

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK  
MULTILATERAL INVESTMENT FUND

**REGIONAL**

**PUEBLA-PANAMA PLAN  
SUPPORT FOR DEVELOPMENT OF THE AGRICULTURAL  
INSURANCE MARKET IN CENTRAL AMERICA**

**(RG-M1029)**

**DONORS MEMORANDUM**

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## ABBREVIATIONS

CA-4	Honduras, Nicaragua, El Salvador, and Guatemala
CABEI	Central American Bank for Economic Integration
CAC	Consejo Agropecuario Centroamericano [Central American Agricultural Council]
CANTAP-3	Canadian Technical Assistance Program
CESI	Committee on Environment and Social Impact
FIDES	Federación Interamericana de Empresas de Seguros [Inter-American Federation of Insurance Companies]
MIF	Multilateral Investment Fund
NGO	Nongovernmental organization
PCR	Project Completion Report
PCU	Project Coordination Unit
PPMR	Project Performance Monitoring Report
SME	Small and medium-sized enterprise

**REGIONAL:**  
**SUPPORT FOR DEVELOPMENT OF THE AGRICULTURAL INSURANCE MARKET**  
**IN CENTRAL AMERICA**  
**(RG-M1029)**

**Executing Agency:** Federación Interamericana de Empresas de Seguro  
[Inter-American Federation of Insurance Companies] (FIDES)

**Target beneficiaries:** The beneficiaries of the project will include: (i) 700 agricultural producers who participate in the pilot projects; (ii) 1,000 agricultural producers trained in the design and implementation of innovative agricultural insurance instruments; (iii) 100 local professionals and representatives of financial institutions (insurance companies, banks, nongovernmental organizations, etc.) trained in the design and implementation of innovative agricultural insurance instruments; (iv) 12 institutions that will benefit from the information platform services; (v) 14 institutions that will benefit from an improved regulatory and public-private coordination framework; (vi) the public sector, upon seeing a reduction in its fiscal burden in the form of support for the agricultural sector, when production losses are incurred; and (vii) FIDES and the national associations of private insurance companies in the countries that will be strengthened by the project activities.

<b>Amount and source:</b>	MIF (Window I):	US\$1,800,000
	Local contribution:	<u>US\$1,200,000</u>
	<b>Total:</b>	<b>US\$3,000,000</b>

**Objective:** The project objective is to contribute to the development of the agricultural sector in Central America through the efficient financial management of the production risks producers face. The purpose is to lay the foundation for developing the agricultural insurance market for Central America.

**Terms:** Execution: 48 months  
Disbursement: 54 months

**Special contractual clauses:**

The following conditions precedent to the first disbursement of the contribution, will apply: (i) evidence that the process of selecting the project director has been completed, in accordance with the relevant Bank procedures; (ii) evidence that the Board of Directors of the project has been constituted, through the initial minutes; (iii) agreements signed by FIDES, the World Bank and the Central American Bank for Economic Integration (CABEI) ensuring part of the counterpart funds for the project; and (iv) evidence that the Board of Directors of the project has approved and implemented the Operating Regulations of the project. For the disbursements to finance specific project activities in each of the CA-4 countries, evidence will be required in each case that the agreement has been signed by FIDES and the partner institution in the country in question.

**Exceptions to Bank policies:**

None.

**Social and Environmental Review:**

The Committee on Environment and Social Impact (CESI) reviewed and approved the project abstract on 12 November 2004. In keeping with the recommendation of the CESI, the selection criteria for the pilots (see paragraph 2.13) specified the exclusion list stipulated in Annex I of the socio-environmental guide for the Bank's microenterprise operations (see Annex VIII).

**Coordination with other official development institutions:**

The project activities will be coordinated with the World Bank and CABEI, which are supporting the agricultural insurance sector in the region and in particular this project through FIDES.

## I. BACKGROUND

### A. The agricultural insurance market in Central America

- 1.1 In 2002, the agricultural sector in Honduras, Nicaragua, El Salvador, and Guatemala (CA-4) accounted for approximately 20% of GDP, as compared with 23% in 1990. It employs from 25% to 40% of the region's labor force, employing a total of 2.7 million people in the CA-4. As trade liberalization proceeds, the agricultural sector in the CA-4 faces the challenge of adapting to the new market conditions, especially with the future prospects determined by the signing of the Free Trade Agreement with the United States (CAFTA).
- 1.2 The Heads of State and Government of Central America have requested technical and financial support from the Consejo Agropecuario Centroamericano [Central American Agricultural Council] (CAC), to strengthen the agricultural insurance market. The CAC then requested support from the Central American Bank for Economic Integration (CABEI) and the IDB to comply with the mandate. At the same time, the insurance companies and associations of insurance companies of the CA-4, through the Federación Interamericana de Empresas de Seguros [Inter-American Federation of Insurance Companies] (FIDES), also asked the Bank for support to strengthen and develop the region's agricultural insurance market. This project is considered a priority under the Agricultural and Rural Development Action Plan of the Puebla-Panama Plan (PPP) (see Annex IX). The proposed project does not include Costa Rica because the country does not have a private insurance sector.<sup>1</sup>
- 1.3 At present, both the demand for and the supply of private agricultural insurance is underdeveloped,<sup>2</sup> and in some countries practically nonexistent. There are only seven companies in the region that offer agricultural insurance, and some 3,000 insured producers, with 30,000 hectares that are covered. As a result, small and medium-sized agricultural producers do not have ex ante instruments for managing their financial risks associated with production, which also impacts on their possibility of gaining access to formal-sector loans. There are no efficient instruments for addressing the ex post losses in the wake of extreme weather events. In 1998, Hurricane Mitch caused damage to the CA-4 region, which in the rural sector in Honduras alone amounted to losses on the order of US\$1 billion. This figure reflects only losses from this catastrophe, but losses from extreme—but not catastrophic—weather events, such as minor droughts or small floods, can be even greater in the aggregate, underscoring the importance of having a market of

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<sup>1</sup> Costa Rica has the Instituto Nacional de Seguros [National Insurance Administration] (INS), a government agency that controls the insurance market.

<sup>2</sup> Current coverage of agricultural insurance in the CA-4 countries, as a percentage of area planted, are: for Nicaragua, almost nonexistent; for Guatemala, 0.13%; for Honduras, 2.42%; and for El Salvador, 0.40%.



instruments for managing the financial risks associated with agricultural production.

## **B. Barriers to the development of the agricultural insurance market in Central America**

- 1.4 The agricultural insurance market in Central America has not been able to develop sufficiently because of: (i) **restrictions in the legal/regulatory framework**: one example is that the current legislation and/or regulations in the CA-4 can limit the introduction of new instruments such as parametric insurance or that the supply of insurance by foreign companies is curtailed; and (ii) **high transaction costs**. The high transaction costs of agricultural insurance stem from the following barriers: (i) the systemic risk of agricultural production is hard to diversify because of the lack of insurance and reinsurance companies in the various countries; (ii) the presence of asymmetrical information in the traditional agricultural insurance arrangement entails the problems of adverse selection<sup>3</sup> and moral hazard,<sup>4</sup> (iii) the high administrative cost resulting from duplication of efforts in the collection of agricultural risk information by the insurance companies; and (iv) the high cost of administration and supervision to insure small and medium-sized producers in rural areas with limited access to transportation and communication infrastructure.
- 1.5 All these barriers are aggravated by the lack of insurance companies committed to covering the sector of small and medium-sized agricultural producers (less than 5 hectares and 15 hectares, respectively), resulting in a lack of investment in new and suitable instruments for managing and transferring risk. As a result of these barriers, small and medium-sized producers are unable to pay the premiums offered, considering that, depending on the type of crop, a minimum of 15 hectares is required to be able to be considered for agricultural insurance.

## **C. Opportunities for the accelerated development of the agricultural insurance market in Central America**

- 1.6 Technological advances (satellite images, satellite meteorological information, computerized early warning models, etc.) and theoretical advances in the areas of managing and transferring agricultural risks (parametric instruments, area-yield indexes, etc.), have generated an important body of knowledge regarding innovative agricultural insurance instruments for Central America (see, for example, the

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<sup>3</sup> Adverse selection in insurance markets refers to the situation in which insurers find it impossible or very costly to be able to distinguish between an applicant who is high-risk and one who is low-risk. The result is that low-risk clients are overcharged, and high-risk clients are undercharged, so the low-risk clients withdraw from the market, with a negative impact on the insurer's profitability.

<sup>4</sup> Moral hazard refers to the situation in which entering into an insurance contract results in a change in practices by the insured, raising the latter's risk profile ex post, and increasing the likelihood that indemnities are paid.

findings of the workshop entitled “Innovative Agricultural Production Risk Management Instruments in Central America: Opportunities and Challenges for Reaching the Rural Poor” organized by the Bank, the World Bank, and CABI in June 2005<sup>5</sup>). These new instruments provide an opportunity to overcome the market barriers and failures that have impeded the development of the agricultural insurance market, since they are able to reduce the amount of asymmetric information, cut administration and supervision costs, and promote risk diversification and transfer. One example of such innovative instruments is parametric insurance, which is based on an objective index beyond the control of the producer that is easy and not costly to verify, thus making it possible to diversify and transfer risks globally.

- 1.7 The region has a very short track record in the supply of agricultural insurance instruments. Agricultural insurance began to be used in Honduras in the late 1990s, after interest was expressed by a foreign reinsurance company. In Guatemala it began in 1999 and in El Salvador in 2002. No fixed market has yet emerged in Nicaragua. In this context, there is an opportunity for the public and private sectors to improve the conditions under which the insurance companies operate by: (i) achieving economies of scale in obtaining data for risk analysis and supervision; (ii) promoting innovation in financial instruments by strengthening the legal and policy framework, providing greater access to information, and implementing pilot demonstration projects; and (iii) achieving greater risk diversification and transfer by improving the legal framework and data collection to attract foreign insurance and reinsurance companies. These opportunities have the potential to cut transaction costs (administration and supervision) and overcome the legal framework barriers mentioned in paragraph 1.4.

#### **D. The strategic response for Central America**

- 1.8 In Central America, rural financial services in general, and financing for agriculture in particular, are very limited, and do not reach small agricultural producers. Among the well-known reasons for the lack of financing and investment in the agricultural sector are the limitations that arise from uncertain land tenure and titling and weak framework of guarantees.
- 1.9 Given this situation, being able to have an instrument to insure agricultural production would enable producers to reduce the financial risk of their production, and at the same time use the insurance as collateral recognized by commercial banks for investment loans. This means that support for the development of the agricultural insurance market in Central America could become the linchpin for strengthening financing and rural investment in the region.

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<sup>5</sup> For documents and presentations of the conference see:  
[http://www.iadb.org/regions/re2/ag\\_insurance/events.cfm](http://www.iadb.org/regions/re2/ag_insurance/events.cfm)

- 1.10 It is precisely in this context that this operation will seek to solve the above-noted problems facing the development of the agricultural insurance market by implementing an information platform, fostering innovative agricultural insurance instruments, and improving the legal/regulatory and public policy framework. Public-private coordination will be sought to help overcome the present barriers and market failures mentioned, reduce transaction costs and facilitate insurers' access to the agricultural insurance market, expand coverage for small and medium-sized producers, and obtain guarantees for access to financing and investment, as well as to offer a demonstration effect in the region.
- 1.11 **MIF Strategy.** The successful execution of this project will have a positive impact on the competitiveness of the Central American agricultural sector. As a result of the project, an **innovative** and permanent service will be set up for financial institutions and producers and the supply of and demand for these services will increase. Additionally, it will have a **demonstration effect**, considering that it will foster the design of innovative instruments that will be measured and implemented through pilot projects.
- 1.12 **Relationship with other initiatives and organizations.** The project was designed jointly with the World Bank and CABEI, which made a commitment to FIDES to make counterpart contributions to the project (see Annex XI for a copy of those documents). Also, the Canadian Technical Assistance Program (CANTAP-3) financed the consulting services needed to support the preparation of this operation through operation RS-T1116.
- 1.13 Several IDB projects finance or will finance activities that benefit agricultural producers, and synergies will be sought between these projects and the proposed MIF project. Especially important are: the Food and Agricultural Production Reactivation Program (NI-0159), the Retooling Agribusiness Project (ES-0119), the Trinational Sustainable Development Program in the Upper Lempa River Basin (CA-0034), the Rural Economy Reactivation Program (HO-0144), and the Program to Foster Sustainable Agricultural Production (CR-0142). Lastly, this project is consistent with the Bank's strategies in the areas of competitiveness (document GN-2243-1), integration (document GN-2245-3), and sustainable development (document GN-2195-3).

## II. PROJECT OBJECTIVES AND COMPONENTS

### A. Project objectives

- 2.1 The objective of the project is to contribute to developing the agricultural sector in Central America through the efficient financial management of the production risks faced by producers. The purpose is to lay the foundations for the development of the agricultural insurance market for Central America.

## **B. Project components**

- 1. Component I: Strengthening of the legal and policy framework of the agricultural sector for the use of agricultural insurance (MIF: US\$119,190; Counterpart: US\$100,410).**
- 2.2 The objective of this component is to recommend a regulatory and policy framework appropriate for fostering the development of the agricultural insurance market.
- 2.3 **Strengthening of the legal framework.** Consulting services will be contracted to review the laws, regulations, and decisions that govern the activities of agricultural insurance companies in each country; the provisions and considerations set forth in other laws that involve applying financial formulas in the laws and regulations will be compared with other countries (such as Canada, Mexico, Argentina, etc.) that have a developed private agricultural insurance sector. Lastly, draft decrees and/or administrative decisions will be drawn up to make the development of the agricultural insurance market more efficient, especially in relation to the adoption of innovative instruments for managing and transferring risks. The detailed description of the consultants' activities can be found in the project's Operating Regulations (Annex XIII).
- 2.4 The expected results are: (i) a diagnostic assessment of the regulatory framework in which agricultural insurance and reinsurance companies operate in each of the CA-4 countries, comparing it with the best practices and with at least two other countries with a developed private agricultural insurance sector; (ii) proposed models, draft decrees, and/or administrative decisions to make the development of the agricultural insurance market more efficient, especially in relation to the adoption of innovative instruments for managing and transferring risk; and (iii) draft regulations and bills presented to the corresponding national authorities in each country.
- 2.5 **Strengthening of the public policy framework.** A consulting firm will be contracted to analyze and review the public policy framework in which the agricultural insurance and reinsurance companies operate in the CA-4, in relation to fostering instruments for the management and transfer of the private risks of agricultural production. Institutional and financial mechanisms will be identified to aggregate and diversify risks and to extend coverage to small and medium-sized agricultural producers. This analysis will include not only a review of the region's institutions (banks, producers' associations, nongovernmental organizations (NGOs), local governments, etc.), but also cases of other countries with developed private agricultural insurance systems. Lastly, based on the analyses and reviews, a strategic plan involving public-private actions to promote the development of the agricultural insurance market will be prepared and proposed, which covers the use and development of innovative instruments for managing and transferring

agricultural production risk affecting small producers. The work will be done in coordination with the Ministries of Finance and Agriculture, the objective being that the proposed public-private action plan is to be defined jointly.

- 2.6 The expected outputs are: (i) an analysis of the public policy framework in which the agricultural insurance and reinsurance market develops in each CA-4 country, and in at least two other countries with a developed private agricultural insurance sector; (ii) a strategic plan involving public-private actions to promote the development of the agricultural insurance market, which covers the use and development of innovative instruments for managing and transferring agricultural production risk affecting small producers; and (iii) presentation of the action plan and its respective proposals for improving the public policy framework presented to the corresponding national authorities in each country.

**2. Component II: Design and implementation of a technological and information platform for the analysis, supervision, and management of risks in the agricultural sector (MIF: US\$761,280; Counterpart: US\$323,520)**

- 2.7 This component aims to support the design and implementation of an information platform that will encourage the development of new and additional agricultural insurance instruments, and to define the public-private mechanisms for their implementation and sustainability. The activities anticipated are the design and implementation of an information services platform for each country for agricultural sector risk analysis, supervision, and management, accessible to both the insurance companies and other rural financial institutions. The design section includes: (i) defining the mechanism of supply and feedback of information between the public sector (meteorological service, ministry of agriculture, statistics institutes, etc.) and the private sector (financial institutions, insurance companies, general public); and (ii) analysis of the institutional and financial viability of the platform.
- 2.8 In order to prepare and design the technological and information platform, the consultant will be in constant contact with the insurance companies, reinsurance companies, and rural financial institutions (direct beneficiaries of the system) and with institutions that will supply the information systematically (meteorological services, ministry of agriculture, statistics institutes, etc.). The starting point for defining the scope and characteristics of the platform will be the current information required by the insurance companies (and other financial institutions) and the information required to encourage improvements and innovation in the design and implementation of insurance instruments. This platform design strategy will ensure that economies of scale are being achieved in the collection of information by the private sector, resulting in lowered transaction costs. The consultant should define the parameters for delivering information to the clients, to which end he or she will work on the basis of the current demands of the insurance

and reinsurance companies involved in the agricultural insurance market in Central America.

- 2.9 The objective is to end up with a regional information system, but the prefeasibility analysis that was done shows that real-time communication among the various countries would be too costly at present. For this reason the project will work individually in each country, leaving open the possibility of subsequently establishing different types of connectivity between countries.
- 2.10 Honduras is the most advanced country in terms of systematizing the information needed, so the project will begin by designing and implementing the information platform there; it will serve as a model for the other countries. Chronologically, El Salvador and Guatemala will follow during the second and third years of execution; they are at a relatively less advanced stage in terms of having systematized information. Lastly, given that Nicaragua is not advanced in terms of available information, it will be given specific support to lay the groundwork for the future systematization of information through recommendations to the public sector on policies in this area as well as agreements and laws needed to require the institutions involved to feed information to a centralized system.
- 2.11 Once the design and implementation have been completed, a campaign will be carried out to disseminate the services offered by the information platform to the public and private sectors in each country. The financial sustainability of the system will be assured by a mechanism to charge the users of the system for services, to be designed at the same time as the technical and institutional aspects of the information platform.
- 2.12 The expected outputs are: (i) an analysis of the availability and quality of data for establishing an information platform in each of the CA-4 countries; (ii) an analysis and submission of proposals for establishing the information platform to the relevant institutions and to the private sector with the respective plan of action; (iii) design and implementation of an information platform for the CA-4; and (iv) a campaign to publicize the services offered by the information platform to the public and private sectors.

### **3. Component III: Design, implementation, evaluation, and promotion of the use of innovative agricultural insurance instruments (MIF: US\$580,390; Counterpart: US\$589,590)**

- 2.13 **Design, implementation, and evaluation of innovative agricultural insurance instruments.** One or two pilot projects will be chosen per country, for the design and implementation of innovative instruments for managing and transferring agricultural production risks. Such projects will be proposed by insurance and reinsurance companies interested in participating in the program. A technical assistance agreement will be signed by FIDES and the insurance company or

companies for each pilot project (see model agreement in Annex V). The selection process will be administered by the Board of Directors of the project and will be based on minimal criteria that meet the project's objectives and requirements, such as: (i) innovation; (ii) the potential for reaching small and medium-sized producers; (iii) reduction in the transaction costs of supplying insurance; (iv) replicability; (v) type of production (activity not included in the exclusion list stipulated in Annex I of the socio-environmental guide for the Bank's microenterprise operations—see Annex VIII); and (vi) the extent to which the information platform is used, and the regulatory and policy reforms. The benefits of designing and implementing those innovative instruments are: (i) the demonstration effect for developing the agricultural insurance market; and (ii) the expanded coverage of risks in rural areas, especially to small and medium-sized agricultural producers. Once each pilot is finalized, the results will be evaluated to draw out the lessons learned.

- 2.14 **Promotion of the use of innovative agricultural insurance instruments.** Once the evaluations of the pilots in the previous activity have been finalized, promotion and training activities will be undertaken on the use of instruments for managing agricultural risk. The activities to be financed are as follows: (i) promotion and dissemination campaigns aimed at the different sectors (public, financial, productive, civil, etc.) on the benefits of using innovative agricultural insurance instruments; and (ii) training programs on the various aspects of use (producers, banking system, government), supply (insurance companies), supervision (regulatory agencies), and design (financial institutions) of innovative instruments for agricultural insurance.

### III. COST AND FINANCING

- 3.1 The total cost of the project has been estimated at US\$3,000,000, of which US\$1,800,000 will come from the MIF, while US\$1,200,000 in counterpart resources will be provided by FIDES.

Components	MIF	FIDES cash	FIDES in-kind	Total	%
Component I: Legal/policy framework	119,190	57,210	43,200	219,600	7%
Component II: Information platform	761,280	172,320	151,200	1,084,800	36%
Component III: Design, implementation, and promotion of innovative instruments	580,390	250,990	338,600	1,169,980	39%
Project administration	215,720	124,080	62,400	402,200	13%
Monitoring and evaluation	40,000	0	0	40,000	1%
Auditing	32,000	0	0	32,000	1%
Contingencies	51,420	0	0	51,420	2%
<b>Total</b>	<b>1,800,000</b>	<b>604,600</b>	<b>595,400</b>	<b>3,000,000</b>	<b>100%</b>
Percentage (%)	60%	20%	20%	100%	

- 3.2 **Sustainability.** This project has several elements related to sustainability. **First**, the strengthening of the legal and policy framework and access to information will make it easier for insurance and reinsurance companies to expand their coverage to the agricultural sector, specifically to the small producers segment. **Second**, the focus on training of technical personnel from insurance companies and agricultural producers in the pilot projects will ensure that the technical personnel who work with the providers of agricultural insurance services for the pilot projects will be able to replicate the activities of designing and implementing innovative agricultural insurance without the support of the project. **Third**, the reduction in transaction costs for obtaining information through the information platform will leave in place the local capacity in each country for improving and coming up with new agricultural insurance instruments, thereby making it possible to continue to expand insurance coverage without project support. **Fourth**, the demonstration effect of the pilot groups will offer a structural change in the way agricultural insurance instruments are operated and designed. Lastly, given that the mechanism for executing this regional project involves coordination with a group of partners in each country (see paragraph 4.2), it is expected that they and FIDES will be strengthened during this process, so that they will be in a position to continue the activities after the project ends.

#### IV. EXECUTING AGENCY AND EXECUTION MECHANISM

- 4.1 **Executing agency.** The Federación Interamericana de Empresas de Seguros [Inter-American Federation of Insurance Companies] (FIDES) will be responsible for executing the project and obtaining the counterpart resources. FIDES is a nonprofit organization comprised of insurance companies and associations of private insurers of Latin America, the United States, and the Iberian Peninsula; its mission is to provide support to the private insurance sector in the areas of training, information, globalization, and integration. For purposes of execution, FIDES will take advantage of the presence of associations of private insurers with offices in Guatemala, El Salvador, Nicaragua, and Honduras. FIDES has over 50 years' experience in developing and promoting the private insurance sector in Latin America, and represents 1,200 insurance companies in 22 countries. FIDES also enjoys the support of the World Bank and CABEI for project execution and counterpart funding. FIDES will sign an agreement with the World Bank and CABEI, the presentation of which will be a condition precedent to the first disbursement.
- 4.2 **Execution Mechanism.** For project execution, a Project Board of Directors will be established, chaired by FIDES, and including seats for the CAC and partner institutions in each country. The partner institutions identified are: the Asociación Nicaragüense de Aseguradoras Privadas [Nicaraguan Association of Private Insurance Companies] (ANAPRI); the Asociación Guatemalteca de Instituciones de Seguros [Guatemalan Association of Insurance Institutions] (AGIS); the Cámara



Hondureña de Aseguradores [Honduran Chamber of Insurance Companies] (CAHDA); and the Asociación Salvadoreña de Empresas de Seguros [Salvadoran Association of Insurance Companies] (ASES). In the event that any of these institutions decides not to participate in the project, FIDES may sign a contract with individual insurers directly, subject to those companies undertaking to publicize the results once the activities have concluded. FIDES may then designate a person from that country to replace the representative of the national association on the Board of Directors. The Board of Directors will meet every six months, for the presentation of the six-month report, to monitor the project. To ensure sound execution of the project, the Board of Directors will also meet half way through each six-month period, by telephone conference, to continue to monitor the project, and to be able to make adjustments or anticipate problems. The participation of the national partners (associations of companies and/or individual companies) is fundamental for the sustainability of the project activities and its impact beyond the duration of the operation.

- 4.3 A Project Coordinating Unit (PCU) will report to the Board of Directors, which will be organized within FIDES and which will be made up of the project manager, a financial manager, and an administrative assistant. The PCU will also have four local coordinators, one per country.<sup>6</sup> These coordinators will perform exclusively technical tasks under each of the components and will use the logistical and administrative support provided by the partner insurance associations. The functions of the PCU are: (i) to prepare and execute the annual work plans (AWPs); (ii) to coordinate the project activities; (iii) to contract, in keeping with the rules of the Bank, and supervise the procurement of goods and services; (iv) to supervise the timely and effective execution of the project components; (v) to process requests for Bank disbursements; (vi) to prepare and submit account statements and management reports to the Project Board of Directors and to the Bank; (vii) to monitor the performance indicators established in the logical framework; and (viii) to verify the counterpart contribution of the project beneficiaries.
- 4.4 To ensure coordination, the executing agency signed cooperation agreements with the associations of insurance companies of Honduras and Guatemala (see Annex IV for a copy of the signed agreements). The agreements with El Salvador and Nicaragua are awaiting signature. The disbursements for specific project activities in El Salvador and Nicaragua will require evidence that the agreement between FIDES and the partner institution in the country in question has been signed.
- 4.5 **Project readiness.** The draft Operating Regulations were discussed during the Analysis Mission. It is therefore unlikely that its final acceptance by FIDES and its partners will delay the initiation of project execution. The acceptance of the Operating Regulations by the Board of Directors is a condition precedent to the first

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<sup>6</sup> These coordinators will work part-time and will be financed from the local contribution of the local partners.

disbursement. In addition, the agreements that guarantee the counterpart financing are already in place, there is a baseline, a monitoring system, and a detailed budget and logical framework, defined by consensus with the insurance companies.

- 4.6 **Execution and disbursement periods.** The project will be executed over a 48-month period, and the disbursement of MIF resources will take place over 54 months.
- 4.7 **Procurement of goods and services.** To contract consulting services and procure goods with MIF resources, FIDES must comply with all the rules, procedures, and policies established by the Bank for the procurement of goods and for the selection and contracting of consultants, in keeping with documents GN-2349-4 and GN-2350-4, respectively. FIDES prepared a procurement plan that was sent to the Bank for approval. The plan covers the initial 18 months of project execution, and will be updated each year based on the relevant stipulations of the Bank's Procurement Policy.

## **V. MONITORING AND EVALUATION**

### **A. Monitoring**

- 5.1 The executing agency will prepare progress reports on the project and present them to the Bank's Country Office in Honduras within 30 days of the end of each six-month period, and a final report within 30 days after the final disbursement. These reports will follow a format previously agreed upon with the Country Office, and will address the project activities and finances as well as the results measured in terms of the execution indicators identified in the project's logical framework. The Country Office will use these reports to supervise progress in implementing the project, and will prepare a project completion report no later than three months after the last disbursement.
- 5.2 The executing agency will be responsible for compiling and analyzing the relevant information for continuous monitoring of the main indicators established by the logical framework in Annex I to this document, or modified by mutual agreement between the Bank and the executing agency. The executing agency and the Bank will use these indicators to supervise and evaluate the project; they should be used both in preparing the semiannual project reports, and in the midterm and final evaluation reports.

### **B. Evaluations**

- 5.3 The Bank, using project funds, will contract external consultants to perform two evaluations: a midterm evaluation, approximately 24 months after the project has been declared eligible for disbursements, or when 50% of the resources have been disbursed; and a final evaluation, when 95% of the contribution has been disbursed,

that analyzes the outcomes, lessons learned, and possible mechanisms for replication in other countries. The terms of reference for performing these evaluations will be prepared by the Bank in collaboration with the executing agency. The midterm evaluation will analyze progress made and the overall performance of the project, placing special emphasis on: (i) the usefulness and acceptance of the pilot projects' agricultural insurance instruments; (ii) the economic evaluation of the implementation of those instruments; (iii) the extent to which the users are satisfied (insurance companies and agricultural producers) with the services of the project; (iv) the usefulness and acceptance of the information platform by existing and potential users; and (v) the usefulness and acceptance of changes in and improvements to the regulatory and public-private coordination framework by the insurance companies. Based on the results of the analysis, recommendations will be made as to any necessary adjustments for the use of the remaining funds. For the final evaluation, the external consultants will evaluate the project's impact based on broader criteria. In particular, the following will be evaluated: (i) the economic impact on the agricultural producers and insurance companies involved in the pilot projects; (ii) the impact on the development of the agricultural insurance market and its coverage of the sector; (iii) the impact of developing agricultural insurance on investments in and financing to the sector; and (iv) the impact on the development of new innovative instruments for the management and transfer of agricultural production risks. The consultants will also use the logical framework in Annex I or as modified by mutual agreement between the Bank and the executing agency. The executing agency will provide access to all the information and documentation needed to perform the evaluations.

- 5.4 The Bank's Country Office in Honduras, with the support of the project team and the executing agency, will perform annual performance reviews to determine the extent to which the project's objectives have been attained. These reviews will determine the annual counterpart needs, and whether to continue, suspend, or cancel the project.

## VI. BENEFITS AND RISKS

- 6.1 **Benefits.** The benefits of the project are as follows: (i) innovation in agricultural insurance instruments will be fostered to expand risk coverage, especially to small and medium-sized agricultural producers; (ii) the cost to insurance companies (and other financial institutions) of collecting information for agricultural risk analysis, administration, and supervision will be lowered; (iii) agricultural producers will gain better access to financing as a result of the reduced financial risk of his or her production and the possibility of using insurance as a guarantee recognized by commercial banks for investment loans; and (iv) transaction costs will be cut and competition among insurance and reinsurance companies will increase when it comes to offering agricultural insurance through a more efficient and effective regulatory and public-private coordination framework.

- 6.2 **Beneficiaries.** Project beneficiaries will include: (i) 700 agricultural producers who participate in the pilot projects; (ii) 1,000 agricultural producers trained in the design and implementation of innovative agricultural insurance instruments; (iii) 100 local professionals and representatives of financial institutions (insurance companies, banks, NGOs, etc.) trained in the design and implementation of innovative agricultural insurance instruments; (iv) 12 institutions that benefit from the services of the information platform; (v) 14 institutions that benefit from an improved regulatory and public-private coordination framework; (vi) the public sector, which will see a reduction in its fiscal burden allocated to provide support for the agricultural sector in the event of production losses; and (vii) FIDES and the national associations of private insurers in the countries that were strengthened through the project activities. Overall, it is expected that the number of insured producers will at least double during the project, from 3,000 producers regionally, to over 6,000. The project is also expected to help increase the number of insurers who offer agricultural insurance from seven, at present, to over 15.
- 6.3 **Risks.** The project may face some risks as a result of: (i) the possibility that the demand for agricultural insurance instruments will drop based on the perception that the government will compensate for production losses resulting from exogenous events; (ii) the agricultural producers' financial limitations, which could keep them from financing the premiums; (iii) the lack of acceptance by the public sector of the changes in the regulatory and policy framework; and (iv) the possibility that the limited number of pilot projects per country will not have the desired demonstration effect in terms of stimulating an acceleration in the amount of planted area insured. These risks will be mitigated as follows: (i) despite the risk of government intervention in the case of natural disasters, the project will work with the public sector to channel producer demands for compensation in a more effective and appropriate manner; (ii) the second risk will be mitigated by the activities to strengthen the legal framework and to make it easier for the private sector to collect information that will enable it to diversify risks and lower transaction costs for insurance and reinsurance companies so that they are able to offer coverage that does not mean large premium payments for producers; (iii) the third risk will be mitigated by inclusion of the CAC on the Board of Directors of the project, and the constant coordination under each component with the corresponding public-sector agencies, especially the superintendencies; and (iv) the last risk will be mitigated by campaigns to disseminate the results and promote the use of innovative agricultural insurance instruments among the market actors (producers and insurers, reinsurers, and banks).

## VII. ENVIRONMENTAL AND SOCIAL IMPACTS

- 7.1 The program will not have negative environmental impacts since its activities focus on developing the agricultural insurance market in Central America. The program could have a positive environmental and social impact, by providing financial

instruments for managing production risks that enable agricultural producers to improve their financial position vis-à-vis climate changes and therefore maintain their environmental conservation and social investment practices. The criteria for selecting pilots (see paragraph 2.13) will take into account the exclusion list stipulated in Annex I to the Bank's socio-environmental guide for microenterprise operations (see Annex VIII).

**SUPPORT FOR DEVELOPMENT OF THE AGRICULTURAL INSURANCE MARKET IN CENTRAL AMERICA  
(RG-M1029)  
LOGICAL FRAMEWORK**

Narrative summary	Indicator	Means of verification	Assumptions
<b>Goal</b>			
To contribute to the development of the agricultural sector in Central America through the efficient financial management of the production risks farmers face.	Two years after the project has concluded: 5% increase in investment in and expansion of credit to the agricultural sector in the CA-4.	National reports on financing and investment in the agricultural sector.	Political and macroeconomic stability.
<b>Purpose</b>			
To lay the foundation for the development of the agricultural insurance market in the CA-4 (Honduras, Nicaragua, El Salvador, and Guatemala)	On average, the following results with respect to the baseline are verified in each of the participating countries, 48 months into execution : <ul style="list-style-type: none"> <li>• Diversification and 25% increase in the number of agricultural insurance products offered in the market.</li> <li>• A 50% expansion in the number of insurance companies that offer agricultural insurance.</li> <li>• A 30% expansion in the area (in hectares) covered by agricultural insurance, a 30% increase in the volume of agricultural insurance premiums, and an 80% increase in the number of agricultural producers insured.</li> <li>• Information platform operating on a sustainable basis with resources from its users in at least two countries.</li> <li>• Institutional capacity of FIDES to execute programs strengthened.</li> </ul>	Baseline and surveys of insurers.  Semiannual and final project reports by the executing agency.  Midterm and final evaluation reports by the external consultant.  PPMRs and PCR.	The trade liberalization in the region continues.

Narrative summary	Indicator	Means of verification	Assumptions
<b>Components</b>			
<p>I. Strengthening of the legal and policy framework of the agricultural sector for the use of agricultural insurance.</p>	<p>At six months from the first disbursement:</p> <ul style="list-style-type: none"> <li>An assessment of the regulatory and legal framework in which the agricultural insurance and reinsurance companies operate developed for each of the CA-4 countries.</li> </ul> <p>At 12 months from the first disbursement:</p> <ul style="list-style-type: none"> <li>A strategic public-private action plan to promote the development of the agricultural insurance market for each CA-4 country.</li> <li>Proposals for changes in the laws, regulations, and policies drafted, submitted, and agreed upon by consensus with the corresponding government authorities.</li> <li>Laws, regulations, and policies aimed at making the agricultural insurance market more efficient, approved.</li> </ul>	<p>Ministerial, legislative, and/or superintendency decisions.</p> <p>Semiannual and final reports on the project by the executing agency.</p> <p>Midterm and final evaluation reports by the external consultant.</p> <p>PPMRs and PCR.</p>	<p>The public sector does not increase its nonexplicit ex post intervention due to systemic production losses in the agricultural sector.</p> <p>Stable legal framework.</p> <p>Public sector support for developing the agricultural insurance market in the CA-4</p>

Narrative summary	Indicator	Means of verification	Assumptions
<p>II. Technological and information platform for risk analysis, supervision, and management in the agricultural sector in Central America designed and implemented.</p>	<p>At 24 months from the first disbursement:</p> <ul style="list-style-type: none"> <li>Information platform implemented and operating efficiently in at least one CA-4 country.</li> </ul> <p>At 48 months from the first disbursement:</p> <ul style="list-style-type: none"> <li>Increase in quality and availability of, and reduction in the cost of access to, information for analyzing, managing, and supervising agricultural risks by financial institutions (insurers, reinsurers, banks, and government institutions).</li> <li>At least 100 requests to use the information platform from throughout the CA-4 countries.</li> <li>At least 500 entries in the information platform from CA-4 users.</li> </ul>	<p>Baseline and surveys of insurers and financial institutions.</p> <p>Project files.</p> <p>Semiannual and final project reports by the executing agency.</p> <p>Midterm and final evaluation reports by the external consultant.</p> <p>PPMRs and PCR.</p>	<p>The public sector provides the data needed to feed the information system in timely fashion.</p>
<p>III. Innovative agricultural insurance instruments in Central America designed, promoted, and implemented.</p>	<p>At 12 months from the first disbursement:</p> <ul style="list-style-type: none"> <li>At least two innovative products for the agricultural insurance market designed in the CA-4.</li> <li>Implementation of at least one pilot project beginning in the CA-4.</li> </ul> <p>At 36 months from the first disbursement:</p> <ul style="list-style-type: none"> <li>At least four pilot projects defined involving local insurers in the CA-4.</li> </ul> <p>At 48 months from the first disbursement:</p> <ul style="list-style-type: none"> <li>At least four financial institutions (insurers and/or banks) trained in and using innovative instruments for managing agricultural production risks.</li> <li>At least 1,000 hectares insured in the pilot projects.</li> </ul>	<p>Surveys of insurers and financial institutions</p> <p>Baseline and annual survey of the pilots (companies and producers)</p> <p>Project files</p> <p>Semiannual and final project reports by the executing agency.</p> <p>Midterm and final evaluation reports by the external consultant.</p> <p>PPMRs and PCR.</p>	<p>The public sector supports and does not intervene nonexplicitly in the implementation of the pilot projects involving innovative instruments for managing risk in the agricultural sector.</p>



Narrative summary	Indicator	Means of verification	Assumptions
<b>Activities</b>			
1.1 Detailed analysis (benchmarking) of the legal framework, identification of regulatory needs, and preparation of regulatory models, draft degrees, and/or administrative decisions.	<ul style="list-style-type: none"> <li>Analysis performed and draft documents prepared and submitted to the pertinent government authorities of the CA-4 in the first year.</li> </ul>	<ul style="list-style-type: none"> <li>Service delivery agreements and monitoring and final project reports.</li> </ul>	
1.2 Detailed analysis (benchmarking) of the public policy framework, identification of institutional and financial mechanisms for aggregating risks, and preparation of a public-private action plan to promote the private agricultural insurance market.	<ul style="list-style-type: none"> <li>Analysis performed and proposal for public-private action plan drawn up and submitted to the relevant governmental authorities of the CA-4 within the first year.</li> </ul>	<ul style="list-style-type: none"> <li>Service delivery agreements and monitoring and final project reports.</li> </ul>	
2.1 Definition of the mechanism for public-private coordination for the design, implementation, and maintenance of the information platform for the analysis, supervision, and management of risks in the agricultural sector.	<ul style="list-style-type: none"> <li>Public-private mechanism prepared by the end of the first six months</li> <li>Agreements with entities providing information from the CA-4 signed by the end of the first year.</li> <li>Agreement to provide information services with clients (public and private) from the CA-4 signed by the end of the first year.</li> </ul>	<ul style="list-style-type: none"> <li>Service delivery agreements and monitoring and final project reports.</li> </ul>	Support from the public sector for developing the agricultural insurance market in the CA-4.
2.2 Design, implementation, and dissemination of the regional information platform for the analysis, supervision, and management of risk in the agricultural sector.	<ul style="list-style-type: none"> <li>Information platform for risk analysis and services for supervising and managing the insured in the agricultural sector in operation in at least two countries by the end of the second year.</li> <li>Eight workshops to disseminate the virtues of the information platform executed before the end of the fourth year in the CA-4.</li> </ul>	<ul style="list-style-type: none"> <li>Service delivery agreements and monitoring reports.</li> <li>Record of the event (programs; informational bulletins; lists of participants).</li> </ul>	The interest of the insurance and reinsurance sector in expanding agricultural sector coverage continues.
3.1 Design, implementation, and evaluation of innovative instruments for managing agricultural risks through pilot projects.	<ul style="list-style-type: none"> <li>Five pilot projects for designing and implementing innovative instruments for managing agricultural risk executed by the end of the fourth year.</li> <li>Evaluation completed by the end of the third year.</li> </ul>	<ul style="list-style-type: none"> <li>Service delivery agreements and monitoring reports.</li> <li>Quarterly technical reports.</li> </ul>	The interest of the insurance and reinsurance sector in expanding agricultural sector coverage continues.

Narrative summary	Indicator	Means of verification	Assumptions
3.2 Promotion, awareness-raising, training and dissemination of the results and lessons learned from the pilot projects and from the use of innovative instruments for managing agricultural risk.	<ul style="list-style-type: none"> <li>• Eight workshops for disseminating the virtues of the innovative instruments from the pilot projects executed in the CA-4 by the end of the fourth year.</li> <li>• 30 producers, and financial sector agents (banking and insurance) of the CA-4 trained in the use of instruments for managing agricultural risk by the end of the third year.</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly technical reports.</li> <li>• Record of the event (programs; informational bulletins; lists of participants).</li> </ul>	
3.3 Compilation of a book with the project reports and results, and organization of a regional meeting to mark the conclusion of the project, show the final outcomes, and share the experiences.	<ul style="list-style-type: none"> <li>• Book published by the end of the fourth year.</li> <li>• An event with 150 participants before the end of the fourth year.</li> </ul>	<ul style="list-style-type: none"> <li>• Publication of the book</li> <li>• Record of the event</li> </ul>	

**BUDGET – SUMMARY  
(RG-M1029)**

**BUDGET – TOTAL**

Account Title	TOTAL Cost	Funding		
		IDB/MIF	FIDES Cash	FIDES In Kind
<b>I Support to the Regulatory and Policy framework</b>	<b>219,600</b>	<b>119,190</b>	<b>57,210</b>	<b>43,200</b>
1.0 Project Implementation Team	90,120	39,960	6,960	43,200
1.1 Analyze Regulatory Framework	79,230	79,230	-	-
1.2 Analyze Policy Framework	50,250	-	50,250	-
<b>II Design and Implementation of Info. Platform</b>	<b>1,084,800</b>	<b>761,280</b>	<b>172,320</b>	<b>151,200</b>
2.0 Project Implementation Team	312,180	119,700	41,280	151,200
2.1 Definition of Public-private mechanism	68,550	-	68,550	-
2.2 Design, Implementation and promotion of info. Platform	704,070	641,580	62,490	-
<b>III Design, Implementation and promotion of innovative instruments</b>	<b>1,169,980</b>	<b>580,390</b>	<b>250,990</b>	<b>338,600</b>
3.0 Project Implementation Team	497,580	139,860	206,520	151,200
3.1 Design and Implementation of Pilot Projects	269,940	54,145	44,470	171,325
3.2 Evaluation of pilot projects	45,300	29,225	-	16,075
3.3 Promotion of innovative instruments	145,450	145,450	-	-
3.4 Training Activities	202,000	202,000	-	-
3.5 Organize Final Regional Conference to Disseminate Results	9,710	9,710	-	-
<b>IV Administration</b>	<b>402,200</b>	<b>215,720</b>	<b>124,080</b>	<b>62,400</b>
<b>V Evaluations</b>	<b>40,000</b>	<b>40,000</b>	<b>-</b>	<b>-</b>
<b>VI Financial Audits</b>	<b>32,000</b>	<b>32,000</b>	<b>-</b>	<b>-</b>
<b>VII Contingencies</b>	<b>51,420</b>	<b>51,420</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENSES</b>	<b>3,000,000</b>	<b>1,800,000</b>	<b>604,600</b>	<b>595,400</b>

**REGIONAL (HONDURAS, GUATEMALA, EL SALVADOR, AND NICARAGUA)  
SUPPORT FOR DEVELOPMENT OF THE AGRICULTURAL INSURANCE MARKET IN CENTRAL AMERICA  
RG-M1029**

**A. MIF Projects identical or similar to the project**

None

**B. Bank projects similar or related to the project**

<b>Project number / date of approval</b>	<b>Project title, executing agency, and amount</b>	<b>Date of signature and original disbursement period, in months</b>	<b>Percentage disbursed</b>	<b>Comments: satisfactory execution or problems in the execution, including delays, extensions, reformulation, change in executing agency, etc.</b>
1398/OC-GU 17 March 2002	Program of Natural Resource Management in Upper Watersheds Ministry of Agriculture US\$40 million	December 2002 5 years	1.9%	Project in execution classified unsatisfactory (U/P). Execution has not begun of any of the components. Nonetheless, the program executing unit has already been set up, and the call for bids for choosing a company is under way; it is expected to conclude in early 2005.
1110/SF-NI 18 September 2002	Rural production revitalization program Rural Development Institute US\$68 million	19 November 2002 5 years	29.09%	Project is in execution and classified as satisfactory (S/P). The program has succeeded in committing 40% of the investment resources.
1327/OC-ES 27 June 2001	Agribusiness Reengineering Project Ministry of Agriculture US\$25 million	20 November 2001	10.3%	Project in execution classified as satisfactory (S/P). Even though the project is still behind, with approximately 8% of the total disbursed, and with physical progress estimated at 25%, it should be noted that in the last six months major strides have been made in each of the components.

<b>Project number / date of approval</b>	<b>Project title, executing agency, and amount</b>	<b>Date of signature and original disbursement period, in months</b>	<b>Percentage disbursed</b>	<b>Comments: satisfactory execution or problems in the execution, including delays, extensions, reformulation, change in executing agency, etc.</b>
1331/OC-GU, 1082/SF-HO 25 July 2001	Trinational program for sustainable development in the upper lempa river basin  Trinational Commission of the Trifinio Plan  US\$4.5 million (GU) US\$3.3 million (HO)	6 December 2001 (HO) 12 December 2001 (GU) 5 years	18.65% (HO) 10.72% (ES)	Project in execution, classified as unsatisfactory (U/P). The executing agency agreed with the Bank on a strategy for execution for 2004 in order to conclude the actions needed for giving impetus to execution of the program in 2005.
1063/SF-HO 20 September 2000	Program for revitalization of the rural economy  Ministry of Agriculture  US\$30 million	16 November 2000 5 years	78.46%	Project in execution, classified as satisfactory (S/P). The three components of the project show conduct that is also satisfactory, 100% of the resources are committed, and already allocated to activities and projects to be executed.

### C. MIF Projects related to the same sector or beneficiaries as the project

<b>Project number / date of approval</b>	<b>Project title, executing agency, and amount</b>	<b>Date of signature and original period of disbursement in months</b>	<b>Percentage disbursement</b>	<b>Comments: satisfactory execution or problems in execution, including delays, extensions, reformulation, change in executing agency, etc.</b>
ATN/MT-4471-ES 14 March 1994	Strengthening of the Office of the Bank Examiner  Office of the Bank Examiner  US\$1,832,000 from the MIF	27 May 1994 30 months (extended for 30 months)	100%	Project concluded, classified as satisfactory (S/P). The laws on the Superintendencies of Securities, Pensions, and Banks were adopted and are in force; in addition, a regulatory framework was put in place for insurance companies.

<b>Project number / date of approval</b>	<b>Project title, executing agency, and amount</b>	<b>Date of signature and original period of disbursement in months</b>	<b>Percentage disbursement</b>	<b>Comments: satisfactory execution or problems in execution, including delays, extensions, reformulation, change in executing agency, etc.</b>
ATN/MT-6400-ES 24 February 1999	Program in Support of the Financial Sector in El Salvador  Presidential Commission for the Modernization of the Public Sector  US\$2,962,200 from the MIF	26 July 2000  66 months  (extended for 24)	41%	Project classified as satisfactory (S/P). The performance indicators are being met, and there is a commitment on the part of the coexecuting agencies and the executing agency to expedite attainment of the project objectives.
ATN/ME-7204-ES 1 November 2000	Program to Support Agroenterprise Competitiveness  Cámara Agropecuaria y Agroindustrial de El Salvador (CAMAGRO)  US\$850,000 from the MIF	16 November 2000  48 months  (extended for 12)	91%	Project classified as satisfactory (S/P). The performance indicators are being met satisfactorily.
ATN/MH-5611-NI 25 June 1997	Training for Agricultural Business Development in the Departments of León and Chinandega  Techno Nicaragua  US\$1,200,000 from the MIF	17 July 1997  36 months  (extended for 3 months)	100%	Project concluded with cancellation of remaining funds totaling US\$386,723.
ATN/MT-7975-NI 7 August 2002	Support for the Superintendency of Banks and Other Financial Institutions  Superintendency of Banks and other Financial Institutions  US\$1,238,000 from the MIF	5 September 2002  42 months	30%	Yellow flag project (U/P). To date, the project has had delays in execution, and the periods for disbursement/execution will have to be extended for the development objectives to be attained.
ATN/ME-8536-NI 8 December 2003.	Support for the Expansion of Rural Financial Services and Standardization of Management Systems for Unregulated Microfinance Institutions  Asociación Nicaragüense de Instituciones de Microfinanzas  US\$470,000 from the MIF	28 January 2004  42 months	21%	Project classified as satisfactory (S/P). Despite the delays in the first year with respect to component 1, execution of the project is expected to be completed in the originally established term of 3 years.

<b>Project number / date of approval</b>	<b>Project title, executing agency, and amount</b>	<b>Date of signature and original period of disbursement in months</b>	<b>Percentage disbursement</b>	<b>Comments: satisfactory execution or problems in execution, including delays, extensions, reformulation, change in executing agency, etc.</b>
ATN/MH-5128-HO 23 January 1996	Rural Entrepreneurship Development Program Escuela Zamorano US\$1,892,300 from the MIF	2 October 1996 42 months (extended for 15 months)	100%	Project concluded. Last PPMR of July 2000 indicates IP and DO as very satisfactory and likely.
ATN/MT-5235-HO 29 May 1996	Strengthening of the Banking and Insurance Commission National Commission on Banking and Securities and Central Bank of Honduras US\$1,530,000 from the MIF	9 August 1996 28 months (extended for 24 months)	100%	Project concluded with delays. Last PPMR of July 2000 indicates slow implementation, and classification of U/P.
ATN/MT-7240-HO 29 November 2000	Strengthening the Financial Sector in Honduras Central Bank of Honduras US\$1,456,872 from the MIF	31 January 2001 36 months (extended for 24 months)	79%	Project classified as satisfactory (S/P). The key assumptions are playing out, and it is expected that the development objectives will be attained.
ATN/MT-7827-GU 3 April 2002	Project to Strengthen Bank Supervision Superintendency of Banking US\$1,000,000 from the MIF	22 May 2002 42 months (extended for 18 months)	22%	Yellow flag project (U/P). In all, 22% of the resources have been disbursed, and 96% of the execution period has passed; the Country Office recently granted the program an 18-month extension, during which time it is expected that the project activities will be concluded.
ATN/ME-7624-RG 10 October 2001	Supporting Innovations in Financial and Business Development Services for Microenterprise Catholic Relief Services US\$554,527 reduced to US\$496,000 from the MIF	5 September 2002 26 months (extended by 18 months)	89%	Project classified as highly satisfactory (HS/P). The project has attained the goals set forth, and the participating cooperatives have incorporated the community banking methodology into their lending operations with rural microentrepreneurs.

## D. MIF Projects in the CA-4

GUATEMALA MIF PORTFOLIO										
No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
1	MIF/AT-130	TC9609176	ATN/MT-5594-GU	Private Sector Participation in the Civil Aviation Sector	ME	I	4-Jun-97	Completed	1,150,000	100.00
2	MIF/AT-142	TC9603029	ATN/MH-5736-GU	Project to Promote Private Sector Participation in Technical Training in Rural Areas	FUNDEMI	II	29-Oct-97	In execution	2,000,000	83.71
3	MIF/AT-151-1	TC9704299	ATN/MT-5783-GU	Strengthening of Capital Markets	ME	I	10-Dec-97	Completed	914,030	100.00
4	MIF/AT-161	TC9702425	ATN/ME-5911-GU	Technical Assistance to Non-traditional Agricultural Producers	AGEXPRONT	IIIa	1-Apr-98	In execution	1,500,000	82.69
5	MIF/AT-204	TC9711278	ATN/MT-6210-GU	Commercial Mediation and Arbitration Center	CCG	I	29-Oct-98	Completed	447,108	100.00
6	MIF/AT-224	TC9809346	ATN/ME-6343-GU	Funding for the institutional strengthening of Génesis Empresarial	GE	IIIa	4-Jan-99	Completed	168,408	100.00
7	MIF/AT-250	TC9805443	ATN/MT-6500-GU	Institutional Development for Micro, Small & Medium Enterprises	ME	I	12-May-99	In execution	900,000	55.27
8	MIF/AT-255	TC9802192	ATN/ME-6537-GU	Business services pilot project	CIG	IIIa	2-Jun-99	In execution	1,585,070	52.59
9	MIF/AT-220	GU0140	23/MS-GU	Microenterprise Recovery Program	GE	IIIb	2-Jul-99	Completed	500,000	100.00
10	MIF/AT-220	GU0140	11/MS-GU	Microenterprise Recovery Program	GE	IIIb	2-Jul-99	Completed	50,000	100.00
11	MIF/AT-220	GU0141	12/MS-GU	Microenterprise Recovery Program	FUNDAP	IIIb	2-Jul-99	Completed	50,000	100.00
12	MIF/AT-220	GU0141	24/MS-GU	Microenterprise Recovery Program	FUNDAP	IIIb	2-Jul-99	Completed	350,000	100.00
13	MIF/AT-220	GU0142	25/MS-GU	Microenterprise Recovery Program	FENACOAC	IIIb	2-Jul-99	Completed	500,000	100.00
14	MIF/AT-220	GU0144	34/MS-GU	Microenterprise Recovery Program	ADEPH	IIIb	31-Aug-99	Completed	100,000	100.00
15	MIF/AT-220	GU0145	35/MS-GU	Microenterprise Recovery Program	COINACE	IIIb	31-Aug-99	Cancelled	0	0.00



GUATEMALA MIF PORTFOLIO										
No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
16	MIF/AT-287	TC9809023	ATN/MT-6664-GU	Strengthening Agricultural Commodity Exchange	BAN	I	21-Sep-99	In execution	428,000	92.72
17	MIF/AT-363	TC0005020	ATN/ME-7179-GU	Institutional Strengthening of BANCAF	BANCAFE	IIIa	19-Oct-00	In execution	254,000	95.94
18	MIF/AT-384	TC9810369	ATN/ME-7268-GU	Tourism Microenterprise Program	FDM	IIIa	13-Dec-00	In execution	520,000	87.11
19	MIF/AT-426	TC0004021	ATN/ME-7535-GU	ISO 9000 & 14000 FOR SMEs in the Construction Sector	CGC	IIIa	1-Aug-01	In execution	560,000	63.17
20	MIF/AT-453	TC0006010	ATN/MT-7736-GU	Modernization of Solid Waste Management in Guatemala City	MG	I	17-Dec-01	In execution	420,000	26.67
21	MIF/AT-460	TC9802449	ATN/MT-7827-GU	Strengthening the Superintendence of Banks and Microfinance Regulation	SUPERITENDENCIA	I	3-Apr-02	In execution	1,000,000	18.69
22	MIF/AT-471	TC0201106	ATN/MT-7873-GU	Strengthening of Airport Security	DGAC	I	15-May-02	In execution	316,990	40.00
23	MIF/AT-483	TC0105023	ATN/ME-7950-GU	Redemif: Accounting Standards	REDIMIF	IIIa	18-Jul-02	In execution	330,000	44.77
24	MIF/AT-544	TC0211008	ATN/MT-8426-GU	Strengthening Unit Concesiones y Desincorp	MCTOP	I	9-Sep-03	In execution	500,000	4.00
25	MIF/AT-579	TC0202022	ATN/ME-8605-GU	Promotion of Cleaner Production Support	CIG	IIIa	15-Jan-04	Approved	418,000	0.00
26	MIF/AT-600	GU-M1001	ATN/ME-8789-GU	Institutional Strengthening of Bancasol	BANCASOL	IIIa	26-Jul-04	In execution	285,000	10.00
27	MIF/AT-615	TC0003025	ATN/MT-8910-GU	Electricity Regul. Strengthening	CNEE	I	25-Oct-04	Approved	500,000	0.00
28	MIF/AT-619	TC0305008	ATN/ME-8944-GU	Merging Rural Credit Programs of Catholic Church in Guatemala	CRS	IIIa	10-Nov-04	Approved	300,000	0.00
29	MIF/AT-640	GU-M1002	ATN/ME-9031-GU	Support to the Development of e-Commerce	CCG	IIIa	17-Dec-04	In execution	285,000	10.00
							<b>Total MIF Amount</b>		<b>16,331,606</b>	

HONDURAS MIF PORTFOLIO										
No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
1	MIF/AT-68	TC9506231	ATN/MH-5128-HO	Rural Entrepreneurship Development Program	EPZ	II	23-Jan-96	Completed	1,892,096	100.00
2	MIF/AT-82	TC9410440	ATN/MT-5235-HO	Strengthening of the Banking And Insurance Commission	CBS	I	29-May-96	Completed	1,525,113	100.00
3	MIF/AT-80	TC9503055	ATN/MT-5234-HO	Regulatory Agency for Energy and Telecommunications	CONATEL	I	29-May-96	Completed	777,548	100.00
4	MIF/AT-113	TC9602427	ATN/MT-5453-HO	Mediation and Arbitration Center	CCIT	I	16-Dec-96	Completed	415,662	100.00
5	MIF/AT-126	TC9609168	ATN/MH-5591-HO	Incentive for Private Sector Investment in Training	CADERH	II	4-Jun-97	Completed	465,750	100.00
6	MIF/AT-166	TC9802209	ATN/MT-5916-HO	LAC- Road Concession - SP	IMVMPS	I	7-Apr-98	Completed	31,986	100.00
7	MIF/AT-166	TC9803215	ATC/MT-5917-HO	LAC- Road Concession - SP	IMVMPS	I	7-Apr-98	Completed	243,940	100.00
8	MIF/AT-223	TC9805485	ATN/ME-6342-HO	Strengthen Institutional Capacity of FINSOL, S.A.	FINSOL	IIIa	4-Jan-99	Completed	266,411	100.00
9	MIF/AT-243	TC9810070	ATC/MT-6462-HO	Privatization of potable water and sewerage services	MPS	I	21-Apr-99	Completed	250,000	100.00
10	MIF/AT-243	TC9904043	ATN/MT-6467-HO	Privatization of potable water and sewerage services	MPS	I	21-Apr-99	Completed	498,490	100.00
11	MIF/AT-249	TC9810377	ATN/ME-6499-HO	Microenterprises Network Expansion	CERTEC	IIIa	12-May-99	Completed	700,000	100.00
12	MIF/AT-266	TC9906029	ATN/MH-6576-HO	Support to Productive Sector & Small Enterprises	FIDE	II	7-Jul-99	Completed	331,921	100.00
13	MIF/AT-266	TC9906029	ATN/ME-6577-HO	Support to Productive Sector & Small Enterprises	FIDE	II	7-Jul-99	In execution	995,000	80.79
14	MIF/AT-220	HO0147	13/MS-HO	Microenterprise Recovery Program	ODEF	IIIb	19-Jul-99	Completed	50,000	100.00

HONDURAS MIF PORTFOLIO										
15	MIF/AT-220	HO0147	27/MS-HO	Microenterprise Recovery Program	ODEF	IIIb	19-Jul-99	Completed	350,000	100.00
16	MIF/AT-220	HO0157	28/MS-HO	Microenterprise Recovery Program	WRHO	IIIb	19-Jul-99	Completed	400,000	100.00
17	MIF/AT-220	HO0151	30/MS-HO	Microenterprise Recovery Program	FAMA	IIIb	21-Jul-99	Completed	100,000	100.00
18	MIF/AT-220	HO0154	29/MS-HO	Microenterprise Recovery Program	COVELO	IIIb	21-Jul-99	Completed	200,000	100.00
19	MIF/AT-220	HO0148	37/MS-HO	Microenterprise Recovery Program	FINCA	IIIb	28-Sep-99	Completed	300,000	100.00
20	MIF/AT-220	HO0150	38/MS-HO	Microenterprise Recovery Program	FH	IIIb	8-Oct-99	Completed	100,000	100.00
21	MIF/AT-220	HO0162	39/MS-HO	Microenterprise Recovery Program	INSOPROSA	IIIb	8-Oct-99	Completed	100,000	100.00
22	MIF/AT-220	HO0166	42/MS-HO	Microenterprise Recovery Program	COMIXPROL	IIIb	26-Nov-99	Completed	80,000	100.00
23	MIF/AT-220	HO0169	41/MS-HO	Microenterprise Recovery Program	COOMPOL	IIIb	26-Nov-99	Completed	150,000	100.00
24	MIF/AT-220	HO0163	43/MS-HO	Microenterprise Recovery Program	FACACH	IIIb	13-Dec-99	Completed	144,344	100.00
25	MIF/AT-220	HO0171	44/MS-HO	Microenterprise Recovery Program	FINSOL	IIIb	13-Dec-99	Completed	500,000	100.00
26	MIF/AT-220	HO0167	48/MS-HO	Microenterprise Recovery Program	LA PESPIRENSE	IIIb	7-Mar-00	Cancelled	0	0.00
27	MIF/AT-220	HO0177	47/MS-HO	Microenterprise Recovery Program	TAULABE	IIIb	7-Mar-00	Cancelled	0	0.00
28	MIF/AT-323	TC9904020	ATN/ME-6946-HO	Strengthening BANCOMER	XBDCZPB	IIIa	25-Apr-00	Completed	25,479	100.00
29	MIF/AT-351	TC9904022	ATN/ME-7118-HO	Strengthening BAHNCAF	BANHCAFE	IIIa	30-Aug-00	Completed	273,000	100.00
30	MIF/AT-355-1	TC9912014	ATN/MH-7185-HO	Enhance Competitiveness in the Apparel Sector	AHM	II	25-Oct-00	In execution	1,100,000	79.98
31	MIF/AT-375	TC9909024	ATN/MT-7240-HO	Strengthening the Financial Sector	BCH	I	29-Nov-00	In execution	1,456,872	66.67
32	MIF/AT-464	TC0001017	ATN/ME-7835-HO	Strengthening of the Agricultural Export Sector	FPX	IIIa	3-Apr-02	In execution	728,150	43.85
33	MIF/AT-500	TC0203019	ATN/ME-8046-HO	Savings Mobilization in Honduras	KH	IIIa	4-Oct-02	In execution	500,000	36.00
34	MIF/AT-504	TC0201099	ATN/MT-8077-HO	Airport Security Improvements	DGCA	I	24-Oct-02	In execution	118,000	40.00

HONDURAS MIF PORTFOLIO											
35	MIF/AT-570	TC0206015	ATN/ME-8545-HO	Developmento of New Microfinance Productos for Cooperatives of Credit and Savings	FACACH	IIIa	10-Dec-03	In execution	1,425,000		10.00
36	MIF/AT-603	TC0304029	ATN/MT-8802-HO	Adoption of International Accounting Standards	COHPUCP	I	5-Aug-04	Approved	490,000		0.00
37	MIF/AT-604	HO-M1001	ATN/MT-8806-HO	Water and Sanitation	ERSAPS	I	6-Aug-04	Approved	455,000		0.00
38	MIF/AT-647	HO-M1005	ATN/ME-9176-HO	Institutional Strengthening ODEF	ODEF	IIIa	21 abr 05	Approved	260,000		0.00
							Total MIF amount		17,699,762.20		

NICARAGUA MIF PORTFOLIO										
No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
1	MIF/AT-45	TC9407041	ATN/MT-4961-NI	Regulatory Framework for Expanding Private Investment in Infrastructure	CSREP	I	19-Jul-95	Completed	1,759,356	100.00
2	MIF/AT-62	TC9407166	ATN/MT-5064-NI	Strengthening Agricultural Commercialization	BAGSA	I	15-Nov-95	Completed	374,740	100.00
3	MIF/AT-131	TC9603079	ATN/MH-5611-NI	Training for Agricultural Business Development in the Departments of León and Chinandega	ATN	II	25-Jun-97	Completed	813,276	100.00
4	MIF/AT-193	TC9803322	ATN/MT-6088-NI	Support for the Restructuring of ENEL and the Introduction of the Private Sector	URE	I	5-Aug-98	Completed	1,186,684	100.00
5	MIF/AT-193	TC9803380	ATC/MT-6089-NI	Support for the Restructuring of ENEL and the Introduction of the Private Sector	URE	I	5-Aug-98	Cancelled	0	0.00
6	MIF/AT-199	TC9704174	ATN/MT-6157-NI	Capital Markets Modernization Program	BCN	I	23-Sep-98	Completed	863,383	100.00
7	MIF/AT-221	TC9809338	ATN/ME-6340-NI	Institutional Strengthening of the Fundación CHISPA	FCHISPA	IIIa	4-Jan-99	Completed	224,067	100.00
8	MIF/AT-229	TC9812011	ATC/MT-6365-NI	Private Participation in the Electricity Sector	ENEL	I	15-Jan-99	Cancelled	0	0.00
9	MIF/AT-234	TC9812038	ATC/MT-6373-NI	Promotion of private sector participation in the ports of Nicaragua	ENAP	I	2-Feb-99	Completed	130,208	100.00
10	MIF/AT-220	NI0119	14/MS-NI	Microenterprise Recovery Program	FDL	IIIb	10-Mar-99	Completed	500,000	100.00
11	MIF/AT-220	NI0118	15/MS-NI	Microenterprise Recovery Program	FAMA	IIIb	15-Mar-99	Completed	287,762	100.00
12	MIF/AT-245	TC9805451	ATN/ME-6465-NI	Strengthening of enterprises services market	INDE	IIIa	21-Apr-99	In execution	975,000	98.09
13	MIF/AT-245	TC9904029	ATN/MH-6464-NI	Strengthening of enterprises services market	INDE	II	21-Apr-99	Completed	425,000	100.00
14	MIF/AT-220	NI0129	17/MS-NI	Microenterprise Recovery Program	ASODERI	IIIb	14-May-99	Completed	200,000	100.00
15	MIF/AT-220	NI0130	18/MS-NI	Microenterprise Recovery Program	FJN	IIIb	14-May-99	Completed	270,000	100.00
16	MIF/AT-220	NI0124	19/MS-NI	Microenterprise Recovery Program	CAC-YALAGUINA	IIIb	15-May-99	Completed	33,019	100.00
17	MIF/AT-220	NI0120	20/MS-NI	Microenterprise Recovery Program	UCOOM-R.L.LEON	IIIb	2-Jun-99	Completed	85,000	100.00
18	MIF/AT-220	NI0123	21/MS-NI	Microenterprise Recovery Program	CAC-DIPILTO	IIIb	4-Jun-99	Completed	100,000	100.00
19	MIF/AT-220	TC9906020	ATN/ME-6561-NI	Microenterprise Recovery Program	DIPILTO	IIIa	4-Jun-99	Completed	16,500	100.00

**NICARAGUA MIF PORTFOLIO**

No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
20	MIF/AT-220	NI0132	22/MS-NI	Microenterprise Recovery Program	FL2000	IIIb	15-Jun-99	Completed	170,000	100.00
21	MIF/AT-220	TC9906021	ATN/ME-6566-NI	Microenterprise Recovery Program	FL2000	IIIa	15-Jun-99	Completed	20,339	100.00
22	MIF/AT-260-1	TC9902010	ATN/MT-6573-NI	Legal Framework of New Pension System	STP	I	7-Jul-99	In execution	1,200,000	64.17
23	MIF/AT-220	NI0127	31/MS-NI	Microenterprise Recovery Program	CAHCFIRL	IIIb	12-Aug-99	Completed	50,000	100.00
24	MIF/AT-220	NI0131	32/MS-NI	Microenterprise Recovery Program	FINDE	IIIb	16-Aug-99	Completed	150,000	100.00
25	MIF/AT-220	NI0137	36/MS-NI	Microenterprise Recovery Program	FUDES	IIIb	17-Sep-99	Completed	155,000	100.00
26	MIF/AT-286	TC9805378	ATN/MT-6669-NI	Support to property conflict resolution	CSJ	I	22-Sep-99	In execution	982,456	89.13
27	MIF/AT-296-1	TC9901025	ATN/MT-6714-NI	Strengthening Auditing Standards	CCPNI	I	27-Oct-99	In execution	531,000	75.87
28	MIF/AT-296-1	TC9901025	ATN/MH-6715-NI	Strengthening Auditing Standards	CCPNI	I	27-Oct-99	In execution	392,000	68.63
29	MIF/AT-298	TC9905037	ATN/MH-6717-NI	Human Development: Pilot Project Construction Sector	CNCON	II	27-Oct-99	Completed	444,525	100.00
30	MIF/AT-220	NI0133	40/MS-NI	Microenterprise Recovery Program	CARUNA	IIIb	8-Nov-99	Completed	150,000	100.00
31	MIF/AT-220	NI0138	45/MS-NI	Microenterprise Recovery Program	PRODECOOP	IIIb	6-Dec-99	Completed	500,000	100.00
32	MIF/AT-344	TC0004019	ATN/MH-7081-NI	Quality Management and Food Safety Standards	CADIN	II	2-Aug-00	In execution	674,258	85.00
33	MIF/AT-361	TC0107002	ATN/MT-7158-NI(B)	Strengthening of Private Health Care Services	INSSB	I	4-Oct-00	In execution	379,000	58.72
34	MIF/AT-361	TC0107003	ATN/ME-7159-NI(B)	Strengthening of Private Health Care Services	INSSB	IIIa	4-Oct-00	In execution	587,000	68.02
35	MIF/AT-365	TC0003010	ATN/ME-7181-NI	Strengthening of FINDE	FINDE	IIIa	20-Oct-00	Completed	243,627	100.00
36	MIF/AT-369	TC0003009	ATN/MT-7187-NI	Strengthening of INAA, Regulatory Agency Potable Water and Sewage	INAA	I	25-Oct-00	In execution	700,000	79.27
37	MIF/AT-402	TC0003000	ATN/ME-7390-NI	Systematization of Network of Credit	CACFA	IIIa	6-Apr-01	In execution	200,000	85.05
38	MIF/AT-414	TC0010013	ATN/MT-7467-NI	Development and Implementation of National Purchasing and Contracting System	STP	I	27-Jun-01	Completed	37,651	100.00
39	MIF/AT-433	TC9909008	ATN/ME-7594-NI	Improving Quality of SME's in the Tourism Sector	INT	IIIa	19-Sep-01	In execution	817,000	40.28
40	MIF/AT-447	TC0106041	ATN/ME-7701-NI	Development of a Sustainable Wheelchair Industry	SOLIDEZ	IIIa	5-Dec-01	In execution	304,600	64.48
41	MIF/AT-466	TC0202015	ATN/MT-7844-NI	Airport Security Improvements	DGAC	I	17-Apr-02	In execution	497,939	94.84
42	MIF/AT-481-1	TC9912013	ATN/MT-7975-NI	Strengthening the Superintendency of Banks	SBOIF	I	7-Aug-02	In execution	1,238,000	12.26

**NICARAGUA MIF PORTFOLIO**

<b>No.</b>	<b>Memo #</b>	<b>Project #</b>	<b>ATN #</b>	<b>Name</b>	<b>Exec. Agency</b>	<b>FAC</b>	<b>Approval</b>	<b>Status</b>	<b>MIF Amount</b>	<b>% Disb</b>
43	MIF/AT-534	TC0203015	65/MS-NI	Equity Investment in Financiera Nicaraguense de Desarrollo	FINDESA	IIIb	30-Jul-03	Approved	1,000,000	0.00
44	MIF/AT-534	TC0203015	EQU/MS-8380-NI	Equity Investment in Financiera Nicaraguense de Desarrollo	FINDESA	IIIb	30-Jul-03	In execution	500,000	79.62
45	MIF/AT-534	TC0203015	ATN/ME-8379-NI	Equity Investment in Financiera Nicaraguense de Desarrollo	FINDESA	IIIb	30-Jul-03	In execution	250,000	10.00
46	MIF/AT-534	TC0203015	65/MS-NI	Equity Investment in Financiera Nicaraguense de Desarrollo	FINDESA	IIIa	30-Jul-03	Approved	1,000,000	0.00
47	MIF/AT-534	TC0203015	ATN/ME-8379-NI	Equity Investment in Financiera Nicaraguense de Desarrollo	FINDESA	IIIa	30-Jul-03	In execution	250,000	10.00
48	MIF/AT-534	TC0203015	65/MS-NI	Equity Investment in Financiera Nicaraguense de Desarrollo	FINDESA	IIIb	30-Jul-03	Approved	1,000,000	0.00
49	MIF/AT-541	TC0302006	ATN/ME-8427-NI	Adopting Cleaner Production to Improve Competitiveness	UNI	IIIa	10-Sep-03	In execution	700,000	10.00
50	MIF/AT-545	TC0303003	ATN/MT-8428-NI	Improving Security Transaction Framework	SCEP	I	10-Sep-03	Approved	700,000	0.00
51	MIF/AT-551	TC0206031	ATN/MT-8457-NI	One-Stop Shop for New Businesses	MINFIC	I	1-Oct-03	In execution	980,000	15.24
52	MIF/AT-563	NI-M1001	ATN/ME-8536-NI	Support for Expansion of Rural Microfinance	ASOMIF	IIIa	8-Dec-03	In execution	470,000	21.36
							<b>Total MIF Amount</b>		<b>25,518,390</b>	

**EL SALVADOR MIF PORTFOLIO**

No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
1	MIF/AT-6	TC9308083	EQU/MS-0001-ES	Equity Investment in Financiera Calpia, S.A.	CALPIA	IIIb	9-Feb-94	Completed	716,743	100.00
2	MIF/AT-5	TC9308067	ATN/MT-4471-ES	Strengthening of the Financial Sector Superintendency	SSF	I	14-Mar-94	Completed	1,831,957	100.00
3	MIF/AT-20	TC9405201	ATN/ME-4708-ES	Development of Productivity and Competitiveness of Small Enterprises	ANEP	IIIa	9-Nov-94	Completed	2,065,716	100.00
4	MIF/AT-29	TC9309502	ATN/MT-4758-ES	Restructuring and Privatization of the Energy and Telecommunications	MINPLAN	I	14-Dec-94	Completed	1,563,992	100.00
5	MIF/AT-29	TC9410226	ATC/MT-4759-ES	Restructuring and Privatization of the Energy and Telecommunications	MINPLAN	I	14-Dec-94	Completed	0	0.00
6	MIF/AT-62	TC9404435	ATN/MT-5063-ES	Strengthening Agricultural Commercialization	BOLPROES	I	15-Nov-95	Completed	692,473	100.00
7	MIF/AT-74	TC9505340	ATN/MH-5167-ES	Program to Support the Development of a Private Job Training Consortium	FEDISAL	II	6-Mar-96	Completed	4,000,000	100.00
8	MIF/AT-95	TC9602071	ATN/MT-5391-ES	Modernization of Commercial Law and Dispute Resolution Reform	UTE	I	30-Oct-96	Completed	421,430	100.00
9	MIF/AT-175	TC9801425	ATN/MT-5977-ES	Water Sector Reform	COSERSHI	I	27-May-98	In execution	2,400,000	8.43
10	MIF/AT-218	TC9807195	ATN/ME-6282-ES	MIC/ New Organic Fruit and Vegetable Microenterprises	CLUSA	IIIa	7-Dec-98	Completed	665,839	100.00
11	MIF/AT-218	TC9812024	ATN/ME-6283-ES	MIC/ New Organic Fruit and Vegetable Microenterprises	PROXSAL	IIIa	7-Dec-98	Completed	528,204	100.00
12	MIF/AT-237	TC9808273	ATN/MT-6400-ES	Support Program for Financial Sector	CPSP	I	24-Feb-99	In execution	2,706,600	20.31
13	MIF/AT-241	TC9901003	ATN/MT-6423-ES	Support for Sanitary Landfill B.O.T.	MS	I	26-Mar-99	Completed	59,322	100.00
14	MIF/AT-220	ES0122	16/MS-ES	Microenterprise Recovery Program	FINCALPIA	IIIb	23-Apr-99	Completed	500,000	100.00
15	MIF/AT-220	ES0123	26/MS-ES	Microenterprise Recovery Program	FUSADES	IIIb	16-Jun-99	Completed	250,000	100.00
16	MIF/AT-220	TC9907010	ATN/ME-6582-ES	Microenterprise Recovery Program	FUSADES	IIIa	16-Jun-99	Completed	40,000	100.00
17	MIF/AT-220	ES0126	33/MS-ES	Microenterprise Recovery Program	FUSAI	IIIb	9-Aug-99	Completed	487,280	100.00



**EL SALVADOR MIF PORTFOLIO**

18	MIF/AT-220	ES0135	46/MS-ES	Microenterprise Recovery Program	CCSN	IIIb	7-Jan-00	Completed	500,000	100.00
19	MIF/AT-220	TC0001012	ATN/ME-6857-ES	Microenterprise Recovery Program	CCSN	IIIa	7-Jan-00	Completed	35,000	100.00
20	MIF/AT-220	ES0136	49/MS-ES	Microenterprise Recovery Program	CAM	IIIb	22-Feb-00	Completed	200,000	100.00
21	MIF/AT-321	TC9908002	ATN/MT-6952-ES	Support for Microenterprise and Small Business	CONAMYPE	I	26-Apr-00	In execution	850,000	81.97
22	MIF/AT-328	TC9804271	ATN/ME-6984-ES	Pilot Training Program for Microenterprise	FEDISAL	IIIa	31-May-00	In execution	870,000	68.88
23	MIF/AT-330	TC9809487	ATN/MT-6986-ES	Small Enterprise and Municipality Support Program	FISDL	IIIa	31-May-00	In execution	627,000	25.93
24	MIF/AT-330	TC9809487	ATN/ME-6987-ES	Small Enterprise and Municipality Support Program	FISDL	IIIa	31-May-00	In execution	773,000	10.01
25	MIF/AT-333	TC9811037	ATN/MH-7007-ES-1	Promotion of Cleaner Production Processes	CAAS	II	14-Jun-00	Completed	171,979	100.00
26	MIF/AT-333	TC9811037	ATN/MH-7007-ES-2	Promotion of Cleaner Production Processes	CAAS	II	14-Jun-00	In execution	577,021	14.73
27	MIF/AT-345	TC0004020	ATN/MH-7082-ES	Strengthening Quality Management and Food Safety	CONACYT	II	2-Aug-00	In execution	735,000	32.73
28	MIF/AT-372	TC9903041	ATN/ME-7204-ES	Program to Support Agro-enterprise Competitiveness	CAAS	IIIa	1-Nov-00	In execution	850,000	81.02
29	MIF/AT-401	TC0003024	ATN/ME-7359-ES	Support of Credit Unions and Workers' Banks System	FEDECREDITO	IIIa	7-Mar-01	In execution	2,000,000	36.73
30	MIF/AT-419	TC0003016	ATN/MH-7496-ES	Labor Intermediation Services	FEDISAL	II	27-Jun-01	In execution	1,633,557	54.79
31	MIF/AT-431	TC0103033	ATN/ME-7546-ES	Recovery Program Microfinance Institutions	IDB	IIIa	31-Aug-01	Completed	77,450	100.00
32	MIF/AT-431	TC0109004	ATN/ME-7570-ES	Recovery Program Microfinance Institutions	IDB	IIIa	31-Aug-01	Approved	15,000	0.00
33	MIF/AT-443	TC0104007	ATN/ME-7678-ES	Institutional Strengthening of PROFIM	FUANTELSALV	IIIa	19-Nov-01	In execution	210,000	62.92
34	MIF/AT-431	ES0155	56/MS-ES	Recovery Program Microfinance Institutions	FEDECACES	IIIb	28-Feb-02	Completed	411,385	100.00
35	MIF/AT-431	ES0156	54/MS-ES	Recovery Program Microfinance Institutions	CAM	IIIb	28-Feb-02	Completed	241,250	100.00
36	MIF/AT-431	ES0157	53/MS-ES	Recovery Program Microfinance Institutions	CCSN	IIIb	28-Feb-02	Completed	241,250	100.00
37	MIF/AT-431	ES0158	55/MS-ES	Recovery Program Microfinance Institutions	CALPIA	IIIb	28-Feb-02	Completed	241,250	100.00

EL SALVADOR MIF PORTFOLIO										
38	MIF/AT-473	TC0202014	ATN/ME-7886-ES	Strengthening of Financial Services and Family Remittances	FEDECACES	IIIa	29-May-02	In execution	1,500,000	14.17
39	MIF/AT-498	TC0201108	ATN/MT-8044-ES	Line of Activity for Regulation of Urban Transport	MOP	I	1-Oct-02	In execution	500,000	10.00
40	MIF/AT-510	TC0201124	ATN/MT-8097-ES	Airport Security Improvements	CEPA	I	4-Nov-02	In execution	196,630	40.00
41	MIF/AT-538	TC0303011	ATN/ME-8396-ES	Institutional Strengthening of Adel Morazán Créditos	SOCOAHCR	IIIa	8-Aug-03	In execution	300,000	16.67
42	MIF/AT-537	TC0303012	ATN/ME-8395-ES	Institutional Strengthening of Sociedad Apoyo Integral	INTEGRAL	IIIa	8-Aug-03	In execution	300,000	10.00
43	MIF/AT-556-1	TC0304027	ATN/MH-8511-ES	Entrepreneurship Development in Soyapango	FUNDAPYME	II	19-Nov-03	In execution	790,000	5.70
44	MIF/AT-580	TC0303038	ATN/ME-8608-ES	Institutional Strengthening of Asociación Organizaciones de Microfinanzas	ASOMI	IIIa	16-Jan-04	In execution	212,000	10.00
								<b>Total MIF Amount</b>	<b>33,988,328.66</b>	

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION MIF/DE-\_\_/\_

Regional. Nonreimbursable Technical Cooperation ATN/\_\_\_-\_\_\_-\_\_\_ to Support the  
Development of the Agricultural Insurance Market in Central America

The Donors Committee of the Multilateral Investment Fund

RESOLVES:

1. That the President of the Inter-American Development Bank or such representative as he shall designate is authorized, in the name and on behalf of the Bank, as Administrator of the Multilateral Investment Fund, to enter into such agreements as may be necessary with the Federación Interamericana de Empresas de Seguros (FIDES), and to take such additional measures as may be pertinent for the execution of the project proposal contained in Document MIF/AT-\_\_\_ with respect to a technical cooperation to support the development of the agricultural insurance market in Central America.

2. That up to the amount of US\$1,800,000, or its equivalent in other convertible currencies, shall be authorized for the purpose of this resolution, chargeable to the resources of the Technical Cooperation Facility of the Multilateral Investment Fund.

3. That the above-mentioned sum is to be provided on a nonreimbursable basis.

(Adopted on \_\_ \_\_\_\_\_ 200\_)