



MULTILATERAL INVESTMENT FUND (MIF)

PROJECT PERFORMANCE MONITORING REPORT (MPPMR)



I. BASIC DATA (Amounts in US\$ millions)					
Country: Guyana Executing Agency (EA): Ministry of Legal Affairs Window: Has the project been reformulated: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (If yes see Section V)		Project Title: Strengthening System for Property Rights AT Number: MIF/AT-289 of 7Sep99 ATN/ATC Number (s) ATN/MT-6671-GY		Date of Donor Approval: September 22, 1999 Date of Contract Signature: January 24, 2000 Date of Contract Validity: Date of Eligibility for Disbursement: Sep. 13, 2000 Original Date of Final Disbursement: July 24, 2002 Current Date of Final Disbursement: July 24, 2002	
CO Specialist: William Grisley Headquarters Staff Member Assigned: Juan Belt Date of Latest Report Update: June 22, 2001 Date of Latest Report Review by Representative: December 2000	Months in Execution from approval: 21 months from signature: 16 months Cumulative Extension of Original. Disbursement Date (months): 0 months % Deviation from original Disbursement Period: None	Original TC Amount: 940,000 Current Amount: 940,000 Disbursements: 94,000 % Disbursed: 10% Counterpart: 0%	TC Modality: <input checked="" type="checkbox"/> NR <input type="checkbox"/> R <input type="checkbox"/> CR		
II. PROJECT IMPLEMENTATION PROGRESS (IP)					
Components/Outputs:	Key Delivery Performance Indicators:	Classification of Component			
		HS	S	U	VU
1. Improvement of the legal framework. 2. Institutional strengthening of the Deeds Registry. 3. Project management	1.1 Action Plan for reviewing laws for secured transactions in movable and immovable property. 1.2 Stakeholders consulted with to insure support for revision of laws. 1.3 Procedures for creating security interest in movable and immovable property completed. 1.4 Notification procedures for perfecting security interest in movable and immovable property revised. 1.5 Procedures for enforcement of movable security interest modified. 1.6 Seminars to inform stakeholders of reforms completed.		X		
	2.1 Improved physical security of records. 2.2 Computer system installed and in operation. 2.3 Improved administrative procedures in use. 2.4 Deeds Registry staff trained.				X
	3.1 Completion of a baseline survey of Deeds Registry users. 3.2 Architect report on monitoring of performance in refurbishing Deeds Registry. 3.3 Reports on installation of computer systems in Deeds Registry.	X			
Assumptions Related to the Implementation of each Component		Probability			
		High	Low		
1. Eligibility for first disbursement will be gained on a timely basis.			X		
2. Firms and consultants to undertake the three project components will be contracted on a timely basis.			X		
3. The Deeds Registry physical space is sufficiently large to house a modern registry, including records storage space (component 2).		X			
4. Deeds Registry staff is trainable in the use and operations of a computerized registry (component 2).		X			
5. No legal case is brought against the Ministry of Legal Affairs for legally establishing the Deeds Registry as a semi-autonomous statutory agency.		X			



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Summary Component Assumptions Classification (check one)		X	
Implementation Progress Summary Classification (IP): (A satisfactory or higher classification indicates, among other things, that the project will be completed during the currently approved disbursement period)			
<input type="checkbox"/> Highly Satisfactory (HS) <input type="checkbox"/> Satisfactory (S) <input checked="" type="checkbox"/> Unsatisfactory (U) <input type="checkbox"/> Very Unsatisfactory (VU)			
III. ACHIEVEMENT OF DEVELOPMENT OBJECTIVES (DO)			
Project Development Objective(s): 1. Encourage higher levels of financial intermediation.		Key Performance Indicators: 1.1 Real increase in the stock of banking credit to the private sector. 1.2 Increase in bank loans to the private sector as a % of total bank deposits.	
Assumptions Related to each Development Objective 1. Adequate macroeconomic and political framework. 2. Adequate investment climate. 3. Adequate prudential supervision of financial institutions.		Probability	
		High	Low
		X	X
Summary Development Objectives Assumptions Classification (check one)		X	
Expected Achievement of Development Objective Classification (DO): <input type="checkbox"/> Highly Probable (HP) <input checked="" type="checkbox"/> Probable (P) <input type="checkbox"/> Low Probability (LP) <input type="checkbox"/> Improbable (I)			
Briefly explain major factors taken into account to justify the DO Classification: 1. The government has agreed with the IMF on the HIPC program. 2. The investment climate in Guyana is currently not good because international market prices for the five major commodities produced in the country are low. These commodities are rice, sugar, gold, timber, and bauxite. In addition, there are significant financial problems in the rice sector, resulting in a high level of non-performing loans held by commercial banks. 3. The Minister of Finance has requested a MIF funded project to, in part, assist the Supervision Department in the Bank of Guyana. This project can only begin by mid-2001.			

Annex 2

IV. OVERVIEW OF PROJECT PERFORMANCE ISSUES		
Check key reasons for Unsatisfactory/Very Unsatisfactory IP Classification or Low Probability/Improbable DO Classification		
<input type="checkbox"/> Legislative approvals <input checked="" type="checkbox"/> Borrower / executing agency commitment <input type="checkbox"/> Counterpart funding shortfall <input checked="" type="checkbox"/> Executing agency institutional capacity <input type="checkbox"/> Organizational changes in executing agency <input type="checkbox"/> Community/political opposition <input checked="" type="checkbox"/> Executing agency staff deficiency	<input type="checkbox"/> Consultant performance <input type="checkbox"/> Inter-agency coordination <input type="checkbox"/> Supplier/contractor performance <input type="checkbox"/> Project/component design <input type="checkbox"/> Contract condition compliance delays <input type="checkbox"/> Bank efficiency (response delays) <input checked="" type="checkbox"/> Procurement difficulties	<input type="checkbox"/> Environmental issues <input type="checkbox"/> Cost overrun <input type="checkbox"/> Qualified external audit <input type="checkbox"/> Policy changes <input type="checkbox"/> Organizational changes <input checked="" type="checkbox"/> Executing agency personnel changes <input type="checkbox"/> Other (see Issues, Section VI)
V. PROJECT STATUS		
Progress to date in implementing each component (Include reference to IP assumptions, if applicable)		
Project components: 1. Baseline Survey. Consultant was hired in November 2000 and work has commenced. 2. Legal Framework. The firm commenced work on June 10, 2001. 3. Strengthening of Deeds Registry. The Bank determined that neither of the two firms that bid on this component was responsive to the bid document. This component was re-advertised in Business Development on January 1, 2001, with a closing date of January 30, 2001. To date, the five bids submitted for this component of the project have not been evaluated to the satisfaction of the Bank. The bidding documents could be evaluated within a week, but there is no commitment on the part of the executing agency to proceed with the evaluation process on a timely basis.		



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Etc.

Current Status of each Assumption related to DO

1. Macroeconomic and political framework is being maintained at acceptable level.
2. The investment climate is poor, but slowly improving.
3. Government is seeking funds from the MIF to assist the Bank of Guyana strengthen its Supervision Department.

Timeliness of Compliance with contractual conditions (If applicable)

1. The Period of Compliance of Conditions Prior to First Disbursement was extended from July 24, 2000 to October 24, 2000.

“Qualified opinions” of external auditors

Reformulation (If applicable): Date of last reformulation _____. Briefly describe:

Lessons learned (If applicable):

The Ministry of Legal Affairs has not previously been involved in Bank projects. Thus the Ministry does not have personnel who are familiar with Bank procurement procedures. The PEU needs personnel who have more experience in Bank project execution. Lack of qualified personnel in the PEU.

Potential Problems (If applicable):

Lack of progress on the part of the PEU in completing the evaluation of the Strengthening the Deeds Registry component of the project. This is the core of the project and the lack of timely progress made in this component of the project could jeopardize the success of the project.

VI. ISSUES AND ACTIONS

<u>Issue</u>	<u>Action</u>	<u>Responsible Unit</u>	<u>Date Action to be taken</u>	<u>Completed</u>
1. None 2. Etc.				[] []

