks to generate, develop and close business opportunities.

PROCOLOMBIA has an office in Valle del Cauca led by Dr. Beatrice Lopez Cabrera. During the UNIDO expert mission, a meeting was held with Lic. Jacqueline Molina on 13 May. This office has a track record on supporting also companies in the agribusiness and cosmetics sectors to develop their exports. In the case of agribusiness, they have identified and quantified promising markets in Latin America, European Union, Middle East and Asia Pacific. More specifically, PROCOLOMBIA has collaborated with companies to develop their exports in the following subsectors:

- **Confectionery:** a subsector that counts on a good group of companies in Valle del Cauca. The value of FOB exports in 2013 was \$295,752,186 and the export destinations included Czech Republic, Turkey, France, Singapore and Hong Kong. This sub sector accounts for 12.6% of exports of Valle del Cauca.
- **Natural sweeteners:** mainly stevia and granulated sugar. The main export destinations include Arab Emirates, China, Puerto Rico, Jamaica and Ukraine, and the total value of FOB exports of Valle del Cauca in this subsector in 2013 was \$ 186,447,338.
- **Fruit Pulp:** The value of FOB exports in 2013 was \$ 5,971,399 and the main export destinations included the United States, Chile, Korea, Australia and Belgium.
- **Snacks:** The key export destinations were the United States, Ecuador, Panama, Cuba and Puerto Rico and the value of FOB exports was \$ 3,755,517.
- In the case of cosmetics, which is a growing sector, PROCOLOMBIA identified and quantified important markets in Latin America and identified potential markets in the Asia Pacific, European Union, Middle East and the Caribbean. PROCOLOMBIA worked with companies reaching an FOB value in 2013 of US\$ 208,654,230. The main export destinations included Ecuador, Venezuela, Peru, Brazil and Panama. Brazil is the second largest consumer of cosmetics, with a growth rate of 146% during 2006-2012.

Based on the information provided above, the proposed export consortia project complements the initiatives of PROCOLOMBIA in the Valle del Cauca which aim at boosting exports of MSMEs through training and technical assistance.

Chamber of Commerce of Cali

The key objective of the Cali Chamber of Commerce is to support entrepreneurs to become profitable, operate sustainably and successfully compete in the global market as this will lead towards building up a more competitive region as a whole.

The Chamber believes that if businesses grow, the region will equally develop and this will reflect on prosperity and quality of life for its citizens. Within this context the Chamber embarks on the following activities:

- It promotes businesses growth, connecting them to knowledge exchange networks, trade and investment;
- It offers useful and relevant services;
- It develops partnerships that accelerate business development;
- It supports virtual training to learn practically anywhere;
- It connects with new markets to increase local sales;
- It accompanies dynamic entrepreneurs on their growth path;
- It boosts extraordinary growth through the cluster platform;
- It provides timely, accurate and reliable information for decision taking;
- It engages in conflict resolution via its Conciliation and Arbitration Center;
- It works towards building a competitive city region facilitating business.

La Plataforma Cluster – The Cluster Platform

The Chamber of Commerce of Cali is supporting five clusters: Bioenergy White Protein, Healthcare, Macrosnacks, and Beauty & Wellness. These sectors were chosen for their outstanding performance in recent years, supported by a large business network and over \$ 1,500 million of production.

Macrosnacks and Beauty & Wellness are sectors with companies that could be the beneficiaries of the proposed export consortia project and are hence being described in more detail below.

- The Macrosnacks Cluster Initiative: Based on a data analysis undertaken by the Chamber of Commerce of Cali, macrosnacks was identified as a cluster with great potential, given the competitive advantages and density of existing businesses in the region. Macrosnacks companies in Valle del Cauca are leaders in the national market for such products. This cluster covers the following final products: confectionery, dairy, nuts, drinks, fruits, bakery products, chocolate and fried food. In turn, these industries are supported by activities such as milling, sugar, production of sweeteners, flavorings, oils and support industries such as packaging, advertising and graphical design and related services. According Euromonitor the world market for macrosnacks exceeds \$ 400 billion and is growing at a rate of 6%.
- The Wellness & Personal Care Cluster Initiative: This consists of various business segments such as healthy food, fitness, beauty and spa as well as personal care products. It brings together 195 companies with sales of \$ 1.3 billion in 2012 and an annual growth of 8.5%. The structure of the cluster comprises seven links: cosmetics, natural ingredients / chemicals, natural products, treatment centers, other inputs, packaging and graphical design, and marketing companies.

The Fresh Fruit Trail of Valle del Cauca

The Fresh Fruit Trail could also have synergies with the proposed export consortia project and is hence further described in this section.

The final presentation of the Fresh Fruit Trail Valle del Cauca was made on 21 May 2014, presenting its action plan, strategic options and cluster management model. The project falls under the competitive trails/routes scheme and is being supported by MinCIT, INNpalsa Colombia (an entity that works on business innovation) and BANCOLEX (the Business Development and Foreign Trade Bank of Colombia). Approximately 300 companies are involved in this initiative out of which 182 are producers, 50 dealers, 28 importers and 15 exporters and 20 processors (in the Valle del Cauca there are a lot of micro-processors).

The proposed export consortia project can complement the cluster initiatives of the Chamber of Commerce of Cali, as well as the Fresh Fruit Trail initiative. The target companies could be direct beneficiaries of the export consortia such as manufacturers of pulp, concentrates, jams, juices and confectionery. In the medium term, the producers of fresh fruit may also become beneficiaries of the export consortia project once they have cooling and packing facilities.

Secretariat for Environment, Agriculture, Food Security and Fisheries of Valle del Cauca

The Secretariat for Environment, Agriculture, Food Security and Fisheries acts as coordinating body between the national and the municipal levels and provides the following services: management of sustainable development of agriculture and fisheries, support and advice to municipalities in its rural sector productive programmes, consulting producer organizations, strengthening various forms of associations of producers, facilitating strategic alliances for the development of productive value chains, generating and structuring an information system, promoting cleaner production systems, promoting food security programmes and resources management for the sector; meeting coordination, complementarity and brokering.

This body is led by Eng. Agronomist Leon and John William Alba. The UNIDO experts met with Undersecretary Eng. Henry Zambrano on 12 May 2015 during the mission.

The Secretariat's economic programme aims at promoting productivity, attracting investment and boosting exports for inclusive economic development, job creation and formalization of the economy. Some of the most relevant initiatives under this programme include:

- Formalization of business and rural microenterprises;
- Business plan development and promotion of contract farming;
- Supplementary guarantees for agricultural, fishery and aquaculture credits;
- Productivity and competitiveness enhancement in strategic sectors that enhance the export capacity of Valle del Cauca;
- Implementation of the sectoral development plan for fruits in partnership with agribusiness and small farmers;
- Co-financing of projects approved by the Ministry of Agriculture;
- Monitoring and evaluations.

The institution managed to reach out to 5,441 producers; linking with 73 producer associations. A third round of business roundtables with the logistics port of Brownsville and a group of twenty agribusinesses that are ready to export has been undertaken.

Based on the above, the proposed export consortia project complements the strategy of the Secretariat of Environment, Agriculture, Food Security and Fisheries of Valle del Cauca, as it brings together agribusinesses that are ready to export – including those that already benefited from through the technical assistance of the institution.

In a nutshell, the proposed project is fully complementary with regional strategies and initiatives as the identified sectors (agribusiness and cosmetics) have been prioritized by relevant bodies.

The cooperation initiative of the Ministry of Trade, Industry and Tourism (MCIT) and the Korean International Development Cooperation Agency (KOICA)

The project "Development of MSMEs based on a cluster model: enhancing policies targeted at productivity and competitiveness in Colombia" is a cooperation signed between the Korean Development Cooperation Agency (KOICA) and the Ministry of Trade, Industry and Tourism (MCIT), which aims to facilitate the coordination and integration of MSMEs into global value chains and build up a model for competitiveness and innovation in Colombia, which supports job creation and contributes to the sustainable growth of the country.

More specifically, it seeks to develop skills and institutional capacity in all those entities that make up the national competitiveness and innovation system, with a focus on strategies and methodologies for the integration of MSMEs in global value chains, and based on know-how exchange as well as a pilot programme in the departments of Antioquia, Valle del Cauca and Bogotá-Cundinamarca.

In the case of Valle del Cauca, Professor Sang-Gi MIN from the Konkuk University, developed back in April 2013 a proposal for a "Technology Coaching Programme" for the development of best practices in quality control for fruit processing and logistics systems, particularly cold chain, based on the support of a "production unit" via a research and development center in Korea.

This proposal was linked to the national priorities related to the productive transformation programme (PTP) for the sector, which aim to establish a collection/storage center, cooling and packaging facilities for small producers, as well as an innovation center. In the medium term this should lead to producers which are able to produce at exportable quality and are competitive in international markets. However it required a huge investment in infrastructure and technical assistance to reach this goal of exportable supplies at acceptable quality levels.

Cooperation Initiative UNIDO-MCIT-KOICA

Taking into account the above-mentioned difficulties to achieve a supply of exportable goods by MSMEs in the fresh fruit sector in the short term due to current infrastructure constraints related to storage, packaging, cooling and refrigeration in the Valle del Cauca, MCIT asked UNIDO to explore the feasibility of setting up an export consortia programme with funding from KOICA in agri business and cosmetics – sectors that do not require expensive infrastructure as in the case of fresh fruits.

A.6. Special Considerations viz. SDGs and Other Development Targets

This project will contribute to SDG 8 (Promote inclusive and sustainable economic growth, employment and decent work for all) and SDG 9 (Build resilient infrastructure, promote sustainable industrialization and foster innovation).

B. REASONS FOR UNIDO ASSISTANCE

Although the advantages of grouping firms for export are relatively straightforward, establishing successful consortia in practice is a demanding task, which requires combined expertise in various fields and targeted interventions at enterprise, institutional and policy level. Developing economies generally lack experience as well as the necessary institutional and regulatory framework to promote and support SME consortia. As a result, external assistance is critical for developing a sound export consortia programme in a country.

The UNIDO approach on export consortia combines the lessons learned in UNIDO's long experience in MSME cluster and network development, with other UNIDO areas of expertise in

investment promotion, quality management, industrial upgrading, and agro-industry development

Promoting SME export consortia is a priority for UNIDO's programme of Trade Capacity Building. This priority has been established on the basis of the lessons learnt by UNIDO over many years of experience since 2003 in Latin America, Asia and North Africa¹.

UNIDO projects in Peru, Uruguay, Mexico and Costa Rica:

In 2006, UNIDO launched an export consortia project in Peru. The consortia have been set in several regions and in a variety of sectors, such as agro-industry, jewelry, technology, to mention a few examples. Various public and private organizations in Peru have included the "consortium" concept in their regional and national export promotion and competitiveness improvement policies. An assessment of the national project and results of the consortia showed that some consortia members have seen a substantial increase in exports, well above the average in their particular sector. There has also been an increase in the workforce of MSMEs that are taking part in the UNIDO project. The results of the assessment of the project in Peru show that export consortia are an effective means of incorporating poorer sectors of the community into productive activity, as they promote the creation of job opportunities, in addition to those provided by companies that are directly involved in export consortia.

The work of UNIDO in another Latin American country, Uruguay, has also had promising results. Several of the established export consortia, have not only moved into internal markets but have also improved their quality and increased their competitiveness. One of the major achievements of this UNIDO project is the passing of a law that recognizes export consortia as legal entities in their own right.

In Mexico, between 2009 and 2011, UNIDO participated in the creation of export consortia in Jalisco, Zacatecas and Mexico City. A total of 21 consortia were created in the three States, covering a wide variety of products, such as tequila, footwear, jewelry, and food, mainly. Without UNIDO's assistance, according with the Mexican authorities, the companies that integrate the consortia would not have been able to individually access the markets they already are in.

Between 2012 and 2013, UNIDO initiated an export consortia programme in Costa Rica with MDF-F funding under the private sector development and competitiveness window targeting tourism and agribusiness in the Brunca region. In this project, three export consortia were created in the agribusiness, tourism and fresh products sectors, grouping fourteen companies and five producer associations, which represented a total of 405 entrepreneurs and producers; It built up local capacity in the region which was focused on team of six professionals from four local institutions which were the recipients of knowledge transfer undertaken by UNIDO.

UNIDO project in Colombia:

Colombia is one of the largest economies in Latin America; however, it is faced with internal and external challenges, and opportunities. Under the Productive Transformation Program (PTP), a public private partnership, the cosmetic industry has been recognized as one of the country's sectors with high potential for growth. Therefore, Colombia aims to become a world leader by 2032, in the manufacturing and the exporting of natural ingredients-based cosmetics. Although Colombia has begun to consolidate its position at regional level and there is international recognition of the existence of high quality products, it has not managed to exploit its full export capacity. Weak sanitary and phyto-sanitary framework, low capacity for compliance with international standards and market requirements and lack of internationally recognized accredited laboratories and conformity assessment services have contributed to low competitiveness and export rejections. The country is also yet to exploit its natural ingredients as a factor of innovation and distinction on the international markets.

¹UNIDO main reference documents can be consulted at: www.unido.org/exportconsortia

UNIDO is supporting Colombia's efforts to integrate into the regional and multilateral trading system by enhancing its trade capacities and performance. This would be carried out through a quality programme aimed at the cosmetics sector's productive chain, which is expected to strengthen the National Quality Subsystem (NQS), enhance the technical capacity and improve compliance with international quality, private and sustainability standards. The project would develop local expertise with the adequate technical knowledge to provide quality-related advisory services to the sector during and after the project duration. Furthermore, it contributes to improving the quality of production and the competitiveness of exported natural ingredients-based cosmetics.

The technical capacities of Colombia's NQS key institutions are being strengthened to serve the cosmetic sector: the National Metrology Institute (NMI) is maintaining national measurement standards capable of providing a reliable and accurate measurement service, and maintaining internationally traceable calibration services; the National Accreditation Board (ONAC) is facilitating independent attestation of the technical capabilities of the conformity assessment service providers to the satisfaction of the local and international markets and authorities; and the National Institute of Food and Drug Monitoring (INVIMA) is in the process of enhancing its capacity to perform inspection, surveillance and control.

Additionally, key functions providing conformity assessment are being strengthened to provide internationally recognized services. For example: Testing services that have the technical competence to test export products according to best international practices. Inspection services that ensure that staff is competent and knowledgeable on national legislation and inspection practices; and certification services for relevant international standards, that are available for products and management systems, through improved methodologies. These services support the cosmetic sector by demonstrating the quality of products independently from the manufacturer or the supplier.

Finally, the project works closely with key players (e.g. growers, producers/processors, exporters) to further enhance their capacity to comply with standards, technical regulations and market requirements along the natural ingredients value chain for cosmetic production. The support is being provided in collaboration with public and private sector institutions including chambers of commerce, sector associations, etc. It is foreseen that based on the Government and private sector's strategy, together with the implementation of UNIDO programme, Colombia would increase the size of the cosmetic sector, it would multiply its exports, and would significantly increase the number of jobs, thus resulting in inclusive and sustainable industrial development.

C. THE PROJECT

C.1 Project Objective

The overall objective of this project is to enhance the competitiveness and market access of MSMEs with an export potential in the agro-industry and cosmetic sectors in the Valle del Cauca, thereby also improving employment possibilities of local people.

C.2 The UNIDO Approach

Promotion of export consortia: UNIDO technical assistance focuses on the following levels:

- **Enterprise level-** Supporting the creation of export consortia in different sectors
Groups of SMEs are identified and coached during the whole process of export consortia development: identification of common objectives, services to be provided by the consortium, implementation of the first pilot promotional activities, development of the business plan, and choice of the legal form. Generally consortia are established between companies offering complementary goods, since many SMEs are reluctant to

create an alliance with their direct competitors. Besides, UNIDO assistance also includes the identification of appropriate technical and financial schemes existing in a country for which export consortia can apply to carry out their activities.

- **Institutional level** – Capacity building for representatives in the public and private sectors
Representatives of government institutions, export promotion agencies, business associations, chambers of commerce, etc. are trained to become export consortia promoters and to assist consortia in the development of their activities. Training courses and study tours target both representatives that may offer institutional support to export groups and professionals that may later become promoters, thus being directly in charge of assisting SMEs to be part of functioning alliances.
- **Policy level** – Promoting a favourable institutional and regulatory environment for the development of export consortia
Policy makers are sensitized on the importance of providing technical and financial support to these export alliances especially in their first years of operation. UNIDO also advises national partners on the most appropriate incentive schemes and advances the creation of a suitable regulatory framework for the sound development of these groupings.

UNIDO's and international experience show that the creation of a consortium often takes six to twelve months of preparation - from the initial identification of interested parties to completing all administrative procedures required. The supporting institutions and entrepreneurs/producers engaging in the creation of a consortium must also be aware that immediate gains cannot be expected shortly after the formalization of a consortium. The creation of a consortium is therefore a long-term investment for the member firms/producers and its impact (i.e. increase in income/ turnover for consortium members, increase of number of local and/or international markets for consortium members, dynamization of local economic development, etc.) will only be seen over time, generally after two-three years of operation.

The number of firms/producers benefiting from UNIDO project assistance goes beyond the number and membership of legally established consortia, those which have reached the stage of incorporation. There are many advantages of being formal such as access to funds made available for export promotion activities, more transparency and accountability of members vis-à-vis clients, suppliers of services, the possibility to register and control a collective mark and in some case also fiscal benefits. Nevertheless some SME/producers' groups prefer to continue working informally in order to test their capacity to work together as well as to assess the cost and benefits related to cooperation.

Member companies of an export consortium often manage to improve their sales position on the local and international market, expand their business range and increase their productivity along the production chain. This may lead to an increase in wages and job security. It has also been shown that export consortia may have an indirect effect on creating jobs, as expansion of a consortium means a greater demand for goods. Therefore, consortia may contribute directly to reducing poverty.

The project in Valle del Cauca will assist MSMEs in forming export consortia, will provide support to consortia member companies to complying with the technical, social and environmental requirements of foreign market and in building the capacity to sustain and replicate the process of consortia development of government counterparts, local groups and public and private support organizations.

Enhancing quality and compliance with standards and market requirements:

The current worldwide trade context is notably characterized by an increasing interdependence among national economies and the formalization of international trade in accordance with the agreements of the World Trade Organisation (WTO). In parallel, the global market is subject to increasingly strong competition resulting in a growing demand for quality while policies toward the protection of environment and the consumer become more and more stringent.

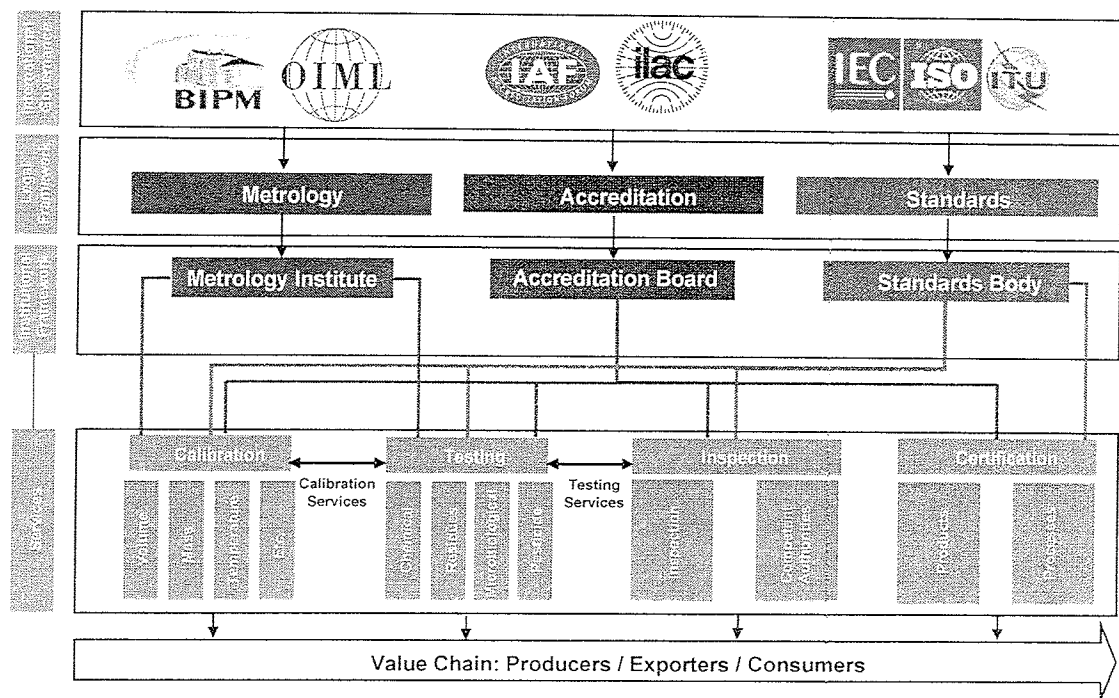
In fact, increasing supply capacity is essential to, but not sufficient for, gaining entry into world markets or achieving regional harmonisation and integration. Once the critical quantity is achieved the problem of reaching a certain quality requested by international and regional markets arise and the associated challenge of proving conformity with international standards and technical regulations.

Countries that rely on import for satisfying a good part of the needs of their populations in food and consumer products should establish effective systems for controlling the quality and safety of imported products. This implies establishing an effective technical regulatory regime with the necessary conformity assessment capabilities in line with the accepted rules of international trade.

This requires establishing efficient standards, testing, certification and accreditation mechanisms that conform to the requirements of the WTO SPS and TBT agreements and enjoy international recognition. Conformity assessment means evaluating and confirming features such as quality, reliability, safety, economy, efficiency and effectiveness as defined in standards and regulations. To prove compliance with quality standards and adequate quality infrastructure (QI) it is essential to face the challenges of and benefit from a changing global landscape. Standardization, for example, contributes not only to international trade but also to the basic infrastructure promoting sustainability and good regulatory practice. An adequate QI has the potential to improve the quality of products, processes and services.

The typical buildings blocks of a Quality Infrastructure are shown in the Figure 1 below.

Figure 1: Quality infrastructure, services and institutions



A factor requiring attention for the Colombian export sector is the national quality system - NQS (which covers standardization, technical regulations, conformity assessment and metrology). The Colombian NQS received recently support, through an EU-funded technical cooperation programme (ALA/2007/019-005)², to advance further on its international consolidation process.

² The project had as objective the strengthening of the government institutions and the private sector with respect to foreign trade and investments. It aimed in general "quality terms" to reduce the impact of nontariff barriers to trade on Colombian exports, and in specific, the technical strengthening of the sanitary and phyto-sanitary system in order to comply with international requirements (RE1.A.1), the

Although this programme and the efforts of the Colombian Government have achieved a variety of positive results, the NQS finds itself at an early stage, presenting still various challenges:

- (a) Institutional level: consolidations of the government strategy to obtain international recognition of its quality infrastructure and conformity assessment services (e.g. calibration, testing, inspection, accreditation, certification);
- (b) Supply side: potential for value addition of export products is by far not realized. Lack of appropriate technology and skills for compliance with international quality, private and sustainability standards.

C.3 RBM Codes and Thematic Area Code

RBM codes:

- FC23 Quality and Compliance Infrastructure
- FC24 Industrial Export Promotion and SME Consortia
- FC25 Corporate Social Responsibility for Market Integration

Thematic area code: TCB

C.4 Expected Outcome

1. MSMEs in the agro-industry and cosmetic sectors jointly set up and manage export consortia, develop and execute export-oriented activities/measures and obtain access to new markets

C.5 Outputs and Activities

- Output 1: At least 2 export consortia in the Valle del Cauca established comprising local MSMEs with an export potential in the agro-industry and cosmetic sectors.

ACTIVITY	RESPONSIBILITY
1.1: Revise and adapt the UNIDO methodology on Export Consortia for use in awareness raising seminars for MSMEs	UNIDO (IE)
1.2: Organize 4 awareness seminars to present the concepts and benefits of export consortia to at least 100 MSME in 4 different areas of the Valle del Cauca region.	UNIDO (IE, NEs)
1.3: Organize workshops for the development and formation of export consortia targeting minimum 50 MSMEs in the target sectors as well as staff of local support institutions in order to transfer the UNIDO methodology and theoretical basis to them and also generate first export consortia project ideas.	UNIDO (IE, NEs)
1.4: Carry out field visits to validate companies' interest in setting up export consortia.	UNIDO (IE, NEs)
1.5: Prepare a base line for the consortia member firms	UNIDO (IE, NEs)
1.6: Support the consortia members in the preparation of their work plan	UNIDO (IE, NEs)
1.7: Organize 8 field visits for coaching, monitoring and improvement activities as well as providing general guidance to MSMEs which form part of the export consortia. Application of the evaluation tool EXCET "Export Consortia Flash Evaluation Tool"	UNIDO (IE, NEs)
1.8: Technical Assistance to MSMEs which form part of the export consortia for the implementation of a scheme which guides the internal organization and decision taking mechanisms via regular meetings.	UNIDO (IE, NEs)

development and implementation of a national metrology policy (RE1.A2), the implementation of activities focused on reducing and overcoming barriers to trade and strengthening of the quality system (RE1.A3).

1.9: Counseling of MSMEs in the development of first pilot projects of the export consortia (supervision, handholding, feedback and recommendations)	UNIDO (IE, NEs)
1.10: Support to MSMEs in the elaboration of work plans for the implementation of their pilot projects as well as handholding and monitoring of progress and the involvement of coordinators.	UNIDO (IE, NEs)
1.11: Development of linkages with finance and technical assistance institutions of relevance to the development of the consortia work plans.	UNIDO (IE, NEs)
1.12: Support to consortia in linking up with foreign trade institutions in the Valle del Cauca to facilitate their insertion into the international market.	UNIDO (IE, NEs)
1.13: Advice to consortia in identifying market opportunities (quantification of demand, growth ration of demand, identification of market segments/niches, sales price analysis, distribution channels, risk analysis) and developing a marketing strategy	UNIDO (IE, NEs)
1.14: Assist consortia in the design of promotional materials such as joint catalogues, webpages, pages in social networks, design of their logos.	UNIDO (IE, NEs)
1.15: Formalization of each consortium on the basis of a consortia contract. Technical assistance in the identification of the adequate legal form; support for the elaboration of their constitutional statutes/acts.	UNIDO (IE)
1.16: Build the capacities of future coordinators of export consortia (representatives of support institutions and national experts) through trainings and workshops	UNIDO (IE, NEs)
1.17: Organize a study tour abroad to see examples of a successful export consortia	UNIDO (IE)
1.18: Identification of local institutions which can provide financial and technical support services to the consortia.	UNIDO (IE, NEs)
1.19: Elaborate a proposal for an incentive scheme to stimulate the creation of new consortia.	UNIDO (IE, NEs), MCIT
1.20: Organize a national event to present the results achieved by the MSMEs in the consortia	UNIDO (IE, NEs), MCIT
1.21: Prepare dissemination material (case studies, video) on the export consortia experience of the Vale del Cauca	UNIDO (IE, NEs)

- Output 2: A number of MSMEs comply with relevant quality standards and market requirements in selected sectors.

ACTIVITY	RESPONSIBILITY
2.1 An in-depth assessment carried out jointly with ICONTEC to identify relevant international quality standards, technical regulations and export market requirements ³	IE, NEs, ICONTEC
2.2: An in-depth assessment (diagnostic study) of selected MSMEs' compliance capacity with standards, technical regulations and market requirements	UNIDO (NEs)
2.3: Conduct a # of workshops on compliance issues applicable to export products for the selected sectors.	UNIDO (IE)
2.4: Support a # of MSMEs in the consortia for the development and implementation of improvement plans to enhance product compliance with quality standards, technical regulations and export market requirements [continues improvement process and follow up].	IE UNIDO (IE, NEs)

³ The market focus (e.g. Andean Region, Central America, USA) would need to be identified in advance by the Government (e.g. PROCOLOMBIA, PTP) and/or the private sector (e.g. ASOHOFRUCOL).

C.7 Risks

Limited buy-in by MSMEs (Low-Medium Risk)

There is a certain risk that participating MSMEs lose confidence and/or interest in the consortium as they face initial difficulties to enter new markets due to given financial constraints, which limit their ability to engage in joint promotional activities. The technical and financial support offered to the consortia during the initial years is essential for their progress and a key success factor. Partnership projects managed by UNIDO, typically build on an agreement with local institutions that would then grant preferential treatment to consortia or offer other support measures for consortia development. Especially because of its short duration, this project is based largely on national efforts to ensure sustainability and therefore has a strong focus on institutional capacity building. The participation of representatives of national institutions in the implementation of the project and the formulation of an incentive scheme to promote export consortia are of vital importance.

Limited institutional capacities (Low-Medium Risk)

Since the success of this project (and in particular its sustainability) strongly builds on institutional buy-in and support, limited absorption capacity of these actors poses certain risk (mainly due to the limited experience and resources). To counter this risk, trainings will be launched in a rhythm, allowing beneficiaries to slowly absorb the content and link the acquired knowledge to real life experiences (a combination of classroom and / practical training sessions in the field and "hand-holding").

C.8 Timeline of Activities

#	Activity	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8
Output 1: At least 2 export consortia in the Valle del Cauca established comprising local MSMEs with an export potential in the agro-industry and cosmetic sectors.									
1.1	Adaptation of UNIDO methodology to local context	X							
1.2	4 awareness seminars to at least 100 MSMEs	X							
1.3	Workshops on the formation of export consortia to 50 MSMEs	X							
1.4	Field visits to validate companies' interest in setting up export consortia.	X							
1.5	Baseline for the consortia member firms	X							
1.6	Support to consortia members in the preparation of their work plans	X							
1.7	8 field visits for coaching, monitoring and improvement activities		X	X	X	X	X	X	X
1.8	Support to consortia for the implementation of a scheme which guides the internal organization and decision taking mechanisms	X	X						
1.9	Pilot export project development		X	X	X				
1.10	Support to MSMEs in the elaboration of work plans for the implementation of their pilot projects as well as handholding and monitoring of progress		X						
1.11	Linkage building with support institutions relevant to their projects		X						
1.12	Support to consortia in linking up with foreign trade institutions to facilitate their insertion into the international market.		X						

1.13	Technical assistance to consortia in identifying market opportunities		X	X					
1.14	Corporate Image development for the export consortia			X	X	X			
1.15	Legalization of consortia					X	X		
1.16	Training and transfer of the UNIDO methodology at wider levels							X	X
1.17	Study tour						X		
1.18	Technical and financial support institutions identification						X	X	X
1.19	Incentive scheme proposal						X		
1.20	National dissemination event								X
1.21	Documentation of the experience – publication & case studies							X	X
Output 2: A number of MSMEs comply with relevant quality standards and market requirements in selected sectors									
2.1	An in-depth assessment carried out jointly with ICONTEC to identify relevant international quality standards, technical regulations and export market requirements ⁴		X	X					
2.2	An in-depth assessment (diagnostic study) of selected MSMEs' compliance capacity with standards, technical regulations and market requirements		X	X					
2.3	Conduct a # of workshops on compliance issues applicable to export products for the selected sectors.			X	X	X	X		
2.4	Support a # of MSMEs in the consortia for the development and implementation of improvement plans to enhance product compliance with quality standards, technical regulations and export market requirements [continues improvement process and follow up].			X	X	X	X	X	X

INPUTS

D.1 Counterpart Inputs

The contribution of the counterpart institutions will be in kind, covering the following specific items:

- Ensure that sufficient staff of an appropriate professional level and seniority within their organizations is made available for project activities and consultation where appropriate; ensure continuity of personnel during the project. Any change in the staff assigned to the project should be promptly notified to UNIDO.
- The respective counterpart agencies involved in the project will nominate participants to meeting, workshops and other events held inside the country as part of the normal functioning of its organisation.
- Local government officials or counterpart organizations will provide local administrative support for organizing meetings and training programmes.

⁴ The market focus (e.g. Andean Region, Central America, USA) would need to be identified in advance by the Government (e.g. PROCOLOMBIA, PTP) and/or the private sector (e.g. ASOHOFRUCOL).

- Local government officials or counterpart organizations will support and facilitate the processing of any legal documents or decrees to be produced under the project.

D.2 UNIDO Inputs

UNIDO will provide inputs not only in terms of the project budget that will be made available for implementing this project, but also in terms of UNIDO experience, know-how, and expertise, facilities and staff time, in general terms,

- Identification, preparation of Job Description(s) and recruitment of all the international and/or national experts and consultants required for the project.
- Identification of suppliers (national/international), preparation of Terms of Reference(s) and Technical Specification(s), and procurement of services and equipment as needed;
- Remuneration of project staff, experts and consultants recruited by UNIDO, as well as payment of suppliers;
- Preparation and arrangement for training(s) outside of Colombia and payment for the same;
- Project monitoring and evaluation as required;
- UNIDO methodologies, resource materials and platforms as required.

E.BUDGET

BL	Item	TOTAL USD
Output 1		
11	International experts	179,000
15	Project travel	22,000
16	Other personnel costs	10,000
17	National experts	125,000
21	Subcontracts	5,000
30	Training/Meeting/Study Tours	30,000
51	Sundries	13,000
	EVA	6,000
	<i>Total Output 1</i>	<i>390,000</i>
Output 2		
11	International experts	25,000
15	Project travel	10,000
16	Other personnel costs	10,000
17	National experts	75,000
21	Subcontracts	15,000
51	Sundries	5,000
	<i>Total Output 2</i>	<i>140,000</i>
	Subtotal	530,000
	13% Programme Support Costs (PSC)	68,900
	Total	598,900

D. PROJECT MANAGEMENT AND COORDINATION ARRANGEMENTS

UNIDO will be responsible for overall management and coordination of the project (see figure 2). The Business, Investment and Technology Services Branch (BIT) will have the overall responsibility on behalf of UNIDO. BIT will assign the task of project implementation to a BIT Project Manager and to a Trade Capacity Building Branch (TCB) Output Manager based in Vienna with regard to the technical components of the project (both positions are not funded by the project). In line with the UN administrative rules and regulations, UNIDO will: (i) take all decisions regarding staff recruitment, contractual arrangements/agreements, technical assistance, backstopping, and project supervision, monitoring and reporting; and (ii) consider both local and international procurement sources taking into account specification, quality and price (best value for money).

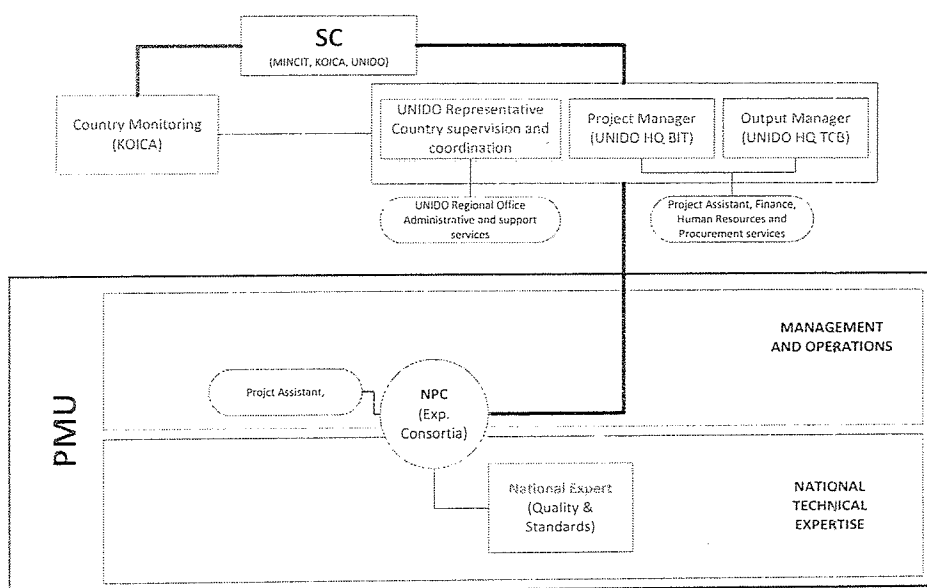
Project Management: The overall coordination of project implementation will be ensured by the UNIDO Representative for Colombia (UR), in close collaboration with UNIDO's BIT Branch; he will act as Team Leader for the coordination, supervising the operational team, and working closely with the focal point appointed by the MINCIT for the best planning and implementation of the project. Additionally, he provides strategic guidance and maintains close relationship with donor and counterparts. The management of the technical project components will be ensured by the BIT Project Manager (PM-BIT) and the TCB Project Manager (OM-TCB). Both, the UR and/or the Project Manager/Output Manager will represent UNIDO in the Steering Committee (SC) of the project and will work together as a team, ensuring the results-orientation and efficiency of delivery. The UR will be the main focal point for coordination with KOICA and other SC members.

Operational level: a Project Team (PT) will be established in Cali and it will be headed by the lead national expert who will also perform the role of a National Project Coordinator (NPC) to facilitate coordination, administration and monitoring under the supervision of the UR.

Technical input will be provided through long/short-term national and international experts. The UNIDO regional office in Bogota will provide strategic and administrative support (including local disbursements and recruitments).

A **Steering Committee (SC)** comprising UNIDO, KOICA, the Ministry of Trade, Industry and Tourism (MINCIT) as main Government counterpart, will be established. Additional actors to form part in the SC either actively or as observers will be agreed upon during the first SC meeting.

Figure 2: Project management structure



The SC's main role will be strategic guidance and monitoring of progress towards established objective and outcomes. To this end the SC may invite experts as reference persons and/or observers as deemed appropriate (i.e. beneficiaries, implementing agencies). It will be responsible to take all strategic decisions, which may include approval of the inception report as the basis for the project implementation, monitoring and evaluation; significant changes to programme objectives and budget re-allocation; significant amendments to timeline (implementation of activities); changes of key beneficiaries; approval of implementation reports, including detailed financial reports, etc. In case of any dispute, a decision will be taken by the following core members: KOICA, MINCIT and UNIDO. The SC will meet at least twice a year in Bogota. In addition, ad-hoc sub-committees to the steering committee can be formed to assess thematic/output results and take adequate corrective actions. Such sub-committees will report to the SC. Participation by UNIDO HQ staff via video/conference facilities will be accepted in order to make the most effective use of project resources.

The relationship with other agencies, institutions, and associations benefiting from the Project will be formally arranged by UNIDO.

F. MONITORING, REPORTING AND EVALUATION

F.1 Reporting

UNIDO will prepare two progress reports per year (dates to be determined during the inception phase); key achievements of the reporting period will be presented at the next immediate steering SC meeting. Counterparts and/or beneficiaries will be asked to present results achieved during reporting period. The progress reports will include:

- A narrative report on progress for each of the outputs the project has been working on during the reported period;
- An assessment of planned against achieved results (effectiveness and efficiency);
- Recommendations (e.g. for amendments to the work plan, if any);
- An updated timeline for implementation.
- Two financial reports per year as per the terms of the Trust Fund Agreement

KOICA may request additional information at any time. Such requests shall be reasonable and relevant and within the scope of the terms of the Trust Fund Agreement.

F.2 Monitoring

The project will establish a result-based management (RBM) mechanism to ensure timely identification of possible implementation challenges and provide support in addressing them. The results of this RBM will be distributed and discussed during the SC meetings.

In addition, the lead expert will assist PM-BIT and the OM-TCB when needed in monitoring the project activities on a continuous basis in order to ensure that activities occur as planned and remedial steps are taken as deemed necessary. On this basis, UNIDO will prepare project progress reports every six months.

Financial monitoring will be exercised by UNIDO as per UNIDO's standard financial regulations, and regular financial statements will be submitted to the donors according to a periodicity to be specified in the agreement between the parties.

Throughout the programme, continuous communication between the host government, UNIDO HQ, the UNIDO regional office, local counterparts and the donor will ensure a smooth and successful implementation. In addition, progress in project activities will be regularly reviewed, jointly by all key parties, according to specific review needs

F.3 Evaluation

The project will be evaluated in accordance with the Guidelines for the Technical Cooperation Programme and Project Cycle. (DG AI.17 Rev. 1 – 24 Aug 2006). An evaluation will be undertaken at the end-point of the programme, at (1) institutional and (2) consortia level.

- (1) *Evaluation at institutional level:* It is envisaged to collect documentation and carry out assessment surveys and interviews with relevant target industry support and advisory institutions to capture the changes and improvements triggered by the project.
- (2) *Evaluation at the company/consortia level:* A framework for measuring improvements in targeted MSMEs will be established based on a series of key performance indicators. This will allow the project team to clearly assess the situation before-and-after the implementation of project activities. In addition, a company satisfaction survey on the project in general as well as the services provided on consortia level will be carried out.

The evaluation will be undertaken by a national expert according to UNIDO's standard practice.

G. PRIOR OBLIGATIONS AND PREREQUISITES

No prior obligations and prerequisites are required.

H. LEGAL CONTEXT

The Government of Colombia agrees to apply to the present project, *mutatis mutandis*, the provisions of Standard Basic Assistance Agreement between the United Nations Development Programme and the Government, signed on 29 May 1974 and entered into force on 23 January 1975.

ANNEX 1: LOGICAL FRAMEWORK

Results	Indicators	Means of verification	Assumptions
Objective Enhanced competitiveness and market access of MSMEs in the agro-industry and cosmetic sectors in the Valle del Cauca, thereby also improving employment possibilities of local people	No of jobs created/maintained in the target sectors in Valle del Cauca Yearly % increase in exports by MSMEs in the target sectors in Valle del Cauca	National statistics	/
Outcome MSMEs in the agro-industry and cosmetic sectors jointly set up and manage export consortia, develop and execute export-oriented activities/measures and obtain access to new markets	No of market access activities undertaken by consortia No of new markets/buyers tackled by MSMEs in the target sectors	Government documents, MSME surveys, local municipality interviews	Adequate institutional capacity and readiness of relevant support institutions to assist MSMEs in consortia formation. Target SMEs will recognize the relevance of joining efforts and engaging in collaborative activities with peers for increased competitiveness (not regarding networks as mere vehicles to attract government support and finance, as it has often been the case in the past). The governance structure of the targeted networks/cluster will be sustainable.
Outputs At least 2 export consortia in the Valle del Cauca established comprising local MSMEs with an export potential in the agro-industry and cosmetic sectors.	No of consortia established (target: min 2); No of local institutions providing regular support to export consortia (target: min 1) -% of target MSMEs identified buyer/market requirements -% of target MSMEs that have introduced new standards	Project reports	Clear commitment from the consortia member firms and availability of financial and technical assistance from support institutions
A number of MSMEs comply with relevant quality standards and market requirements in selected sectors		Project reports, obtained certifications	Adequate selection of certifications for the targeted markets and commitment by the MSMEs to maintain the new processes/standards.

ANNEX 2: COMPANIES VISITED DURING EXPERT MISSION

Las MIPYMES de Cosméticos y Agroindustria

Cosméticos Naturales

Durante la misión los expertos visitaron a 6 empresas que elaboran cosméticos a partir de productos naturales, ubicadas en los municipios de Dahua y Santiago de Cali.

CAPSO

La Compañía de Productores de SábilaOrganica SAC, es una pequeña empresa colombiana ubicada en el km 34 vía el queremal en el municipio de Dagua, propiedad de Doña Alba Nelly. La empresa cuenta con 100 hectáreas de sábila orgánica.

Ha sido beneficiaria del programa de jóvenes emprendedores rurales del SENA, gracias al cual ha elaborado la siguiente familia de productos:

- Jugo de sábila con 12 sabores (100% natural, 50% aloe vera, 42% fruta y un 8% de stevia);
- Gomas de sábila;
- Barras de cereal con sábila.

Los productos que elabora cuentan con marca, empaque y etiquetas con código de barras.

La empresa cuenta con la certificación del INVIMA.

La empresa ha realizado exportaciones esporádicas a centroamérica.

BELSA

Empresa que surge del programa de jóvenes rurales del SENA que produce cosméticos elaborados a partir de la sábila. Proporciona empleo a 15 trabajadores y fabrica los siguientes productos:

- Crema corporal humectante;
- Crema facial;
- Gel Exfoliante

Los productos que elabora cuentan con marca, empaque y etiquetas con código de barras.

NATURA AFRO

www.facebook.com/pages/Natur-Afro/243302462543800?fref=ts

Empresa, ubicada en Santiago de Cali, que elabora productos especiales para la piel y el cabello afro, propiedad de Doña Maribel Isaza Angulo la cual proporciona empleo a 7 trabajadores y elabora los siguientes productos:

- Crema para peinar con aceite de chontaduro;
- Shampoo para caballeros;
- Tónicos hidratantes para el cabello;
- Crema corporal;
- Crema para manos;
- Crema para masaje.

Los productos que elabora cuentan con marca, empaque y etiquetas con código de barras.

La empresa cuenta con la certificación del INVIMA.

La empresa ha realizado exportaciones esporádicas.

Sus productos se venden a través de la empresa Wortel.

VITAL ALOE

www.facebook.com/pages/VITAL-ÁLOE/337102539811547?fref=ts

Asociación sin ánimo de lucro ubicada en el Queremal dentro del municipio de Dahua integrada por 6 familias las cuales cultivan sábila.

Ha sido beneficiaria del programa de jóvenes emprendedores rurales del SENA, gracias al cual ha elaborado la siguiente familia de productos:

Cosméticos

- Shampoo;
- Bálsamo;
- Jabón líquido;
- Gel antibacterial.

Alimentos

- Mermeladas;
- Jugo;
- Yogurth;
- Gominas.

Los productos que elabora cuentan con marca, empaque y etiquetas con código de barras.

La empresa está en proceso de certificación BPA.

La empresa ha realizado exportaciones esporádicas.

LUCERITO

Empresa ubicada en el Queremal en el municipio de Dahua integrada por 10 personas, la cual elabora los siguientes productos:

- Jabones de caléndula y sábila;
- Pomadas de hierbas;
- Aceites naturales;
- Hierbas deshidratadas.

Los productos que elabora cuentan con marca empaque y etiquetas.

La empresa ha realizado exportaciones esporádicas.

Cuenta con un punto de venta propio.

ZEN NATURAL

Empresa, ubicada en Santiago de Cali, que nace con recursos de fondo emprendedor. La empresa cuenta con un pequeño laboratorio certificado.

Entre los productos que elabora están los siguientes:

- Cremas corporales;
- Cremas faciales;
- Mascarillas de sábila;
- Tónicos capilares;
- Extractos de quinoa;

- Extractos de aloe vera.

Los productos que elabora cuentan con empaque y etiquetas con código de barras. El empaque lo está modificando para el mercado de los Estados Unidos.

La empresa está en proceso de certificación BPA, INVIMA, USDA Organics y ECOCERT.

La empresa desde su creación fue concebida para la exportación.

Las 6 empresas visitadas, en el sector cosméticos, se mostraron interesadas en utilizar el modelo del consorcio de exportación como una plataforma para disminuir costos de promoción y logística y para potenciar su capacidad exportadora.

Éstas representan una pequeña muestra de un sector en crecimiento con cerca de 70 empresas formalizadas a nivel Valle del Cauca.

La producción de cosméticos en Colombia fue una de las actividades económicas con mayor impulso durante 2013 (25%)