

**DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK  
MULTILATERAL INVESTMENT FUND  
NOT FOR PUBLIC USE**

**REGIONAL**

**IMPROVING CENTRAL BANK REMITTANCE  
REPORTING AND PROCEDURES**

**(RG-M1059)**

**DONORS MEMORANDUM**

This document was prepared by the project team consisting of Santiago Soler (MIF/OPS), team leader; Pedro De Vasconcelos (MIF/PPU); José Justiniano (RE2/FI2); Alberto Bucardo (COF/CME); Carla Bueso (MIF/DEU); and Gerónimo Frigerio (LEG).

## CONTENTS

I.	EXECUTIVE SUMMARY .....	1
II.	BACKGROUND.....	3
III.	OBJECTIVES AND COMPONENTS.....	5
	1. Component 1. Preparation, design, and implementation of procedures for measuring remittances .....	5
	2. Component 2. Strengthening of information on the remittance market .....	6
	3. Component 3. Transfer of knowledge.....	6
	4. Component 4. Sensitization and training .....	7
IV.	PROJECT COST AND FINANCING .....	7
V.	EXECUTING AGENCY AND EXECUTION MECHANISM .....	9
VI.	MONITORING AND EVALUATION .....	10
VII.	PROJECT BENEFITS AND RISKS.....	11
VIII.	SOCIAL AND ENVIRONMENTAL IMPACT.....	11

## **ANNEXES**

Annex I	Logical framework
Annex II	Budget summary
Annex III	Table with similar or related MIF-IDB projects
Annex IV	PPMR

## **APPENDICES**

Proposed resolution

### **INFORMATION AVAILABLE IN THE TECHNICAL FILES**

Document I	Detailed budget
Document II	Operating Regulations
Document III	Terms of reference for the members of the coordination unit
Document IV	Letters of commitment from the executing agency and the central banks
Document V	GANTT chart on project execution

## ABBREVIATIONS

AWP	Annual work plan
BIS	Bank for International Settlements
CB	Central bank
CEMLA	Centro de Estudios Monetarios Latinoamericanos [Center for Latin American Monetary Studies]
CESI	Committee on Environment and Social Impact
CU	Coordination unit
DGRV	Deutschen Genossenschafts- und Raiffeisenverband [German Cooperative and Raiffeisen Confederation]
ECB	European Central Bank
ECLAC	Economic Commission for Latin America and the Caribbean
FRTF	Family remittances task force
IAC	International advisory council
IDB	Inter-American Development Bank
IMF	International Monetary Fund
LAC	Latin America and the Caribbean
MIF	Multilateral Investment Fund
OECD	Organization for Economic Cooperation and Development
OR	Operating Regulations
PPMR	Project performance monitoring report
UN	United Nations Organization
WB	World Bank

# IMPROVING CENTRAL BANK REMITTANCE REPORTING AND PROCEDURES

(RG-M1059)

## I. EXECUTIVE SUMMARY

<b>Beneficiary countries:</b>	Mexico and eight other countries <sup>1</sup>	
<b>Executing agency:</b>	Centro de Estudios Monetarios Latinoamericanos (CEMLA) [Center for Latin American Monetary Studies]	
<b>Beneficiaries:</b>	The direct beneficiaries are the central banks of Latin America and the Caribbean, particularly in countries with high flows of remittances that participate in the project. Their statistical procedures and reporting systems for estimating family remittance flows, which are a growing component in the balance of payments, will be strengthened. The indirect beneficiaries are the recipients of family remittances, since their formal participation in the banking system will be promoted and the net cost of remittances will be lowered as a result of regulations based on better information. The intermediaries in the banking system themselves will also benefit indirectly from the larger market for remittances. Last, all users of statistical information (public and private sectors, educational institutions, regional and international agencies) will benefit from the greater reliability of the data generated.	
<b>Financing:</b>	Modality:	Nonreimbursable (Facility I)
	MIF <sup>2</sup>	US\$1,065,909 (52%) <sup>3</sup>
	Executing agency	US\$ 963,887 (48%)
	<b>TOTAL</b>	<b>US\$2,029,796</b>

---

<sup>1</sup> To date, 19 letters of intent have been received from central banks in the region. Barbados, Belize, Bolivia, Colombia, Costa Rica, Dominican Republic, the Eastern Caribbean Central Bank, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Paraguay, Peru, and Venezuela have already expressed interest in participating in the project. The requirements for participation are set forth in the Operating Regulations.

<sup>2</sup> The MIF's contribution includes US\$15,000 for activities to coordinate the project cluster on remittances.

<sup>3</sup> Excludes cluster activities.

<b>Objectives:</b>	<p>The <b>goal</b> of the project is to increase net receipts of remittances in the region, reducing the cost of sending them thanks to a more competitive market. The <b>purpose</b> of the project is to improve and/or implement procedures for the statistical measurement of remittances in central banks. To that end, the project will include the following components: (1) preparation, design, and implementation of procedures for measuring remittances; (2) strengthening of remittance market reporting; (3) transfer of knowledge; and (4) sensitization and training.</p>
<b>Terms:</b>	<p>Execution period: 42 months Disbursement period: 48 months</p>
<b>Special contractual clauses:</b>	<p><b>Conditions precedent to the first disbursement of Bank resources:</b> (i) selection of the coordinator of the executing unit; and (ii) presentation of the Operating Regulations as agreed in advance with the Bank.</p> <p>With the Bank's consent, funds from the contribution may be used to reimburse expenditures already incurred or to finance such costs as may be incurred in connection with the project after the date of approval by the Donors Committee, provided that substantially similar requisites to those established in the contract have been complied with.</p>
<b>Exceptions to policies:</b>	<p>None</p>
<b>Coordination with other official financial development institutions:</b>	<p>At present, there are no similar projects being financed by other institutions. Internationally, the project's framework will be the IDB-led initiative on <i>basic principles of remittances for Latin America and the Caribbean</i>, that puts forward general recommendations on good practices in remittance statistics measurement and payment systems. The executing agency will also ensure coordination with the task force on <i>remittance data reporting</i> headed by the World Bank and composed of the IDB, the IMF, the ECB, the UN, and the OECD, among others, for the purposes of harmonizing recommendations.</p>
<b>Environmental and social review:</b>	<p>CESI reviewed the project on 25 February. The responses to CESI's comments have been included in this document (paragraph 8.1).</p>

## II. BACKGROUND

- 2.1 The Latin American and Caribbean Region (LAC) has a growing market of remittances sent by migrants to their countries of origin. In 2003, flows of remittances to LAC amounted to US\$38 billion, which is 50% higher than combined flows of foreign direct investment and official external aid for the region. An estimated 150 million individual transactions take place each year, with 20 million families receiving between US\$200 and US\$300 per remittance. In the countries that expressed an interest in this project, the volumes of remittances reported in 2003 were: Mexico, US\$13,266 million; Colombia, US\$3,067 million; Dominican Republic, US\$2,217 million; Guatemala, US\$2,106 million; Ecuador, US\$1,656 million; El Salvador, US\$2,316 million; Peru, US\$1,295 million; Jamaica, US\$1,425 million; Haiti, US\$977 million; Nicaragua, US\$788 million; Bolivia, US\$340 million; Costa Rica, US\$306 million; Venezuela, US\$247 million; Guyana, US\$137 million; and Belize, US\$73 million.
- 2.2 Even though these figures are high, the estimates are conservative, given that no standards have been established for measuring flows of remittances that can be used systematically by the private sector and public authorities in making policy decisions. Insofar as the figures reflect the true size of the flow, the private sector will have incentives for competing in this high-potential market, permitting the entry of new participants, lowering the costs of sending remittances, and, in short, benefiting the recipients. In addition to the impact that information has on the public sector and the private remittance market, it can make a significant contribution to greater involvement by financial institutions, which will lead to wider access by the public to banking services in the countries that send and receive remittances. To achieve this aim, more and better information on the potential of the existing market for remittances is required.
- 2.3 International family remittances are becoming increasingly important in the region's economies, both in terms of macroeconomic stability brought about by the receipt of large capital inflows, and in terms of development and poverty alleviation, particularly in rural communities. The MIF has been studying the phenomenon of remittances since 2000, contributing to the discussion and pointing to the main shortcomings, which include the high cost of transfers and the lack of transparency and financial intermediation. One key aspect of this phenomenon is that migrants in the originating country who send remittances and the beneficiaries in the receiving country are excluded from formal banking systems, a factor that has a substantial impact on transfer costs and the net amount received by the recipient. Attempts by the authorities to encourage bypassed social groups to join formal banking systems (financial democratization), through information and sensitization campaigns that promote service agreements with the banking industry or even through changes in the regulatory framework should, in the first place, rest on a thorough understanding of the phenomenon. Accordingly, efficient, systematic, and harmonized gathering of information on the most relevant remittance brokers for the different countries of the region is an important first step in enabling the financial authorities to design appropriate policies and programs.



- 2.4 **Justification of the project.** The Centro de Estudios Monetarios Latinoamericanos (CEMLA) [Center for Latin American Monetary Studies], through its close relations with the region's central banks, has been active in the field of remittances. In the context of its multiyear programs for training in statistics, payment systems, and savings and loan cooperatives, it has held different events which have clearly shown that the central banks believe that this subject merits differentiated treatment to achieve, as one of their main objectives, better reporting on magnitude of remittances and its other characteristics. There is an obvious need to obtain reliable data, understand the rationale of the agents involved, and analyze the structure of remittance markets, in order to promote policies that will help to better define the phenomenon, contribute to greater transparency in sending/receipt, and avoid inappropriate rules and/or regulations.
- 2.5 Proposals should give rise to practical recommendations for accurately measuring these flows, which are so important for national economies. The following limitations have been identified with respect to the problem of **availability and quality of information** that can serve as the starting point and/or benchmark for the work to be done under the proposed project: (i) lack of agreement on basic definitions for the different aspects of remittances; (ii) lack of precision in measuring flows and their global differences; (iii) insufficient statistical information compiled on remittances by the central banks (CBs), particularly their failure to include remittances in household surveys; and (iv) lack of information on the structure of international remittance brokers and the respective markets and insufficient discussion of regulatory aspects that could help in future to promote financial intermediation and spur competition.
- 2.6 There are other more general aspects that could also be addressed indirectly through the project: (i) lack of identification of good practices which, through financial literacy campaigns, encourage remittance senders and recipients to join formal banking systems; (ii) suitable application of the domestic legislation of sending and receiving countries, to promote transparency in the origin and destination of funds; (iii) lack of understanding of the particular microeconomic nature of family remittances as flows of external savings that do not create debt, and their potential macroeconomic impact on variables such as investment and foreign exchange; and (iv) insufficient sensitization and dissemination of the lessons learned and good practices from the studies being conducted in the LAC region.
- 2.7 The **innovative nature** of this MIF project stems from its contribution to the development and adoption of a harmonized regional methodology for measuring international family remittances, based on good practices in this field, which will help to bridge many of the existing gaps in information. By giving a strong impetus to this specific issue and raising the awareness of the public authorities and economic agents, a **demonstration effect** will be produced that promotes systematic discussion of the points listed in paragraph 2.6. The recommendations that arise from the project, systematically applied by the beneficiary CBs, will lend **sustainability** to the project's proposals. Last, the project will provide permanent

institutional arrangements for revising the methodology and for systematic discussion of the issues.

- 2.8 The present project fits in with the MIF activities in the project cluster on remittances, on account of the different actions being carried out by CEMLA and the CBs and by other institutions in the region, which, although they are not systematic,<sup>4</sup> highlight the growing importance of this issue. This project directly or indirectly serves two of the MIF objectives in support of remittances: to reduce costs/facilitate sending remittances and to improve the environment for remittances. The project also fits in with the guidelines of the MIF's remittance business plan (document MIF/GN-73), by including increased participation by formal financial institutions and the development of new financial mechanisms among its objectives.

### III. OBJECTIVES AND COMPONENTS

- 3.1 The **goal** of the project is to increase the net proceeds of remittances in the region, reducing the cost of transfer through a more competitive market. The **purpose** of the project is to improve and/or implement procedures for the statistical measurement of remittances in CBs.
- 3.2 The **specific objectives** of the project are to: (i) improve the compilation of statistical information on formal and informal flows of remittances by the CBs, in an effort to promote the adoption of good international practices in remittances as the focal point of a harmonized regional methodology; (ii) conduct studies on the structure of the national markets that receive remittances, with participation by the CBs, focusing on regulatory aspects that can reduce transfer costs and promote transparency in the intermediaries; (iii) propose recommendations on encouraging remittance recipients to open accounts in the formal banking system, including financial literacy campaigns; and (iv) disseminate the results through sensitization seminars.

#### **1. Component 1. Preparation, design, and implementation of procedures for measuring remittances (US\$91,200 MIF and US\$104,102 CEMLA)**

- 3.3 The objective of this component is to set out guidelines for ensuring smooth project execution by preparing the start-up materials and drafting and signing the necessary agreements with the participating CBs.<sup>5</sup> The main activities in this component will be: (i) preparation of a general report describing the main problems with current procedures for measuring flows of family remittances statistically; (ii) definition of

---

<sup>4</sup> The events carried out by CEMLA for training in payment systems and savings and loan cooperatives are examples.

<sup>5</sup> Considering the possibility of including three banks a year, direct work could be done with about nine CBs. However, the project seeks to benefit all the CBs in the region. The OR contain requirements for selecting the banks that will participate directly in the project.

institutional arrangements for the project; (iii) holding of a seminar to launch the project; and (iv) publication of a manual on good practices in the statistical measurement of remittances.

- 3.4 As a result, a family remittances task force (FRTF) will be established by the CBs, and international organizations and other institutions will be invited to participate in an international advisory council (IAC).<sup>6</sup> Meetings of the task force and council will be called to familiarize them with the project's subject matter and procedures and to approve a program of work and a general timetable for its implementation by the CBs, in addition to a manual on good practices in Spanish and English (500 copies in each language) on the statistical measurement of remittances.

## **2. Component 2. Strengthening of information on the remittance market (US\$317,250 MIF and US\$370,141 CEMLA)**

- 3.5 The objective of this component is to support the CBs in adopting the new procedures for the statistical measurement of remittances. The main activities in this component will be: (i) project monitoring seminars bringing together the FRTF and the IAC, and workshops on sustainability and a closing seminar;<sup>7</sup> and (ii) technical assistance missions to collect information on the market for remittances and measurement practices.
- 3.6 A document will be prepared on each country visited that describes the remittance market, its participants, and the current situation with respect to its measurement, including recommendations for changes. The information needed for statistical procedures will be developed and an analysis will be performed of changes in regulations to promote better information, lower cost, and more participation. The document will also form the basis for the publication included in Component 3.

## **3. Component 3. Transfer of knowledge (US\$176,400 MIF)**

- 3.7 The objective of this component is to communicate the results and recommendations of the work of the missions to the monetary authorities and to document the information compiled for general use. The main activities include: (i) preparation of a preliminary report with the findings of the missions, for discussion with the authorities of each CB with which work was done; (ii) publication of a document describing the remittance market in each country and the procedures for its measurement; and (iii) preparation of three additional general publications – a glossary of technical terms, a comparative regional analysis, and a compendium of good practices in regulating the remittance market.
- 3.8 The result will be a set of documents and publications available to the project's direct and indirect beneficiaries, which will contribute systematically through the transfer of knowledge proposed in this component.

---

<sup>6</sup> The composition and responsibilities of the task force and the advisory council are described in Chapter V.

<sup>7</sup> The sustainability and closing seminars are described in paragraphs 4.4 and 6.1.

#### **4. Component 4. Sensitization and training (US\$44,250 MIF and US\$386,444 CEMLA)**

- 3.9 The objective of this component is to train central bank personnel in the new statistical procedures for measuring remittances and inform the general public about the importance of improving this information. The main activities include: (i) nine training courses in the statistics of family remittances (one for each country visited); (ii) two regional sensitization events to publicize the existence of the information; and (iii) the creation of a web site for the project as a tool for communications and work.
- 3.10 As a result, an estimated 108 officials from the CBs will be trained and a total of 200 representatives of the different stakeholders in remittances will be sensitized. The statistical methodology of measuring remittances will also be disseminated to at least nine CBs that did not participate directly in the project.

#### **IV. PROJECT COST AND FINANCING**

- 4.1 The project will cost an estimated US\$2,029,796. The MIF will contribute US\$1,065,909 (52%), in nonreimbursable resources from Facility I. The balance of US\$963,887 (48%) will be contributed by the executing agency, with at least 50% in cash. The MIF will finance the costs of technical assistance and training and part of the administrative costs. The estimated budget for the project is presented in the following table.

(In US\$)

Component/budget category	MIF contribution	Local contribution	Total
Personnel	252,000	52,800	304,800
Logistics	41,670	50,400	92,070
Component 1	91,200	104,102	195,302
Component 2	317,250	370,141	687,391
Component 3	176,400		176,400
Component 4	44,250	386,444	430,694
<b>Subtotal</b>	<b>922,770</b>	<b>963,887</b>	<b>1,886,657</b>
Contingencies 5%	46,139		46,139
Baseline, monitoring and evaluation system, and evaluations	70,000		70,000
Auditing	12,000		12,000
<b>TOTAL</b>	<b>1,050,909</b>	<b>963,887</b>	<b>2,014,796</b>
Activities to coordinate the cluster of projects <sup>8</sup>	15,000		15,000
<b>GRAND TOTAL</b>	<b>1,065,909</b>	<b>963,887</b>	<b>2,029,796</b>
Percentages (excluding cluster activities)	<b>52%</b>	<b>48%</b>	

- 4.2 The **sustainability** of the project lies on two levels. On one level, the central banks will receive direct benefits as a result of the missions, transfers of good practices and lessons learned, that will allow them to improve their information systems on family remittances in future, thereby providing better information for decision making in this area. For local participants, sustainability will come from better access to financial services adapted to lower income groups, offered by financial institutions such as private banks, savings and loan cooperatives, and currency exchange offices.
- 4.3 In addition, based on the proposals of the FRTF and the IAC, an ongoing cooperation process will be established under a permanent institutional framework that provides the project and CEMLA with a comprehensive vision for generating results of value for all participants. The pillars of this coordinated effort are: (i) a coordinated approach for the design of appropriate programs by the financial authorities; (ii) national involvement in the outputs generated by the project; (iii) cooperation with international institutions interested in family remittances, particularly institutions that design and apply methodologies for statistical measurement; and (iv) ongoing consultations and cooperation with authorities inside and outside the region. This and the project's regional focus<sup>9</sup> will avoid

<sup>8</sup> This amount will be deducted from the MIF's total contribution to the beneficiary when the technical cooperation agreement is signed and will be used by the Bank for cluster coordination activities.

<sup>9</sup> In CEMLA's experience, annual plans that directly benefit nine CBs will cause a demonstration effect so that other CBs can replicate the results of the proposed project.

duplication of efforts, help to highlight coordination and maximize impact, and assure economies of scale and leverage of MIF and counterpart funds for project execution.

- 4.4 The project includes a **workshop on sustainability** to be attended by representatives of the Bank and the executing agency one year after the end of the project. Its objective will be to examine the possibilities of continuing the work with recipients independently after the MIF support has concluded.

## V. EXECUTING AGENCY AND EXECUTION MECHANISM

- 5.1 The project's **executing agency** will be the Centro de Estudios Monetarios Latinoamericanos – CEMLA. CEMLA ([www.cemla.org](http://www.cemla.org)) is a not-for-profit civil association devoted to training, dissemination, preparation of studies and technical cooperation, that belongs to the CBs of Latin America and the Caribbean. It is composed of 47 institutions – CBs from the countries of the region and from Europe and other regional institutions.<sup>10</sup> The center's budget comes from the contributions of its associate and collaborating members. Its main objectives are: (i) to promote a better understanding of monetary and banking matters and policies in LAC; (ii) to assist in improving the qualifications of the personnel of CBs and other financial agencies in LAC through seminars and special training courses and the publication of research studies; (iii) to conduct research and systematize the results in the above fields; and (iv) to inform members about developments in regional and international monetary and financial policy
- 5.2 CEMLA has broad experience in executing multiyear projects, coordinating national and international institutions, and organizing training events. A new kind of interaction between CEMLA and its members has arisen recently, which takes the form of multiyear technical assistance programs.
- 5.3 The project's **coordination unit (CU)** will operate inside CEMLA and be composed of a project coordinator, a project manager, and an accountant. The functions of the CU and the terms of reference of its members are specified in the OR. The CU will function on the basis of annual work plans (AWPs) for technical coordination and overall project execution and will channel requests for nonobjection to the contracting of services and the procurement of goods required for the project.
- 5.4 An **international advisory council (IAC)** will be established. Institutions of recognized standing and expertise in the field, such as the MIF/IDB, the World Bank, the International Monetary Fund, the BIS, the DGRV, ECLAC, and CBs from outside the region, represented by experts in statistics and family remittance payment systems from selected institutions, will be invited to participate to: (i) contribute international experience related to the project and integrate it into the

---

<sup>10</sup> The Federal Reserve System and the Central Bank of Spain are collaborating members of CEMLA.

different initiatives being promoted; (ii) provide advice and guidance on specific matters; and (iii) help to identify and possibly provide additional technical assistance resources to support the project.

- 5.5 A **task force** will also be established, composed of the CBs that have expressed an interest in participating in the project, with CEMLA acting as **technical secretariat**. Representatives designated by these CBs will participate and meet periodically to familiarize themselves with the content of the project and its progress, coordinate the work program, study the recommendations on procedures and methodologies, discuss the terms of reference of the missions, exchange ideas on implementation and, in general, examine the subject of family remittances in greater depth. The members will, in turn, promote good practices in their respective institutions.
- 5.6 **Execution period.** The project is expected to be executed in 3.5 years (42 months). The technical files include a GANTT chart<sup>11</sup> for graphic presentation and monitoring of the 42 months of execution.
- 5.7 **Project readiness.** The OR have been drafted and the terms of reference have been prepared for the members of the CU and the main consultants. CEMLA has received more than 19 expressions of interest from CBs in the region. CEMLA, the CBs, and other local stakeholders have undertaken to furnish the counterpart.
- 5.8 **Procurement.** The selection and contracting of consulting services and procurements of equipment and materials will be the responsibility of the CU and will be governed by the Bank's and the MIF's policies and procedures. Programming of activities will be based on an AWP that is duly regulated in the OR for evaluation and monitoring the work. To that end, the OR include standard procedures to cover the engaging of consulting services, procurement, and other expenditures. The CU will execute the activities and apply budgeted funds, as duly approved in the AWP under the concept of an **ex ante** review by the Bank.

## VI. MONITORING AND EVALUATION

- 6.1 The Bank's Country Office in Mexico will be responsible for supervision and control, monitoring compliance with the contractual clauses, processing disbursement requests, and receiving the audited financial statements. CEMLA will present semiannual progress reports, in accordance with the Bank's standard information requirements.<sup>12</sup> A **closing workshop** will be planned for the end of the project to evaluate the results and actions required to enhance the project's impact.
- 6.2 A final audit will be performed in accordance with Bank policies. The Bank, in cooperation with the executing agency, will hire an expert to perform the

---

<sup>11</sup> Graphic representation of the project's timetable of activities.

<sup>12</sup> Progress reports at 30 May and 30 November.

evaluations and to develop, at the start of the project, the baseline for the indicators and the system for monitoring results. The consultant will also participate in the closing workshop. Two evaluations will be performed – the first, 18 months after the program begins and the last, three months before it ends. Based on the indicators in the logical framework and the project reports, the evaluations will determine whether there were significant departures in execution, recommend corrective measures, and stress the lessons learned and how they can be shared among the cluster of remittance projects.

## **VII. PROJECT BENEFITS AND RISKS**

- 7.1 The project will help to improve the design of policies to effectively reduce the cost of remittances through the incentive to encourage a larger number of institutions to participate in the remittance market. It will also improve the management and quantification of the flow of workers' remittances and provide a better understanding of their impact on the balance of payment. Last, the project will help to surmount the problem of remittance recipients in the receiving countries being excluded from the banking system, and encouraging bypassed social segments to join the formal banking system.
- 7.2 The direct beneficiaries are the CBs of Latin America and the Caribbean, particularly those in countries with high flows of remittances that participate in the project. Their statistical procedures and reporting systems will be strengthened for estimating flows of family remittances, which are a growing component in the balance of payments of each country. More and better information will also benefit the studies and research departments of the CBs as users of the methodology to be developed, and enhance the general capacity of the CBs to design policies and regulations to enhance transparency and to encourage recipients to participate in the formal banking system. The indirect beneficiaries will be the recipients of family remittances, as efforts are made to get them into the formal banking system and the lower net cost of remittances. The intermediaries in the banking system will also benefit indirectly from growth in the market.
- 7.3 **Risks.** One of the project's potential risks is that the CBs will fail to maintain their interest in participating. A second risk is related to the willingness of the institutions involved to provide timely and useful information. A third risk involves the interest of the target public in receiving training. To mitigate these risks, rules for participation have been developed to ensure the commitment of the CBs that participate directly in the project. Sensitization activities will be carried out to demonstrate the importance of their participation and the end products.

## **VIII. SOCIAL AND ENVIRONMENTAL IMPACT**

- 8.1 No environmental impacts are anticipated, given the nature of the operation. In the social area and based on the recommendation of the Committee on Environment



and Social Impact (CESI), consideration will be given to gender mainstreaming and the ethnic dimension in the planning and execution of activities. Also, sensitization activities and the recommendations of the studies conducted under the project will include ethnic and gender issues.

**ANNEX I**  
**IMPROVING CENTRAL BANK REMITTANCE REPORTING AND PROCEDURES**  
**(RG-M1059)**

Objectives	Indicators	Means of verification	Assumptions
<b>Goal</b>			
To increase net receipts of remittances in the region, by reducing transfer costs through a more competitive market.	Lower cost of remittances and more institutions participating in the remittance market.	Ex post evaluation based on surveys	The sending and receiving markets maintain the freedom of movement of financial flows.
<b>Purpose</b>			
Central banks have improved and/or implemented procedures to measure remittances statistically.	By the end of the project, the methodology has been adopted by at least three central banks and another two are in the process of adopting it.	<ul style="list-style-type: none"> <li>• Baseline</li> <li>• Progress reports from each country</li> <li>• Comparative analysis report</li> <li>• Midterm and final evaluations by external consultant</li> <li>• PCR</li> <li>• PPMR</li> <li>• Progress and final reports by the executing agency</li> <li>• Minutes of the project sustainability and completion workshop</li> </ul>	<ul style="list-style-type: none"> <li>• There is agreement among the parties in the project (task force, coordination unit, and advisory council) on a set of good practices for the statistical measurement of remittances.</li> <li>• The beneficiary central banks make a commitment to implement them.</li> </ul>

Objectives	Indicators	Means of verification	Assumptions
<b>Components</b>			
<p><b>1. Preparation, design, and implementation of procedures for measuring remittances</b></p> <p>The necessary conditions to ensure smooth execution of the project are established.</p>	<p>Establishment of a family remittances task force (FRTF) comprising the nine central banks and an international advisory council (IAC) made up of five international agencies and other institutions that will be participating;</p> <p>In the first six months of execution, obtain an improvement in remittance reporting that allows flows through different channels to be estimated:</p>	<ul style="list-style-type: none"> <li>• Publication on statistical procedures</li> <li>• Report on good recording practices in the participating countries</li> <li>• Diagnostic assessment of the main problems in the central banks</li> <li>• Progress reports and final report by the executing agency</li> <li>• Midterm and final evaluations by the external consultant</li> <li>• PCR</li> <li>• PPMR</li> <li>• Minutes or agreements on the composition of the task force and the advisory council</li> <li>• List of seminar participants</li> </ul>	<ul style="list-style-type: none"> <li>• The key stakeholders parties maintain their commitment to the project and identify with it.</li> </ul>

Objectives	Indicators	Means of verification	Assumptions
<p><b>2 Strengthening of remittance market reporting</b></p> <p>The new procedures for statistical measurement of remittances are adopted by the central banks.</p>	<p>By month 42, work has been completed on the information necessary for statistical procedures and an analysis of changes in regulations to promote: (1) better reporting; (2) lower costs; and (3) greater participation:</p> <p>The nine central banks to which there are missions have adopted the new remittance statistics measurement procedures by month 46.</p>	<ul style="list-style-type: none"> <li>Records of attendance in the project database and minutes of the events</li> <li>Reports by the nine missions</li> <li>Progress and final reports by the executing agency</li> <li>Midterm and final evaluations by the external consultant</li> <li>PCR</li> <li>PPMR</li> </ul>	<ul style="list-style-type: none"> <li>The institutions involved participate and provide information in due time and form.</li> <li>The consensus, vision, and unified action of the main stakeholders in the recipient countries are maintained.</li> </ul>
<p><b>3 Transfer of knowledge</b></p> <p>The directors of the central banks are informed of the results of the work of the missions (including recommendations) and the documented information available for their general use.</p>	<p>By the end of the project, a set of documents and publications are available for the direct and indirect beneficiaries of the project:</p> <p>The monetary authorities have been informed of the findings of the mission's work and of its recommendations and the information has been documented for use by other central banks</p>	<ul style="list-style-type: none"> <li>Publications</li> <li>Progress reports and final report by the executing agency</li> <li>Midterm and final evaluations by the external consultant</li> <li>PCR</li> <li>PPMR</li> </ul>	<ul style="list-style-type: none"> <li>The institutions involved participate and provide information in due time and form.</li> <li>The consensus, vision, and unified action of the main stakeholders in the receiving countries are maintained.</li> </ul>

Objectives	Indicators	Means of verification	Assumptions
<p><b>4 Sensitization and training</b></p> <p>Personnel from the central banks are trained in the new statistical procedures for measuring remittances; the stakeholders are aware of the existence of the information; and the methodology for the statistical measurement of remittances has been disseminated.</p>	<p>By the end of the project, 108 central bank officials have been trained (a minimum of 5 per bank); 200 stakeholders involved in remittances are aware of the existence of information; and at least 21 additional banks are aware of the methodology (midterm objectives will be set in the AWP):</p>	<ul style="list-style-type: none"> <li>• Records on attendance in the project database and minutes of the events</li> <li>• New publications put out by the central banks (verifying that the project-developed measurement procedures have been adopted)</li> <li>• Progress reports and final report by the executing agency</li> <li>• Midterm and final evaluations by the external consultant</li> <li>• PCR</li> <li>• PPMR</li> </ul>	<ul style="list-style-type: none"> <li>• The target group is interested in receiving training and sensitization.</li> </ul>

Objectives	Indicators	Means of verification	Assumptions
<b>Activities</b>			
<b>1. Preparation, design, and implementation of procedures for measuring remittances (US\$91,200)</b> 1.1. Seminar to launch the project. 1.2. Consulting services to establish the methodology of the missions and to develop good practices in the statistical measurement of remittances. 1.3. Publication of a report on good measurement practices.	(i) A report on the main problems with current procedures for statistical measurement of family remittance flows in month 3; (ii) Seminar to launch the project in month 2 with the participation of 50 individuals, bringing together the FRTF and the IAC. Approval of a work program and a general timetable for implementation by the central banks by month 9; (iii) Publication of a manual on good practices (500 copies each in Spanish and English) in the statistical measurement of remittances by month 6.	<ul style="list-style-type: none"> <li>Financial reports</li> <li>Progress reports</li> <li>Consulting contracts</li> <li>Report on the events and attendance records of beneficiaries in each country</li> <li>Project records and minutes of the meetings</li> <li>General action and country plan</li> <li>Semiannual and final reports by the executing agency</li> <li>Midterm and final evaluations by the external consultant</li> <li>PCR</li> <li>PPMR</li> </ul>	<ul style="list-style-type: none"> <li>Experts are available.</li> </ul>
<b>2. Strengthening of information on the remittance market (US\$317,250)</b> 2.1. Monitoring, sustainability, and closing seminars. 2.2. Technical assistance missions to compile information.	(i) Five seminars to monitor progress (45 people), bringing together the FRTF and the IAC by month 35; a sustainability seminar by month 30; and a closing workshop by month 42. (ii) Nine technical assistance missions to compile information on the remittance market and	<ul style="list-style-type: none"> <li>Financial reports</li> <li>Progress reports</li> <li>Consulting contracts</li> <li>Report on the events and attendance records of beneficiaries in each country</li> <li>Semiannual and final reports by</li> </ul>	<ul style="list-style-type: none"> <li>Idem 1</li> </ul>

Objectives	Indicators	Means of verification	Assumptions
	<p>measurement practices by month 41.</p> <p>(iii) One report on each country visited, to serve as the basis for the publications in Component 3 by month 43.</p>	<p>the executing agency</p> <ul style="list-style-type: none"> <li>• Midterm and final evaluations by the external consultant</li> <li>• PCR</li> <li>• PPMR</li> </ul>	
<p><b>3. Transfer of knowledge (US\$176,400)</b></p> <p>3.1. Consulting services for the preparation of three publications.</p> <p>3.2. Publications are published and distributed.</p>	<p>(i) Preliminary report on the findings of the missions – three a year on dates to be determined in the AWP.</p> <p>(ii) Publication of a document describing the remittance market in each of the nine countries and procedures for its measurement, five months after the end of each mission.</p> <p>(iii) Three additional general publications in the final year of the project: a glossary of technical terms (month 8), a regional comparative analysis, and a compendium of good practices in regulations for the remittance market (month 48).</p>	<ul style="list-style-type: none"> <li>• Financial reports</li> <li>• Progress reports</li> <li>• Consulting contracts</li> <li>• Semiannual and final reports by the executing agency</li> <li>• Midterm and final evaluations by the external consultant</li> <li>• PCR</li> <li>• PPMR</li> </ul>	<ul style="list-style-type: none"> <li>• Idem 1</li> </ul>

Objectives	Indicators	Means of verification	Assumptions
<b>4. Training and sensitization (US\$44,240)</b> 4.1. Training courses. 4.2. Regional sensitization and dissemination events. 4.3. Design and maintenance of the web site.	(i) Nine training courses on the statistics of family remittances (one in each country visited); dates to be determined in the AWP. (ii) Two regional events for sensitization in years 2 and 3 of the project. (iii) The methodology for the statistical measurement of remittances has been disseminated among at least 12 central banks that did not participate directly in the project, in years 2, 3, and 4. (iv) Dedicated web site for the project as a communications and work tool for the duration of the project.	<ul style="list-style-type: none"> <li>• Financial reports</li> <li>• Progress reports</li> <li>• Report on the events and attendance records of beneficiaries in each country</li> <li>• List of participants in the database</li> <li>• Web site operating</li> <li>• Semiannual and final reports by the executing agency</li> <li>• Midterm and final evaluations by the external consultant</li> <li>• PCR</li> <li>• PPMR</li> </ul>	<ul style="list-style-type: none"> <li>• Idem 1</li> </ul>



## ANNEX II

### IMPROVING CENTRAL BANK REMITTANCE REPORTING AND PROCEDURES

#### BUDGET SUMMARY (RG-M1059)

Item	MIF US\$	Local contribution US\$	Total US\$
<b>Coordination and logistics</b>	<b>\$293,670</b>	<b>\$103,200</b>	<b>\$396,870</b>
<b>Coordination</b>			
Personnel	<b>\$252,000</b>	<b>\$52,800</b>	<b>\$304,800</b>
Project coordinator [26 months general coord. + 5 missions + 17 drafting reports (12+3+2)]	\$156,000		\$156,000
Accountant (half time)		\$52,800	\$52,800
Project manager	\$96,000		\$96,000
<b>Logistics</b>	<b>\$41,670</b>	<b>\$50,400</b>	<b>\$92,070</b>
Office space (US\$200 x month)		\$9,600	\$9,600
Supplies (US\$100 x month x 4 years)		\$4,800	\$4,800
Communications (US\$500/month)		\$24,000	\$24,000
Mailing (copies of 13 publications to 20 destinations) in three years x US\$27 per copy sent	\$7,020		\$7,020
Fares for 9 trips on missions (US\$850/trip)	\$7,650		\$7,650
Per diems for 9 15-day missions at \$200/day	\$27,000		\$27,000
<b>Component 1</b>	<b>\$91,200</b>	<b>\$104,102</b>	<b>\$195,302</b>
<b>1.1 Seminar to launch the project</b>	<b>\$12,000</b>	<b>\$104,102</b>	<b>\$116,102</b>
Installations, auditorium, and technical personnel (5 days)		4,200	\$4,200
Welcome cocktail and closing dinner for 50 people (US\$50/person)		2,500	\$2,500
Stationery (folders, name tags, other materials)		500	\$500
Refreshments for 50 people for 5 days		650	\$650
International fares		34,000	\$34,000
Local transport		852	\$852
Speakers' fees (3 days)	\$3,600		\$3,600
Speakers' fares	\$2,400		\$2,400
Speakers' per diems (5 days)	\$3,000		\$3,000
Participants' per diems (7 days)		56,000	\$56,000
Simultaneous interpretation (2 interpreters for 5 days)	\$3,000		\$3,000
Lunches (50) for 5 days		5,400	\$5,400
<b>1.2 Consulting contract (preliminary report and BP manual)</b>	<b>\$60,900</b>		<b>\$60,900</b>
Coordinator's fees	\$18,000		\$18,000
Establishment of the methodology for the studies (4 weeks)	\$9,600		\$9,600
Senior consultant's contract (weeks)	\$28,800		\$28,800
International fare	\$1,700		\$1,700
Per diems for consultant at CEMLA headquarters (2 weeks) (14 days)	\$2,800		\$2,800
<b>1.3 Publication of the report on good practices in measurement</b>	<b>\$18,300</b>		<b>\$18,300</b>
Coordinator's fees	\$12,000		\$12,000
Translation	\$1,500		\$1,500
Document (1,000 copies x US\$4.80 each)	\$4,800		\$4,800

Item	MIF US\$	Local contribution US\$	Total US\$
<b>Component 2</b>	<b>\$317,250</b>	<b>\$370,141</b>	<b>\$687,391</b>
<b>2.1 Monitoring (3), sustainability (1), and closing (1) seminars</b>	<b>\$56,400</b>	<b>\$370,141</b>	<b>\$426,541</b>
Installations, auditorium, and technical personnel (2 5-day events and 3 3-day events)		15,960	15,960
Welcome cocktail and closing dinner for 50 people (2 events) and 35 people (3 events) (US\$50/person)		10,250	10,250
Stationery (folders, name tags, and other materials)		2,050	2,050
Refreshments for 50 people for 5 days (2 events) and 35 people for 3 days (3 events)		2,119	2,119
International fares (40 people for 2 events and 25 people for 3 events)		131,750	131,750
Local transport (6 for 2 events and 4 for 3 events)		3,408	3,408
Speakers' fees (3 days x 5)	\$18,000		18,000
Speakers' fares (3 for 5 events)	\$12,000		12,000
Speakers' per diems (5 days x 5)	\$15,000		15,000
Participants' per diems for 7 days (2 events, 40 people) and 5 days (3 events, 25 people)		187,000	187,000
Simultaneous interpretation 2 for 19 days	\$11,400		11,400
Lunches (50 for 5 days, 2 events and 35 for 3 days, 3 events)		17,604	17,604
<b>2.2 Missions</b>	<b>\$260,850</b>		<b>\$260,850</b>
Fees for coordinator leading teams of consultants (5 months)	\$30,000		\$30,000
Fees senior consultants (2) 9 missions (14 days)	\$100,800		\$100,800
Fees junior consultant (1) 9 missions (14 days)	\$31,500		\$31,500
Fares consultants (3) 9 missions	\$22,950		\$22,950
Per diems consultants (3) 9 missions (14 days)	\$75,600		\$75,600
<b>Component 3</b>	<b>\$176,400</b>	<b>\$0</b>	<b>\$176,400</b>
<b>3.1 Consulting services</b>	<b>\$28,800</b>		<b>\$28,800</b>
Engagement of consulting services to write three publications (3 pub. x 4 weeks each)	\$28,800		\$28,800
<b>3.2 Publications</b>	<b>\$147,600</b>		<b>\$147,600</b>
Report coordinator's fees	\$72,000		\$72,000
Translation 12 publications	\$18,000		\$18,000
Printing 12 publications (500 copies each in English and Spanish)	\$57,600		\$57,600
<b>Component 4</b>	<b>\$44,250</b>	<b>\$386,444</b>	<b>\$430,694</b>
<b>4.1 Training courses (9 5-day courses)</b>	<b>\$41,850</b>	<b>\$83,700</b>	<b>\$125,550</b>
Fees CEMLA trainer in statistical procedures for measuring remittances (weeks)		\$21,600	\$21,600
Fares CEMLA trainer		\$7,650	\$7,650
Per diems CEMLA trainer (9 weeks=63 days)		\$12,600	\$12,600
Fees expert in statistical procedures for measuring remittances (weeks)	\$21,600		\$43,200
Fares expert	\$7,650		\$15,300
Per diems expert (days)	\$12,600		\$25,200
<b>4.2 Regional events for sensitization and dissemination (2 for 2 days)</b>	<b>\$2,400</b>	<b>\$290,744</b>	<b>\$293,144</b>
Installations, auditorium, and technical personnel (2x2)		\$3,360	\$3,360
Welcome cocktail and closing dinner 100 people x event (US\$50/person, 2 events)		\$10,000	\$10,000
Stationery (files, name tags, and other materials)		\$2,000	\$2,000
Refreshments for 100 people for 2 days (2 events)		\$1,040	\$1,040

Item	MIF US\$	Local contribution US\$	Total US\$
International fares (20 people x 2 events are local)		\$136,000	\$136,000
Local transport (2 buses x 3 trips x 2 events)		\$1,704	\$1,704
Per diems 80 participants for 4 days (2 events)		\$128,000	\$128,000
Simultaneous interpretation, 2 for 2 days (2 events)	\$2,400		\$2,400
Lunches (100) for 2 days (2 events)		\$8,640	\$8,640
<b>4.3 Design and maintenance of the web site</b>			\$12,000
<b>SUB TOTAL</b>	<b>\$922,770</b>	<b>\$963,887</b>	<b>\$1,886,657</b>
Contingencies 5%	\$46,139		\$46,139
Baseline for M&E system and 2 evaluations	\$70,000		\$70,000
Auditing (1)	\$12,000		\$12,000
<b>TOTAL</b>	<b>\$1,050,909</b>	<b>\$963,887</b>	<b>\$2,014,796</b>
Cluster control activities	\$15,000		\$15,000
<b>GRAND TOTAL</b>	<b>\$1,065,909</b>	<b>\$963,887</b>	<b>\$2,029,796</b>
Percentages (excluding cluster activities)	52%	48%	100%

**ANNEX III  
REGIONAL  
IMPROVING CENTRAL BANK REMITTANCE REPORTING AND PROCEDURES  
(RG-M-1059)**

**A. Same or similar MIF projects**

See Table D.

**B. Similar or related Bank projects**

None

**C. Related MIF projects for the same sector or the same beneficiaries**

See Table D.

**D. Projects in the remittances cluster**

<b>Project number and date of approval</b>	<b>Project title, executing agency, and amount</b>	<b>Date of signature and disbursement period in months</b>	<b>Amount disbursed</b>	<b>Comments</b>
EQU/MS-7425-BR 16 May 2001	<b>Remittance fund for entrepreneurs: Dekassegui Fund.</b> Banco Sudameris de Inuestimento (BSI). US\$5,000,000	Jan-28-2002 40 months	US\$1,730,260 (35%)	Project proceeding normally on the financial front. After a difficult year (2003), the pace of investment has picked up.
ATN-ME-7792-ME 20 February 2002	<b>Strengthening of savings and credit unions.</b> Banco del Ahorro Nacional y Servicios Financieros (BANSEFI). US\$3,500,000	Feb-22-2002 42 months	US\$1,519,490 (43.41%)	The credit unions are interested in updating their records and systems to comply with the requirements of the new legislation. The project is proceeding satisfactorily and its objectives have been attained.

<b>Project number and date of approval</b>	<b>Project title, executing agency, and amount</b>	<b>Date of signature and disbursement period in months</b>	<b>Amount disbursed</b>	<b>Comments</b>
ATN/ME-7717 12 Dec. 2001	<b>Capitalization of remittances for local economic development.</b> Nacional Financiera. US\$1,115,000	June-12-2002 36 months	US\$409,099 (36.69%)	The project is operating efficiently at present and significant progress has been made in designing and carrying out activities that were behind schedule owing to problems at the start of the project. The executing unit is working adequately with the state coordinators and there is considerable interest by migrant investors and private investors in carrying out projects in their communities of origin.
MIF/AT-531 64/MS-DR 30 April 2003	<b>Distribution channels for remittances.</b> Banco BHD. US\$2,500,000	N/A N/A	US\$.00	The project is in the process of complying with the conditions precedent and an agreement is expected to be reached in the next few months.
ATN/ME-7834-ME 4 April 2002	<b>Investment of remittances.</b> Fundación para la Productividad en el Campo, A.C. US\$460,000	June-24-2002 / 36 months	US\$236,344 (51.38%)	Groups of migrants are interested in investing in their communities and support for the program will identify investment alternatives that can consolidate their interests. The executing agency has assimilated the Bank's methodology for selecting consultants, presenting reports, and requesting and justifying disbursements, a situation that initially led to major delays. At this writing, the executing agency has made progress in satisfying the requirements for the program components and attaining the originally scheduled outcomes is feasible although the execution period has had to be extended.
ATN/ME-7886-ES 29 May 2002	<b>Strengthening of financial services and remittances.</b> Federación de Asociaciones de Cooperativas de Ahorro y Crédito (FEDECACES). US\$1,500,000	July-16-2002 42 months	US\$331,464 (22.10%)	The project is proceeding slowly and some DOs have not been attained or are not being reported at this time. With international assistance, however, FEDECACES has taken steps and expects to achieve them by the end of the program. Nevertheless, the flow of remittances has increased substantially in the two years the project has been under way.

<b>Project number and date of approval</b>	<b>Project title, executing agency, and amount</b>	<b>Date of signature and disbursement period in months</b>	<b>Amount disbursed</b>	<b>Comments</b>
ATN/ME-7599-EC 19 Sept. 2001	<b>Financing for Ecuadorian microenterprises for a line of credit.</b> Banco Solidario S.A. US\$200,000	Nov-16-2001 43 months	US\$153,790 (77%)	Progress on the project is considered to be highly satisfactory. All of the preestablished targets have been met. There have been 39,162 transactions and the goal of 961 remittance accounts has been surpassed.
ATN/ME-8455-DR 1 October 2003	<b>Financial and business services for remittance recipients.</b> Asociación de Instituciones Rurales de Ahorro y Crédito (AIRAC). US\$840,000	Nov-28-2003 48 months	US\$84,000 (10%)	The beneficiary has reported using its funds to procure a technological solution for the provision of remittance services for its members. There have been communication problems with the executing agency; the problems have been resolved and positive changes have been noted as a result of the excellent outcomes of increasing customer membership by 25%, reducing the cost of transactions to \$1.5, and raising the average number of remittances processed by 30%.
ATN/ME-8510-AR 19 Nov. 2003	<b>Expansion and strengthening of a microfinance institution.</b> FIE Gran Poder. US\$390,640	Mar-27-2004 36 months	US\$46,903 (12%)	The conditions precedent have been fulfilled and the first disbursement has been processed.
ATN/ME-8379-NI 30 July 2003	<b>Investment in Financiera Nicaragüense de Desarrollo (FINDESA).</b> Financiera Nicaragüense de Desarrollo S.A. (FINDESA). US\$1,750,000	Mar-30-2004 48 months	US\$423,100 (79.62%)	The conditions precedent have been fulfilled. The investment has been made satisfactorily. The technical assistance and the financing have been administered satisfactorily. A strategic partnership has been established with a finance company in Costa Rica and remittances are being channeled from Costa Rica to Nicaragua.
ATN/ME-8674-PE 7 April 2004	<b>Support for returning entrepreneurs.</b> Japanese Peruvian Association (APJ). US\$500,000	May-13-2004 42 months	US\$50,000 (10%)	The project has been delayed because the executing unit has not fulfilled all the necessary conditions for disbursement to continue.
ATN/ME-8655-RG 10 March 2004	<b>MIF-IFAD partnership facility for rural private sector development.</b> Eligible executing agencies in the beneficiary countries. US\$4,000,000	N/A N/A	US\$00 (0%)	A first call for proposals has been made. The first round of proposals contains a pipeline of projects for US\$3 million that will be submitted to a short procedure within 2 months.

<b>Project number and date of approval</b>	<b>Project title, executing agency, and amount</b>	<b>Date of signature and disbursement period in months</b>	<b>Amount disbursed</b>	<b>Comments</b>
ATN/ME-8695-RG 28 April 2004	<b>Mobilization of remittances through microfinance institutions.</b> Fundación Centro Acción Microempresarial - Colombia (CAM). US\$824,770	July-23-2004 48 months	US\$82,477 (10%)	The conditions precedent have been fulfilled and the first disbursement has been processed.
PE-M1010 MIF/AT-621 17 Nov. 2004	<b>Enhanced development impact of Peruvian workers' remittances from Japan.</b> Banco del Trabajo. US\$7,200,000	April-2005 N/A	US\$00 (0%)	Signature is slated for the first week of April.
ATN/ME-8897-RG 13 Oct. 2004	<b>Financing for microenterprises and SMEs through formal financial intermediaries.</b> ProCredit (ES), Fin ProCredit (NI), Sociedad Fin Ecuatorial (EC), Caja Los Andes (BO). US\$8,200,000	April-2005 6 years	US\$00 (0%)	The project is complying with the conditions precedent. Signature is planned for April 2005.

### E. MIF portfolio in Mexico

No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
1	MIF/AT-19	TC9408099	ATN/ME-4709-ME	"Accion" Fund for the Development of Productive Projects in Rural Areas	BANAMEX	IIIa	9-Nov-94	Completed	1,200,000	100.00
2	MIF/AT-19	TC9410292	EQU/MS-0003-ME	"Accion" Fund for the Development of Productive Projects in Rural Areas	BANAMEX	IIIb	9-Nov-94	Completed	5,000,000	100.00
3	MIF/AT-27	TC9407182	ATN/MH-4744-ME	Training and Services for Street Youth	FBC	II	7-Dec-94	Completed	745,000	100.00
4	MIF/AT-56	TC9505366	ATN/MH-5050-ME	Technical Training for the Electronics Industry	CANIECE	II	1-Nov-95	Completed	28,611	100.00
5	MIF/AT-78	TC9502239	ATN/MT-5198-ME	Energy Regulations	CORE	I	24-Apr-96	Completed	0	0.00
6	MIF/AT-89	TC9509376	ATN/MH-5333-ME	Pilot Skill Standards and Certification Project	CNCCL	II	11-Sep-96	Completed	2,383,782	100.00
7	MIF/AT-128	TC9605017	ATN/ME-5593-ME	Productivity Center in Jalisco	IFMJ	IIIa	4-Jun-97	Completed	1,767,550	100.00
8	MIF/AT-139-1	TC9508401	ATN/MH-5709-ME	Human Resources Investment for Regional Business Development: Nueva Viscaya	UNIAC	II	1-Oct-97	Completed	1,253,083	100.00
9	MIF/AT-155	TC9707376	EQU/MS-0010-ME	Investment Fund for Small Enterprise of the Environment	NAEF	IIIb	10-Dec-97	Completed	4,000,000	100.00
10	MIF/AT-183	TC9803471	EQU/MS-6040-ME	Venture Capital Fund for Agribusiness (AGROSEED)	OA	IIIb	8-Jul-98	In execution	3,000,000	55.79
11	MIF/AT-187	TC9805120	ATN/MT-6085-ME	Capital Market Development	INDEVAL	I	5-Aug-98	Completed	1,449,912	100.00
12	MIF/AT-202-1	ME0216	8/MS-ME	MIC/ Rural Financing for Small Farmers	FMDR	IIIb	11-Nov-98	Cancelled	0	0.00
13	MIF/AT-202-1	TC9802259	ATN/ME-6239-ME	MIC/ Rural Financing for Small Farmers	FMDR	IIIa	11-Nov-98	Cancelled	0	0.00
14	MIF/AT-244	TC9606346	EQU/MS-6463-ME	Capital Development Fund in Guanajuato	FG	IIIb	21-Apr-99	In execution	4,000,000	97.50
15	MIF/AT-303	TC9907013	ATN/MH-6742-ME	Training in Environmental Management Systems	IPA	II	9-Nov-99	Completed	304,196	100.00
16	MIF/AT-309	TC9808322	ATN/ME-6811-ME	Capital Development Fund in Tijuana	CDT	IIIa	8-Dec-99	In execution	1,370,000	79.74
17	MIF/AT-309	TC9912018	EQU/MS-6810-ME	Capital Development Fund in Tijuana	CDT	IIIb	8-Dec-99	In execution	4,000,000	0.50
18	MIF/AT-313	TC9710147	ATN/MH-6887-ME	Professionalization of NGO's Project	VAMOS	II	9-Feb-00	In execution	2,000,000	78.78
19	MIF/AT-326	TC9909009	ATN/ME-6974-ME	Institutional Strengthening of Compartamos	APC	IIIa	16-May-00	Completed	0	0.00



No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
20	MIF/AT-341	TC9910000	ATN/MT-7066-ME	Alternative Dispute Resolution Project	ITAM	I	26-Jul-00	In execution	727,825	99.10
21	MIF/AT-347	TC0003021	EQU/MS-7085-ME	Equity Investment in ZN Venture Trust	ZNMVT	IIIb	2-Aug-00	Completed	242,583	100.00
22	MIF/AT-358	TC9810509	ATN/MT-7139-ME	Program to Support Productive Integration	CONCAMIN	I	20-Sep-00	In execution	2,000,000	44.56
23	MIF/AT-440	TC0105028	ATN/ME-7630-ME	Institutional Strengthening FINCOMUN	FINCOMUN	IIIa	15-Oct-01	In execution	296,000	37.11
24	MIF/AT-450	TC0106003	ATN/ME-7717-ME	Capitalization of Remittances for Local Economic Development	NAFIN	IIIa	12-Dec-01	In execution	1,115,000	36.69
25	MIF/AT-459	TC0109002	ATN/MT-7792-ME	Strengthening of the Network of Savings and Loan Entities	BANSEFI	I	20-Feb-02	In execution	3,500,000	43.41
26	MIF/AT-462	TC0202009	ATN/ME-7832-ME	Tourism Sector Auxiliary Industry Fund	FEC	IIIa	3-Apr-02	Approved	45,000	0.00
27	MIF/AT-462	TC0202010	EQU/MS-7831-ME	Tourism Sector Auxiliary Industry Fund	FEC	IIIb	3-Apr-02	In execution	10,000,000	65.66
28	MIF/AT-465	TC0108017	ATN/ME-7834-ME	Investment of Remittances for Rural Development in Migrant Economies	FPC	IIIa	4-Apr-02	In execution	460,000	48.67
29	MIF/AT-478	TC0107010	ATN/MT-7921-ME	Water Sector Reform for the State of Veracruz	SEDERE	I	26-Jun-02	In execution	1,000,000	42.80
30	MIF/AT-509	TC0105018	EQU/MS-8084-ME	Venture Capital Fund for Small Enterprises in Chihuahua	FCHIHUAH UA	IIIb	30-Oct-02	Completed	0	0.00
31	MIF/AT-509	TC0207015	ATN/ME-8085-ME	Venture Capital Fund for Small Enterprises in Chihuahua	FCHIHUAH UA	IIIa	30-Oct-02	In execution	110,000	54.55
32	MIF/AT-525	TC0201100	ATN/MT-8243-ME	Development of Standards for Financial Information	ICP	I	12-Mar-03	In execution	1,675,000	38.13
33	MIF/AT-527	TC0206011	ATN/MT-8245-ME	Property Rights Facilities Financial States	CONAFOVI	I	12-Mar-03	In execution	2,000,000	17.92
34	MIF/AT-533	TC0202012	ATN/ME-8378-ME	Expansion of Cleaner Production Support	IPN	IIIa	30-Jul-03	In execution	980,000	10.20
35	MIF/AT-542	TC0210061	ATN/ME-8424-ME	Promotion of Cleaner Production Opportunities in the Bajío Region	CCMEU	IIIa	9-Sep-03	Approved	465,000	0.00
36	MIF/AT-548	TC0302013	ATN/ME-8432-ME	Supply Chain Development for Micro and Small Enterprises in Guanajuato	COFOCE	IIIa	10-Sep-03	In execution	970,000	15.62

No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
37	MIF/AT-587	ME-M1002	ATN/MT-8654-ME	Support for a Program to Incorporate Business Assets into the Formal Sector	SDS	I	10-Mar-04	Approved	2,600,000	0.00
38	MIF/AT-597	ME-M1005	EQU/MS-8763-ME	Venture Financing for Mexican early-stage technology firms	LIMVCF	IIIb	7-Jul-04	Approved	5,000,000	0.00
39	MIF/AT-597	ME-M1005	ATN/ME-8764-ME	Venture Financing for Mexican early-stage technology firms	LIMVCF	IIIa	7-Jul-04	Approved	75,000	0.00
40	MIF/AT-611	ME-M1003	ATN/ME-8864-ME	Implement Corporate Social Responsibility Measures in SMEs	ANAHUAC	IIIa	22-Sep-04	In execution	1,275,000	10.00
41	MIF/AT-644	ME-M1004	ATN/ME-9118-ME	Support Program to Rural Financial Intermediaries	FR	IIIa	9-Mar-05	Approved	675,000	0.00
42	MIF/AT-646	ME-M1006	ATN/MT-9138-ME	Access to Housing Financing for Remittance Recipients	SOHIFE	I	23-Mar-05	Approved	1,700,000	0.00
<b>Total MIF Amount</b>									<b>69,413,542</b>	

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK  
MULTILATERAL INVESTMENT FUND

PROPOSED RESOLUTION MIF/DE-\_\_\_\_/05

Regional. Nonreimbursable Technical Cooperation ATN/MT-\_\_\_\_-RG for  
Improving Central Bank Remittance Reporting and Procedures

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 Centre for Latin American Monetary Studies (CEMLA), 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 technical cooperation for improving Central Bank remittance reporting and procedures.

2. That up to the amount of US\$1,065,909, 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.

LEGIII/RG-505937-05  
RG-M1059