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MULTILATERAL INVESTMENT FUND

REGIONAL
(Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and
Mexico)

STRENGTHENING THE FINANCIAL MANAGEMENT OF SMALL
RURAL PRODUCER ORGANIZATIONS

(RG-M1061)

DONORS MEMORANDUM

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Draft EARTH/EcoLogic cooperation agreement

Minutes of CESI

Draft project procurement plan

Project performance monitoring report

Letter of project request

Approved project profile

Bylaws and financial statements of EARTH

Bylaws and financial statements of EcoLogic Finance Inc.

Draft agreement between EARTH and beneficiary groups

Institutional analysis of EARTH

Letters of Commitment from Starbucks, Green Mountain, and JP Morgan Chase Foundation

ABBREVIATIONS

CCP	Comité de Coordinación de Productores
CESI	Committee on Environment and Social Impact
CFE	Centro para la Formación Empresarial
EARTH	Escuela Agrícola de la Región del Trópico Húmedo
IMF	Instituciones Microfinancieras
MIF	Multilateral Investment Fund

REGIONAL STRENGTHENING THE FINANCIAL MANAGEMENT OF SMALL RURAL PRODUCER ORGANIZATIONS

(RG-M1061)

EXECUTIVE SUMMARY

Beneficiary countries:	Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Mexico (Southern Mexico: Veracruz, Oaxaca, and Chiapas).	
Co-executing agencies:	Escuela Agrícola de la Región del Trópico Húmedo (EARTH) and EcoLogic Finance Inc.	
Target beneficiaries:	At least 48 producer organizations bringing together approximately 24,000 small agricultural producers who export unprocessed products such as cacao, honey, handicrafts, and fruit and vegetables.	
Amount and source:	MIF (Facility III-A):	US\$1,570,000
	Local counterpart:	<u>US\$ 779,000</u>
	Total:	US\$2,349,000
Objective:	To improve the financial management of small rural producer organizations so that they are better able to consolidate and expand their access to markets. The purpose is to implement and strengthen the use of financial management methods and principles in these organizations.	
Periods:	Execution period:	48 months
	Disbursement period:	52 months
Special contractual clauses:	As conditions precedent to the first disbursement of the bank financing: (i) the management committee must have been formed, (ii) the project operating regulations must have been approved by the management committee and be in force, and (iii) the agreement between EARTH and EcoLogic establishing the procedures for project implementation and monitoring must have been signed.	
Exceptions to Bank policy:	None	

**Environmental
and social
review:**

The Committee on Environment and Social Impact reviewed the project abstract on 17 June 2005 (meeting 24-05), without issuing any recommendations.

**Coordination
with other
official
development
agencies:**

The present project will be one of the projects coordinated with the Donors Group through IDB Coffee Network, which together with the World Bank, the German Technical Cooperation Agency (GTZ), and the United States Agency for International Development (USAID) address and coordinate activities concerned with developing the coffee sector in Central America.

I. BACKGROUND

- 1.1 **Small rural producer organizations and new market opportunities.** In Central America and southern Mexico, there are over 480 organizations representing some 96,500 small producers who currently export products such as coffee, cacao, honey, spices, handicrafts, and fruit and vegetables to specialty markets. In addition to consistency in quality, delivery, and quantity, most of these specialty markets demand evidence that the goods have been produced and purchased *in socially responsible conditions*. Given the types of products available in this region and their quality, import and export firms are interested in maintaining and increasing trade links with these suppliers and boosting their purchases from these groups.¹
- 1.2 These rural concerns experience problems with productivity, quality, organization, and management that hinder their sustained growth and pose a potential risk to maintaining and expanding their business with potential buyers. Most initiatives to make small rural producer organizations more competitive have focused mainly on improving production methods, raising quality, building stronger partnerships, developing effective marketing techniques, securing market access, and making financial service providers more efficient. *Yet, these initiatives have failed to address comprehensively, in a coordinated and targeted manner, organizational aspects of internal financing and business management*, two critical areas of any company that are essential for generating sustained growth. Most small rural producer organizations that now export their production have limited capacity for growth because among other things (i) their financial management is weak; (ii) their members lack the basic financial expertise to manage the resources; and (iii) their access to financing is limited.
- 1.3 **Consequences of weak financial management in small rural producer organizations.** *Without the necessary skills for effective financial and business management, these business associations cannot interact effectively* with customers, suppliers, and institutional financial service providers. Most of these groups have trouble in reporting, analyzing, and interpreting financial information on assets, liabilities, earnings, expenses, equity, and cash flow, a problem that prevents them from making informed decisions based on this data that would contribute to better management of their businesses. Moreover, their capacity for capitalization and growth is hampered by *the fact that their members do not have an understanding of basic financial principles*, a shortcoming that also affects the stability of earnings. Although they have access to export markets, many producers in the region are severely constrained by shortfalls in working capital, and must turn to their sole source of financing, lenders that charge interest of from 5% to 20% a month, which weakens the business financially or makes it no longer financially

¹ In the last four years, for instance, the principal purchasers of coffee in the United States (Starbucks, 2000; Sara Lee, 2001; Newman's Own, Procter & Gamble, and Kraft, 2003) have initiated lines of coffee with fair trade and/or organic certification.

viable. The inability of these producers to repay their debts leads to asset losses, which in turn impacts heavily on earnings and the stability of the family and communities that are already economically fragile.

- 1.4 *Potential financial service providers* do not target these organizations because they are not familiar with the dynamics of their operations and considerable investment in time and resources is required in order to obtain reliable financial information when a credit application is made and processed as well as during execution of the loan. With few exceptions, commercial banks would still rather ignore rural areas, and small-scale agriculture in particular, because information is scant and asymmetric, and the transaction costs and perceived risks are high.² Although microfinance institutions have made great strides in recent years to serve new markets and make financing more readily accessible, they continue to concentrate on an urban clientele that engages mainly in trade and services, using methodologies that do not meet the needs of small rural producer organizations, whose main activity is agriculture.³
- 1.5 **Strategic response for Mesoamerica.** The present project seeks to address these problems by strengthening the financial capacity of at least 48 rural producer organizations to the benefit of approximately 24,000 small agricultural producers and craftsmen organized into small rural businesses in six countries. The project will be carried out over the next four years in two phases of 24 months each. Phase one will begin in southern Mexico (Veracruz, Oaxaca, and Chiapas), Guatemala, and Nicaragua, with Honduras, El Salvador, and Costa Rica being brought into the project for phase two.⁴
- 1.6 EARTH and EcoLogic Finance have formed an institutional partnership to carry out the present project jointly. EARTH is an agricultural university with a proven track record and experience in assisting and training rural producers in the region, and EcoLogic Finance Inc. is a financial institution that has developed innovative methodologies to make financing services accessible to rural producer organizations in Latin America and Africa. Aware that customers are demanding that products from suppliers of this kind be maintained and increased and that trade

² In late 2003, there were 78 private banks in Central America, with a total loan portfolio of US\$15.4 billion, of which only 6.2% was for the agricultural sector. Outside of Costa Rica, access to formal sources of credit is less than 15% in agricultural areas.

³ At year-end 2003, it is estimated that microfinance institutions had US\$159 million in lending to rural areas, or 40% of a total portfolio of US\$397.4 million. In the case of savings and loan cooperatives, the rural portfolio is larger: US\$266 million, or 30% of total lending of US\$885.3 million.

⁴ The strategic decision to divide the project into two phases is based on the lessons learned from “Business advisory service for small rural producers” (loan ATN-ME-7724-RG), which show that much effort is wasted if a project is started in more than three countries. Also, there will be considerable in-service training in phase one that may be effectively tapped during phase two, thus enhancing the project in all participating countries.

with small producers depends on their organizational and financial stability, Starbucks Coffee Company and Green Mountain Coffee Roasters have agreed to finance the present project through EcoLogic Finance. JP Morgan Chase Foundation has also agreed to cofinance the present project, because it realizes that organizations of this kind need better financial management to qualify for credit and it is interested in penetrating markets of this kind in the region.⁵

- 1.7 **Rationale and additionality of the project.** The lessons learned from the design, execution, and evaluation of projects in the Social Entrepreneurship Program and of MIF technical-cooperation and investment projects show that strengthening business management and financial capacity is vital for the sustainable growth of small rural producer projects. The **additionality** of the project rests on its being able to develop financial training modules and methodologies that are suited to the requirements of rural producer organizations. Thus, it would help improve the management of their businesses. Working with organizations described in the present project rather than dealing directly with the producers on an individual basis would achieve economies of scale while strengthening the expertise and skills of the members of these organizations.⁶
- 1.8 **Relationship with other initiatives and organizations.** The present project will complement and seek synergies with other efforts being pursued by the Bank through other program (loans, MIF, and PES) that benefit small producer organizations in the region. A list of these projects is attached as Annex III. Also, the project is consistent with the Bank's lines of action and activities, particularly those for the coffee sector in Central America, which has been hard hit by falling prices in recent years, and for growers with the potential to produce specialty coffees, especially those small and medium-sized producers who are able to compete more successfully and establish a permanent niche in export markets. Lastly, this project fits in with the Bank's strategies on competitiveness (document GN-2243-1), integration (document GN-2245-3), and rural development (document GN-2336).

II. PROJECT OBJECTIVES AND COMPONENTS

A. Objectives of the project

- 2.1 The objective of the project is to improve the financial management of small rural producer organizations so that they are better able to consolidate and expand their

⁵ The commitment letters are in the project technical files

⁶ This approach is consistent with the recommendations made in evaluations performed by the Bank's Office of Evaluation and Oversight (OVE) and contained in document MIF/GN-78-2, concerning MIF business development projects where it is recommended that service delivery platforms be developed to lower transaction costs such as those entailed in projects with an organizational focus.

access to markets. The purpose is to implement and strengthen the use of financial management methods and principles in these organizations.

- 2.2 The expected outcomes of the project are: (i) to strengthen the financial and business management capacity of beneficiary organizations; (ii) to build a stronger financial culture among leaders and members of grassroots organizations; and (iii) heighten the awareness of financial service providers to business opportunities with small rural producer organizations.

B. Project components

1. Component I: Strengthening financial and business management capacity (MIF: US\$1,052,000; Local counterpart: US\$388,000).

- 2.3 The purpose of this component is to put in place and strengthen the principles and methods of financial management in small rural producer organizations so that they can provide quality services to members and customers. At the same time, this component will set the stage for improving the ability of small beneficiary firms to access credit by facilitating the continuous production of reliable, quality financial information for potential sources of external financing.
- 2.4 **Subcomponent 1.1: Strengthening the financial and business management capacity of the organization.** Under this subcomponent, a team of qualified trainers will be hired in each beneficiary country and, in coordination with the teaching team from EARTH, 48 beneficiary organizations will be identified, at least eight in each of the six beneficiary countries. The team will perform a diagnostic assessment of each organization selected in order to determine its specific needs in terms of strengthening financial and business management. The findings of the assessment will be used to develop curriculum, teaching materials, and innovative training methodologies in financial management and basic business concepts adapted to the rural producers target group. The project will prepare action plans to strengthen each of the beneficiary entities and to implement them through a combination of centralized workshops in the off-season; and decentralized workshops and direct advisory services in the field during the harvest and export seasons. This will make it possible to see how the organizational plans are being implemented and apply the lesson learned in financial management. While the project is under way, the project personnel and the trainer consultants will assist with exchanges and horizontal learning activities at a regional level between organizations in the countries themselves. A detailed description of these activities and the procurement entailed appears in the project Operating Regulations.
- 2.5 Upon completion of the project, the expected outcomes are (i) small producer organizations will have at least accounting and audit systems; (ii) the management of these organizations and their boards of directors will have the capacity to prepare and utilize basic quarterly financial statements for short- and long-term planning,

management, and management evaluation; (iii) the key technical staff of these organizations will have the capacity to prepare, analyze, interpret, and discuss the organization's financial statements in their annual meetings and in meetings of the board of directors; and (iv) the beneficiary organizations will have the capacity to prepare and carry out plans for production and/or harvest, sales, and financing systematically based on the market cycle.

- 2.6 **Subcomponent 1.2: Improving the internal credit management systems of beneficiary organizations.** The project will provide technical assistance to producer organizations that grant credit to their members for the conceptual design and development of policies, guidelines, and loan agreements; evaluate the terms, conditions, mechanisms, and types of credit that each entity is able to offer, according to the type of business and the terms and conditions of available sources of internal and external financing. The idea is not to turn these organizations into microfinance institutions but simply to show them how to manage their internal credit systems more effectively so that they can offer credit services based on capacity, the nature of the business, and the requirements of members. This component will be adapted to the particular needs of each level of internal credit management in the beneficiary organizations.

- 2.7 The project will finance technical assistance (i) to help create and/or strengthen financial/administrative departments within the organizations; (ii) to train the staff of these departments in handling such aspects of credit operations as planning and resource management and the credit transaction activities of the organizations and their members; (iii) to train staff in monitoring loans that have been granted; (iv) to help establish and/or strengthen loan committees elected by the members each year to review and approve the annual plan of sources of financing and borrowing; (v) to generate different loan products such as loans tied to member savings, marketing loans, and preharvest, harvest, and post-harvest loans; (vi) the development and adoption of loan recovery policies; and (vii) security requirements (harvests, title, fixed assets, etc.) and similar contractual arrangements.

- 2.8 Upon completion of the project, organizations with financing funds for their members will have credit management policies and procedures, and functioning management information systems in their organizations.

2. Component II: Building a stronger financial culture among leaders and members of grassroots organizations (MIF: US\$178,000; local counterpart: US\$92,000).

- 2.9 The purpose of this component is to help leaders and members of beneficiary organizations to better understand basic financial concepts and interpret the main financial statements so that such information can be used in decision making thus contributing to individual and organizational stability. The theme of a financial culture would also embrace modules to promote and strengthen a culture of paying

for financial and nonfinancial services that producers receive from their organizations and other service providers.

- 2.10 To accomplish this aim, the project will finance an initial assessment of the financial knowledge of leaders and members of grassroots organizations. Based on this assessment, the project team in conjunction with the team of trainers and teachers from EARTH will develop a methodology and course study materials to raise the target group's level of understanding and improve modules and content of basic financial training. The project team will identify and train key personnel within the beneficiary organizations that have the qualities and skills to carry out a training program and build a financial culture among members and leaders of the organization.
- 2.11 In supporting this process, EARTH will select, train, and send qualified students for in-service training with these organizations. These students will assist the individual designated as trainer in drawing up and implementing a training plan for members of the organizations. At the end of each phase of the project, a midterm and final evaluation will be performed, taking into account the initial diagnostic review carried out when the base line was established, to determine: (i) the improvement in the level of understanding of financial statements and basic financial and accounting concepts; (ii) capacity to identify the limitations of working capital based on the analysis of family income, expenses, interest rate calculations, etc; (iii) the understanding of how available credit markets function; (iv) the extent to which minimum standards of financial information quality required by organizations and potential sources of financing, clients, professional associations, and second-tier institutions have been met; and (v) the progress made towards promoting a culture of paying for financial and nonfinancial services that have proven effective in helping to bring about improvements in the management of their businesses.
- 2.12 All of the activities in components I and II will be aimed at small producer organizations such as cooperatives, cooperative groups, partnerships, or strategic partnerships that they have formed. Such organizations will need to be stable and sound in order to offset possible risks of abandonment and loss of leaders and technical staff that are essential for planned project-training activities. The producer organizations will be selected on a competitive basis. The eligibility criteria and selection mechanism are described in the project Operating Regulations. It was decided that one half of these organizations will be coffee producers, with the remainder being small producers in various other sectors with similar market strategies, organizational dynamics, and supplier chains, such as cacao and honey producers, fruit and vegetable growers, and handicraft makers. The quota for coffee grower organizations was set because more than 50% of the cofinancing for the project will be furnished by companies involved in the coffee trade that have expressed interest in at least one half of the beneficiary organizations being small coffee growers.

3. Component III: Heightening the awareness of financial service providers to business opportunities with small rural producer organizations (MIF: US\$44,000; local counterpart: US\$74,000).

- 2.13 The purpose of this component is to give financial service providers a better understanding of the behavior and financial viability of small rural producer organizations. Accordingly, potential service providers are expected to have access to information that improves credit analysis of potential borrowers.
- 2.14 The project will finance technical assistance to identify financial service providers in each country with the means of serving small rural producer organizations. Such service providers would include (i) local banks, (ii) alternative lenders and specialized financial intermediaries, (iii) agricultural insurance agents, (iv) factoring agents, (v) savings and loan associations, (vi) leasing agents, and (vii) microfinance institutions.
- 2.15 A strategy for bringing these service providers closer together will be devised and set in motion, and its focus will be to strengthen mutual understanding between financial service providers and producer organizations. Examine service providers will be invited to attend centralized workshops, as appropriate, in order to interact with project beneficiaries and familiarize themselves with such aspects of rural organizations as (i) technical capacity, (ii) captive specialized markets, (iii) supplier chains, (iv) business cycles, (v) risk profile, (vi) financing requirements. The project strategy will include visits by beneficiary organizations to the offices of financial service providers that could potentially serve this sector. In organizing the visits, the beneficiaries will be assisted by experts in business/financial institution relations, who will provide advisory assistance for institutional presentations so that service providers can be familiar with the entity and assess its status as a potential borrower.
- 2.16 With a view to improving the information available to service providers on the organizations/clients and their markets, informational material will be published periodically (i) to amplify information on the organizations and their activities, (ii) to provide market information, (iii) to describe successful experiences in other countries, and (iv) to cover other related topics.
- 2.17 Upon completion of the project, at least 20 financial service providers that have taken part in the awareness building activities are expected to have a better understanding of the financial viability of the beneficiary organizations and at least 7 service providers are expected to be offering services to organizations participating in the project.

4. Component IV: Standardization, dissemination, and monitoring (MIF: US\$100,125; local counterpart: US\$78,000).

- 2.18 The purpose of this component is to standardize and disseminate the project methodologies, content, and outcomes, as well as the lesson learned to other small producer organizations in Latin America and the Caribbean. In light of the opportunities presented by the Free Trade Agreement with Central America and the Dominican Republic (CAFTA), efforts will be made to replicate the project outcomes elsewhere with other nonbeneficiary groups with the potential to compete in export markets. This component will also identify other programs and donor agencies active involved in rural development and activities will be carried out to disseminate information to this group in order to replicate the project outcomes.
- 2.19 The project will finance (i) the hiring of consultants to standardize the methodologies, (ii) the preparation of case studies and promotional material based on concrete experiences and information gathered/collected, and (iii) the dissemination of activities including regional workshops for exchanges of experiences between project beneficiaries, other producer groups, donor agencies, and other rural development programs.

III. COST AND FINANCING

- 3.1 The total cost of the project has been put at US\$2,349,000, of which the MIF will finance US\$1,570,000. EcoLogic Finance will contribute US\$584,000 of the local counterpart funding and EARTH US\$195,000.

Components	MIF	Counterpart	Total	%
Comp. I: Strengthening business and financial management capacity	1,052,000	388,000	1,440,000	61.3%
Comp. II: Strengthening of financial culture	178,000	92,000	270,000	11.5%
Comp.III: Sensitizing of financial service providers	44,000	74,000	118,000	5.0%
Comp. IV: Standardization, promotion, and monitoring	100,125	78,000	178,125	7.6%
Administration	118,000	147,000	265,000	11.3%
External evaluation	44,875		44,875	1.9%
Audits	20,000		20,000	0.9%
Contingencies	13,000		13,000	0.5%
TOTAL	1,570,000	779,000	2,349,000	100%
Percentage (%)	66%	34%	100%	

- 3.2 **Sustainability.** The present project will help to make the beneficiary organizations sustainable by strengthening their financial management so that they can consolidate and grow as rural businesses. The project promotional activities and partnerships with other donors will enable the project to extend the outcomes to other organizations and apply the lesson learned. During project execution, EARTH will build the modules and financial training methodologies developed into (i) EARTH's network of local technical agricultural schools, (ii) other regional agricultural training institutes; and/or (iii) local specialized universities in agricultural outreach and other sustainable rural development and environmental conservation activities.
- 3.3 Up to US\$20,000 will be recognized as part of the local counterpart funding for use in hiring the Project Director and payment of his salary starting in October 2005. This procedure is justified since EARTH and EcoLogic need to plan and coordinate activities so that the project can get under way in the first quarter of 2006. With the Project Director's involvement in these activities and fulfillment of the conditions precedent to the first disbursement, the project will be able to commence as soon as it is approved.

IV. EXECUTING AGENCY AND EXECUTING MECHANISM

- 4.1 **Co-executing agencies.** The co-executing agency administrative headquarters will be Escuela Agrícola de la Región del Trópico Húmedo (EARTH) through the Center for Entrepreneurial Formation (CFE). EARTH is a private university that promotes "learning by doing" methodologies in the areas of natural resources and agriculture as well as contributes to sustainable development in humid tropical regions through applied research. It has 400 students from 18 different countries in Latin America. The CFE encourages the development of small and medium-sized agricultural companies in Central America by means of improved competitiveness, training, advisory assistance, and market research. The CFE has an experienced team of multidisciplinary professionals that promote and support commercial agricultural initiatives and agribusiness producer organizations. The CFE employs EARTH's accounting and administrative financial structure to pursue its activities.
- 4.2 EcoLogic Finance Inc. will be the technical coexecuting agency and will bring a significant portion of the counterpart resources to the project. EcoLogic Finance is a nonprofit development finance institution that makes financial services available to rural producer organizations in environmentally sustainable communities in Latin America and Africa. Also, its purpose is to serve as a model for other financial service providers in the countries where it is active so that they can adopt innovative credit facilities and financial instruments that are both profitable and supportive of rural economic development.

- 4.3 **Execution mechanisms.** EARTH and EcoLogic will enter into an agreement, whereby a management committee will be set up as a regional coordinating mechanism to supervise all aspects of the work plan and project execution, including the selection of participating producer organizations. The members of the management committee will be two representatives from EARTH and two representatives from EcoLogic Finance. The management committee will meet in Costa Rica or in any other beneficiary country, at three key moments of the project: (i) before the start up of activities; (ii) for review of the midterm evaluation; and (iii) upon completion of the project to review the final evaluation.
- 4.4 The project will be administered by an executing unit that will function as a decentralized body. The executing unit will have five members: the project director and the latter's technical assistant, who will be assigned to one of the beneficiary countries during each phase of the project⁷, two country technical coordinators, who will be assigned to the other two countries during each phase of the project. Their offices will be located in a beneficiary organization. The last member of the executing unit will be the project administrator, who will work from the Center for Entrepreneurial Formation in Costa Rica. The project director, the principal professional in the executing unit, will report to the management committee on project execution. The country technical coordinators, who will report to the project director, are responsible for coordinating technical activities and country outcomes, acting also as trainers. The project administrator, who will report to the management committee, is the person in charge of project administrative and financial management, and will orient the project director and keep the latter informed of all aspects concerned with project administration and EARTH's trust duties.
- 4.5 Overall, the executing unit will be responsible for (i) preparing and carrying out the annual work plans with the help of the consultants; (ii) coordinating project activities; (iii) awarding contracts in accordance with Bank standards and supervising procurement of goods and services; (iv) processing disbursement requests; (v) presenting to the management committee for forwarding to the Bank the semiannual management reports, financial statements, revolving fund report, and local counterpart funding reports; (vi) tracking the performance of indicators in the logical framework; and (vii) commissioning annual project audits.
- 4.6 The representatives of producer organizations in each country will sit on a producer coordinating committee (CPP) made up of one representative from each beneficiary organization that will serve as a formal contact through which information on project execution will be channeled by beneficiary organizations and the institutional partners. The CPP will meet from time to time with members of the executing unit to discuss and evaluate the progress of the project and its

⁷ During phase one, the project director and the technical assistant will work from EcoLogic's offices in the city of Quetzaltenango, in Guatemala.

views and suggestions will be reflected in the semiannual progress reports. This is essential for ensuring the beneficiaries' commitment, the sustainability of project activities, and its impact after the operation has been completed. EARTH will sign collaboration agreements with the beneficiary producer organizations to determine the scope of the parties' commitment and to monitor the extent to which the objectives have been fulfilled. A draft agreement is available in the project technical files.

- 4.7 **Project readiness.** A consensus was reached with all project participants on the project design, budget, and activities, which have now been prepared. Also prepared have been the draft Operating Regulations and terms of reference for hiring the principal project team and a draft agreement between EARTH and EcoLogic, all of which are available in the project technical files. The process of recruiting a project director is now under way. As to the counterpart funding, letters of commitment have now been received from Starbucks Coffee Company, Green Mountain Coffee Roasters, and JP Morgan Chase Foundation.
- 4.8 **Execution and disbursement periods.** The project will be carried out in 48 months and the MIF funds will be disbursed in 54 months.
- 4.9 **Procurement.** For procurement of goods and consulting services to be financed by the MIF, EARTH will be required to comply with the Bank's standards, procedures, and policies for procurement as set out in document GN-2349-4 (goods) and document GN-2350-4 (consulting services). In the technical files is a draft of the procurement schedule that EARTH will submit to the Bank once the project has been approved. The plan covers the first 18 months of the project and will be updated each year as specified in the Bank's procurement policy.

V. MONITORING AND EVALUATIONS

A. Monitoring

- 5.1 EARTH acting through the executing unit will be responsible for gathering and analyzing data for ongoing monitoring of progress at a regional level and of the principal indicators in the logical framework in Annex I. EARTH, through the executing unit, will prepare and present each year to the management committee and the Bank's Country Office in Costa Rica progress reports for the periods ended 31 July and 31 January, and a final report 30 days before the last disbursement. The reports must be in a format agreed with the Bank based on the principal indicators in the logical framework in Annex I and in the Operating Regulations or as modified by mutual agreement with the Bank. The Country Office will use the progress reports for project supervision and evaluation and will prepare a project completion report within three months after the last disbursement. The project

indicators must be taken into consideration in preparing the progress reports and the midterm and final evaluations.

B. Evaluations

- 5.2 The Bank will use the project funding to hire consultants to perform: (i) an initial evaluation to establish the baseline when the information on the organizations selected to take part in the project has been received; (ii) a midterm evaluation 24 months into the project; and (iii) a final evaluation three months prior to the last disbursement that will look at the outcomes of the first two phases, lessons learned, and possible mechanisms for replicating the project in other countries. The baseline must contain information from a sample of beneficiaries so that the project evaluations are able to gauge what has been learned. The midterm evaluation will examine the rate of advance and overall project performance, looking specifically at (i) the development of the logical framework indicators; (ii) the sample taken from the baseline to determine what has been learned and the progress made to improve financial management by the organizations and their members, and their sense of its usefulness; (iii) rate of technical and financial progress in project execution; (iv) the institutional capacity of the stakeholders; (v) the financial service providers' perception of the areas addressed; (vi) any change that may need to be made to the logical framework, the components, or the budget to facilitate project execution; and (vii) the lessons learned. Based on the evaluator's recommendations, the Bank and the management committee will agree on steps that must be taken to improve project execution.
- 5.3 For the final evaluation, the external consultants will evaluate the project's impact more broadly. Specifically, they will review (i) the extent to which the project's specific objectives and purposes have been met with respect to the baseline indicators and logical framework indicators; (ii) what has been learned and the progress made to improve financial management in beneficiary organizations and the general sense of its usefulness, using as a benchmark the samples taken in the first and second phases of the project and the outcomes of the midterm evaluation; and (iii) a survey to assess the satisfaction of participating beneficiary organizations. EARTH will make all necessary information and documentation available for the evaluations.
- 5.4 The Bank's Country Office in Costa Rica, with the help of consultants and EARTH, will perform annual performance reviews to determine the extent to which the project objectives have been achieved. These reviews will examine the annual counterpart requirements and whether or not the project should be continued, suspended, or cancelled. As it is a regional project, an amount equivalent to US\$15,000 will be allocated to the Bank's Country Office in Costa Rica to help with project monitoring in the field. This sum will be administered by the Bank and disbursed from its contribution commencing on the effective date of the technical

cooperation agreement letter, without the need for a disbursement request from EARTH.

VI. BENEFITS AND RISKS

- 6.1 **Benefits.** The present project is expected to help small producer organizations and their members reinforce their financial skills, thus contributing to better management of their businesses, and their ability to access more sources of financing. It is expected that with reliable, uniform, quality information financial service providers will have a tool for examining the viability of these small rural producer companies, the potential market return on the business and ultimately on their status as potential borrowers.
- 6.2 **Beneficiaries.** At least 48 producer organizations bringing together approximately 24,000 small rural producers who export natural products such as cacao, honey, handicrafts, and fruit and vegetables.
- 6.3 **Risks.** Risks exist at two levels. First, there is the possibility that the organizations selected have high staff turnover, a factor that would be detrimental to the transfer of expertise. This risk will be mitigated by the selection criteria and the process for selecting organizations in which the stable employment of key personnel and their leaders will be a determining factor in the process. Second, as this is a regional project, the execution mechanism could adversely affect the flexibility of the project. This risk will be mitigated by (i) the division of the project into two phases and have it concentrated in just three countries during each phase; (ii) the appointment of a coordinator and principal trainer for each country; and (iii) EARTH's previous successful experience with MIF regional projects.

VII. SOCIAL AND ENVIRONMENTAL IMPACTS

- 7.1 The project is expected to have some favorable social and environmental impacts. Given the eligibility criteria in the Operating Regulations, the principal beneficiaries will be small rural producer organizations that already have access to agricultural export markets with the strict environmental and social standards of specialty markets. The financial and management strengthening will enable these businesses to improve their economic performance, transparency, and motivation, to maintain and improve their social and environmental practices, and to secure better market prices. From a social standpoint, the producers in these organizations have low-incomes and come from different indigenous groups. As a result of the financial strengthening activities, the members of these organizations will be better able to understand the financial condition of their organizations and participate in corporate governance and decision-making.

- 7.2 The Committee on Environment and Social Impact reviewed the project abstract on 17 June 2005 (meeting 24-05), without issuing any recommendations.

VIII. SPECIAL CONTRACTUAL CONDITIONS

- 8.1 As conditions precedent to the first disbursement of the Bank financing: (i) the management committee must have been formed, (ii) the project Operating Regulations must have been approved by the management committee and be in force, and (iii) the agreement between EARTH and EcoLogic establishing the procedures for project implementation and monitoring must have been signed.

STRENGTHENING THE FINANCIAL MANAGEMENT OF SMALL RURAL PRODUCER ORGANIZATIONS
LOGICAL FRAMEWORK
RG-M1061

Objectives	Indicators	Means of Verification	Assumptions
GOAL			
To strengthen the financial management of small rural producer organizations so that they are better able to consolidate and expand their access to markets.	Two years after completion of the project, small rural producers organizations have reliable financial management systems to facilitate and consolidate market access.	<ul style="list-style-type: none"> List of client companies that import and export natural products from beneficiary countries. National and regional statistics. 	<ul style="list-style-type: none"> Adverse weather disturbances or natural disasters do not materially affect the market production of the organizations. Macroeconomic conditions in the region are conducive to a more competitive climate (CAFTA) and the exogenous influence will compel the beneficiary organizations to apply the knowledge acquired.
PURPOSE			
To implement and strengthen financial management methods and principles in 48 small rural producer organizations, in Mexico, Guatemala, Nicaragua, Costa Rica, El Salvador, and Honduras (8 organizations per country).	The adoption of financial management methods strengthens 80% of the 48 participating organizations, representing at least 24,000 small producers, upon completion of the project.	<ul style="list-style-type: none"> Midterm and final evaluations of external consultants. Project monitoring reports by COF/CCR. Semiannual progress reports and final project report prepared by the executing unit and submitted by EARTH. PPMR and PCR 	<ul style="list-style-type: none"> Various stakeholders put pressure on these organizations for more transparency in agricultural and technical operations and in financial and management methods. Forgiveness or credit ceiling policies or any other policies that are expressed or implied do not influence lending decisions. Price levels continue to be favorable for producer organizations. Market demand for these products continues to grow.

Objectives	Indicators	Means of Verification	Assumptions
COMPONENTS			
Component 1. Strengthening of business and financial management skills. Subcomponent 1.1 Financial and business management skills of beneficiary organizations strengthened.	<ol style="list-style-type: none"> 18 months into the project, at least 12 trainers are certified to give courses in finance. By month 36, 21 trainers certified. 18 months into the project, 24 producer organizations selected have developed a baseline and action plans. By month 36, 48 organizations. 24 months into the project, 25% of the 48 beneficiary organizations have functioning automated accounting systems that can be audited. By month 36, 50% and by month 48, 90%. 24 months into the project, management and boards of directors of 25% of the 48 beneficiary organizations are preparing and using basic quarterly financial statements for short- and long-term planning, management, and management evaluation. By month 36, 50% and by month 48, 90%. 36 months into the project, 25% of the 48 organizations: issue, distribute, and discuss financial statements in the annual meeting and in meetings of the board of directors. By month 48, 50%. 24 months into the project, 50% of the organizations are regularly preparing plans for production and/or harvest, sales, and financing systematically based on the market cycle. By month 36, 75% and by month 48, 90%. 	<ul style="list-style-type: none"> Midterm and final evaluations of external consultants. Project monitoring reports by COF/CCR. PPMR and PCR Semiannual progress reports and final project report prepared by the executing unit and submitted by EARTH. Copies of minutes of meetings of the board of directors and other meetings. Financial statements (historical, present, and projected) of the beneficiary organizations. Financing/lending policies approved by the board of directors. 	<p>Turnover is low among key personnel and leaders of the organizations selected.</p> <p>Governance of the organizations promotes transparency and participation by their members.</p> <p>Technical criteria take precedence over political criteria in the granting and repayment of loans.</p> <p>Improvements in reducing arrears produce visible benefits for members.</p>

Objectives	Indicators	Means of Verification	Assumptions
Subcomponent 1.2 Internal financial management of beneficiary organizations improved.	1. 48 months into the project, 80% of the organizations with internal sources of financing have formal policies and procedures and management information systems that based on the external evaluation have the elements to promote the growth of these organizations as businesses.		
Component 2. Financial culture strengthened among leaders and members of grassroots organizations.	1. 24 months into the project, 25% of the 48 beneficiary organizations satisfy the requirement of financial reporting according to the standards of second-tier institutions and/or the country technical coordinator. By month 36, 50% and by month 48, 75%. 2. 24 months and 48 months into the project, test measurements taken by external evaluators show that at least 80% of leaders and members selected as beneficiaries for each phase of the project: (i) have a better understanding of financial statements and basic financial and accounting concepts; (ii) can identify the limitations of their working capital; (iii) understand the functioning of the credit markets available; (iv) are able to deliver the necessary financial information reliably; and (v) show a willingness to help pay for financial and nonfinancial services that are effective in helping them improve the management of their businesses.	<ul style="list-style-type: none"> • Midterm and final evaluations of external consultants. • Diagnostic test measurements taken by external evaluators. • Project monitoring reports by COF/CCR. • PPMR and PCR • Semiannual progress reports and final project report prepared by the executing unit and submitted by EARTH. • Reports of country technical coordinators. 	External advisory assistance accepted by participants. Second-tier organizations have favorable influence on grassroots organizations.
Component 3. Financial service providers made aware of business opportunities with small rural producer organizations.	1. Upon completion of the project, at least 20 financial service providers that participated in awareness building activities have a better understanding of the financial viability of the beneficiary organizations and at least 7 providers are offering financial services to participating organizations.	<ul style="list-style-type: none"> • Midterm and final evaluations of external consultants. • Project monitoring reports by COF/CCR. • PPMR and PCR • Semiannual progress reports and final project report prepared by the executing unit and submitted by EARTH. 	The authorities of financial service providers continue to be receptive to and express interest in learning about and possibly serving small rural producer organizations. Governments do not issue policies that are a disincentive to serving the agricultural sector.

Objectives	Indicators	Means of Verification	Assumptions
ACTIVITIES			
Component 1. Strengthening financial and business management capacity. Subcomponent 1.1 Financial and business management skills of beneficiary organizations strengthened. 1. Hiring of Project Technical Director (Guatemala) 2. Hiring of Technical Assistant 3. Hiring of Country Technical Coordinator 4. Country office operation 5. Selection of local trainers 6. Promotion and selection of beneficiary organizations 7. Diagnostic assessments of organizations 8. Design of a methodology and curriculums 9. International workshops 10. Implementation of FMT workshops 11. Implementation of BB workshops 12. Advisory assistance by teachers from EARTH at centralized workshops 13. Preparation of action plans 14. Implementation of action plans for each beneficiary organization 15. Decentralized workshops 16. National exchange visits 17. Regional exchange workshop 18. Dissemination of experiences 19. Specific on-site advisory assistance	TOTAL: US\$1,440,000 MIF: US\$1,052,000 By the end of month 3: 1. Project Director hired 2. Technical Assistant hired 3. Two country technical coordinators hired 4. 3 project offices By the end of month 24 of each phase: 5. 3 per country: 18 trainers for each phase 6. 8 organizations per country, 6 countries, for a total of 48 7. 24 diagnostic assessments in each phase, for a total of 48 8. 1 curriculum 9. 2 workshops, one for each phase 10. 6 workshops in phase one and 12 in phase two 11. 6 workshops in phase one and 12 in phase two 12. Report on advisory assistance 13. 24 action plans in each phase, for a total of 48 14. 24 action plans in each phase, for a total of 48 15. 6 workshops in phase one and 12 in phase two 16. 12 visits per year 17. 2 workshops: by the end of each phase at EARTH 18. Case studies 19. Lump sum each year	1. Contract of the Project Director 2. Contract of the Technical Assistant 3. Contracts with two Country Technical Coordinators 4. Facilities 5. Report on selection of local trainers 6. Report on selection of beneficiary organizations and signed agreements 7. Diagnostic assessments of the organizations 8. Curriculums and methodologies 9. Reports on the workshops 10. Reports on the workshops 11. Report on the workshops 12. Report on the workshops 13. Action plans 14. Action plans 15. Report on the workshops 16. Reports on the visits 17. Report on the exchange workshops 18. Case studies 19. Report on advisory assistance	

Objectives	Indicators	Means of Verification	Assumptions
Subcomponent 1.2 Internal financial management of beneficiary organizations improved. <ol style="list-style-type: none"> Diagnostic assessment of the organizations Design of methodology and curriculums (ICM) Implementation of workshops (ICM) Preparation of action plan Implementation of action plans Standardization and dissemination of methodology Dissemination of experiences Specific on-site advisory assistance 	By the end of month 24 of each phase: <ol style="list-style-type: none"> 24 in phase one, 24 in phase two, for a total of 48 diagnostic assessments 1 curriculum and methodology manual 6 workshops in phase one and 12 in phase two 24 plans in phase one and 24 in phase two 48 action plans By end of each year EARTH workshops and case studies Lump sum for each year 	<ol style="list-style-type: none"> Diagnostic assessments Curriculums and manual Report on the workshops Action plans Action plans Methodology manual Case studies Report on advisory assistance 	
Component 2. Financial culture strengthened among leaders and members of grassroots organizations. <ol style="list-style-type: none"> Initial assessment of financial culture Design of methodology and curriculums Training for trainers within organizations Preparation of a training and action plan in the organizations Training for students of EARTH Hiring of students Monitoring of students Standardization of methodology Specific on site advisory assistance 	TOTAL: US\$270,000 MIF: US\$178,000 By the end of month 24 of each phase: <ol style="list-style-type: none"> Grassroots organizations 1 manual prepared 6 workshops 48 training and action plans 4 workshops Students hired Annual in-service training By the end of each year Lump sum each year 	<ol style="list-style-type: none"> Evaluation report Curriculums and manual Trainer's report Training plan Trainer report Students contracts In-service training report Methodology manual Advisory assistance report 	

Objectives	Indicators	Means of Verification	Assumptions
<p>Component 3.</p> <p>Financial service providers made aware of business opportunities with small rural producer organizations.</p> <ol style="list-style-type: none"> 1. Identification of service providers 2. Design and implementation of a strategy to bring financial service providers closer to organizations 3. Activities for exchanges between potential service providers and prospective clients 4. Specific on site advisory assistance 5. Specialized assistance from EcoLogic Finance 6. Standardization and dissemination of successful experiences 	<p>TOTAL: US\$118,000 MIF: US\$ 44,000</p> <p>By the end of month 24 of each phase:</p> <ol style="list-style-type: none"> 1. Service providers identified 2. Strategy developed 3. Lump sum each year 4. Lump sum each year 5. Lump sum each year 6. At the end of each year 	<ol style="list-style-type: none"> 1. List of service providers 2. Report on the strategy 3. Report on exchanges 4. Report on advisory assistance 5. Report on advisory assistance 6. Compilation of successful experiences 	

SUMMARY ITEMIZED BUDGET
STRENGTHENING THE FINANCIAL MANAGEMENT OF SMALL RURAL PRODUCER ORGANIZATIONS (RG-MI061)

Activities	Local counterpart contribution					TOTAL	%
	MF	EcoLogic (in cash)	EcoLogic (in kind)	EARIH (in cash)	EARIH (in kind)		
Component 1: Strengthening financial and business management capacity	1,052,000	269,000	103,000	-	16,000	1,440,000	61.30%
Subcomponent 1.1: Financial and business management capacity of beneficiary organizations strengthened	894,899	266,552	90,760	-	16,000	1,268,212	53.99%
1.1.1. Hiring of Project Technical Director	-	204,918	291	-	-	205,209	
1.1.2. Hiring of Technical Assistant	61,340	618	-	-	-	61,958	2.64%
1.1.3. Hiring of Country Technical Coordinators	244,800	816	-	-	-	245,616	10.46%
1.1.4. Country office operations	131,611	23,225	-	-	-	154,836	6.59%
1.1.5. Travel by land	75,888	15,912	-	-	-	91,800	3.91%
1.1.6. Selection of local trainers	-	1,428	-	-	-	1,428	0.06%
1.1.7. Promotion and selection of beneficiary organizations	-	4,896	1,020	-	-	5,916	0.25%
1.1.8. Diagnostic assessment of the organizations	-	4,896	-	-	-	4,896	0.21%
1.1.9. Design of methodologies and curriculums	-	-	-	-	-	-	0.00%
1.1.10. Meeting on strategic planning at EARIH	3,698	-	5,865	-	2,434	11,997	0.51%
1.1.11. International workshop	45,645	1,275	-	-	5,763	52,683	2.24%
1.1.12. Implementation of FMI workshops	111,996	-	-	-	-	111,996	4.77%
1.1.13. Implementation of BB workshops	121,176	-	-	-	-	121,176	5.16%
1.1.14. Advisory assistance from EARIH teachers to centralized workshops	-	-	13,541	-	1,377	14,918	0.64%
1.1.15. Preparation of action plan	-	2,448	2,448	-	-	4,896	0.21%
1.1.16. Implementation of action plans for each beneficiary organization	-	6,120	6,120	-	-	12,240	0.52%
1.1.17. Decentralized workshops	53,611	-	16,340	-	-	69,952	2.98%
1.1.18. National exchange visits for subcomponents 1 and 2	16,524	-	16,524	-	-	33,048	1.41%
1.1.19. Regional exchange workshop	24,939	-	24,939	-	6,426	56,304	2.40%
1.1.20. Special on-site advisory assistance	3,672	-	3,672	-	-	7,344	0.31%
Subcomponent 1.2: Management of internal financing	157,100	2,448	12,240	-	-	171,788	7.31%
1.2.1. Diagnostic assessment of the organizations	9,792	-	-	-	-	9,792	0.42%
1.2.2. Design of methodology and curriculums	-	-	-	-	-	-	0.00%
1.2.3. Implementation of ICM workshops	137,516	-	-	-	-	137,516	5.85%
1.2.4. Preparation of action plan	-	2,448	2,448	-	-	4,896	0.21%
1.2.5. Implementation of action plans for each beneficiary organization	6,120	-	6,120	-	-	12,240	0.52%
1.2.8. Special on-site advisory assistance	3,672	-	3,672	-	-	7,344	0.31%
Component 2: Building of financial culture	178,000	21,000	71,000	-	-	270,000	11.49%
2.1. Initial evaluation of financial culture	9,792	-	-	-	-	9,792	0.42%
2.2. Design of methodology and curriculum	-	5,100	-	-	-	5,100	0.22%
2.3. Training for trainers in the organizations	45,716	-	4,590	-	-	50,306	2.14%
2.4. Preparation of training and action plan in the organizations	118,820	2,130	24,182	-	-	145,132	6.18%
2.5. Training for students of EARIH	-	-	-	-	-	-	0.00%
2.6. Hiring of students	-	13,770	26,010	-	-	39,780	1.69%
2.7. Monitoring of students	-	-	12,546	-	-	12,546	0.53%
2.9. Special on-site advisory assistance	3,672	-	3,672	-	-	7,344	0.31%
Component 3: Heightening awareness of financial service providers	44,000	20,000	54,000	-	-	118,000	5.02%
3.1. Identification of financial service providers with the potential to serve small rural producer organizations	5,100	-	-	-	-	5,100	0.22%
3.2. Design and implementation of a strategy to bring financial service providers closer to the sector	18,360	-	-	-	-	18,360	0.78%
3.3. Activities for exchanges between potential service providers and prospective clients	10,200	10,200	-	-	-	20,400	0.87%
3.4. Special on-site advisory assistance to make services more readily accessible	10,340	9,800	54,000	-	-	74,140	3.16%
Component 4: Standardization, dissemination, monitoring, and evaluation	145,000	-	46,000	-	32,000	223,000	9.49%
Subcomponent 4.1: Standardization and dissemination	30,000	-	-	-	24,480	54,480	2.32%
Subcomponent 4.2: Evaluation	44,875	-	-	-	-	44,875	1.91%
Subcomponent 4.3: Monitoring	70,125	-	46,000	-	7,520	123,645	5.26%
Audits	20,000	-	-	-	-	20,000	0.85%
5.1. Audits	20,000	-	-	-	-	20,000	0.85%
Administration	118,000	-	-	147,000	-	265,000	11.28%
6.1. Hiring of Project Administrator	-	-	-	147,000	-	147,000	6.26%
6.2. Accounting and administrative services	58,752	-	-	-	-	58,752	2.50%
6.3. Operation of the office in the country (Costa Rica)	59,248	-	-	-	-	59,248	2.52%
Contingencies	13,000	-	-	-	-	13,000	0.55%
Total	1,570,000	310,000	274,000	147,000	48,000	2,349,000	100.00%
	67%		33%			100%	

STRENGTHENING THE FINANCIAL MANAGEMENT OF SMALL RURAL PRODUCER ORGANIZATIONS
TABLE OF RELATED PROJECTS
RG-M1061

A. Similar or related MIF projects

None

B. Similar or related Bank projects

Social Entrepreneurship Projects (PES) in the Region for the Benefit of Small Rural Producer Organizations

Project number	Project title	Executing agency	Approval date	Project amount	Percentage disbursed
Guatemala					
ATN/SF-7838-GU	Agricultural Development for Nuevo Horizonte Community	Cooperativa Nuevo Horizonte	4-Apr-02	250,000	82.10%
ATN/SF-7853-GU	Competitiveness of Indigenous Small Farmers	Centro Municipal para el Desarrollo Agroindustrial de Sumpango (CEMUSDA)	26-Apr-02	350,000	89.10%
ATN/SF-8172-GU	Development of Beekeeping in Maya Communities in Guatemala	Fundación para la Seguridad Alimentaria Rural, Equitativa y Sostenible (SARES)	19-Dec-02	220,000	80.80%
ATN/SF-8863-GU	Support of Small Mayan Coffee Producers	R-Ecologic Finance (EF) NR- Manos Campesinas	22-Sep-04	461,000	0.00%
ATN/ID-8791-GU	Quality and Productivity of Small-scale Beekeepers Engaged in Fair Trade	Cooperativa de Producción Integral "Apicultores de Suroccidente" R.L. (APICU)	29-Jul-04	375,000	1.90%
ATN/SF-9004-GU	Production and Marketing of Export Crops Grown by Small-Scale Farmers	Aj Ticonel S.A.	10-Dec-04	470,000	0.00%
El Salvador					
ATN/SF-7455-ES	Support for Cooperativa La Palma de R.L.	Cooperativa La Palma de R.L.	06-Jun-01	118,000	79.70%
ATN/SF-8179-ES	Support to rural Microenterprises in Nahuizalco	Asociación Salvadoreña de Desarrollo Integral (ASDI)	20-Dec-02	196,000	87.10%
ATN/SF-7932-ES	Support for Small Producers of Marañon	Sociedad Cooperativa de Productores de Marañon	03-Jul-02	410,000	0.00%
ATN/SF-8345-ES	Competitive Production of Shrimp for Economic Development of Small Producers	Fundación Usutlán II (FU2)	24-Jun-03	805,000	0.00%

Project number	Project title	Executing agency	Approval date	Project amount	Percentage disbursed
Nicaragua					
ATN/SF-7836-NI	Development of Sheep Raising On 'trópico Seco'	Fundación Centro de Estudios y Acción para el Desarrollo	03-Apr-02	715,000.00	
ATN/SF-8180-NI	Production and Marketing of Tuber and Root Crops for Small Producers	Unión Nacional de Agricultores y Ganaderos (UNAG)	20-Dec-02	580,000.00	46.20%
ATN/SF-8181-NI	Agricultural Diversification in Indigenous Communities	Cooperativa Multisectorial Aikuki Wal R.L. (CMAW)	20-Dec-02	270,000.00	84.40%
ATN/SF-8567-NI	Production and Marketing of Fresh Fruits and Vegetables with Small Producers	Asociación Pueblos en Acción Comunitaria (PAC)	16-Dec-03	605,000.00	0.00%
Honduras					
ATN/SF-8121-HO	Improve Mountain Coffee Production in the Altiplano Siguatepeque	Cooperativa Cafetalera Siguatepeque Limitada	27-Nov-02	600,000.00	39.00%
ATN/SF-8585-HO	Beekeeping As An Alternative Farm Enterprise	BANHCAFE - Swisscontact	18-Dec-03	610,000.00	0.00%
Costa Rica					
ATN/EP-7754-CR	Microproducers Development Medicinal Plants	Asociación ANDAR	21-Dec-01	355,000.00	0.00%
ATN/EM-8446-CR	Organic Production System for Small-Scale Farmers in Talamanca	Asociación de Pequeños Productores de Talamanca (APPTA)	26-Sep-03	615,000.00	54.30%
Mexico					
ATN/SF-6321-ME	Beekeeping Integral Development Costa Chica	Unión Regional de Ejidos, Producción y Comercialización Agropecuaria de Costa Chica	9-Dec-98	602,000.00	100.00%
ATN/SF-7113-ME	Support for Jamaican Hybiscus Crops	Sociedad de Solidaridad Social	25-Aug-00	391,000.00	87.30%
ATN/SF-7192-ME	Support for Centro Agroecología San Francisco de Asís	Centro de Agroecología San Francisco de Asís	27-Oct-00	690,000.00	76.20%
ATN/SF-7903-ME	Pronatura Chiapas, A.C.	PRONATURA Chiapas, A.C.	31-May-02	698,000.00	56.40%
ATN/SF-8011-ME	Support for Apoyo Comunidades Campesinas en Camino de Cultivos Orgánicos	Comunidades Campesinas en Camino	9-Sep-02	698,000.00	100.00%
ATN/SF-8290-ME	Strengthening to Cerro del Zenzontle, A. C.	Cerro del Zenzontle A.C.	23-Apr-03	450,000.00	27.90%
ATN/SF-8372-ME	Apiculture Indigenous Farmers in Chiapas Highlands, ARIC	Productores Indígenas Serranos de Chiapas	14-Jul-03	605,000.00	18.90%

Project number	Project title	Executing agency	Approval date	Project amount	Percentage disbursed
ATN/SF-8373-ME	Sociedad Cooperativa Apícola Region CH'OL, S.C.L	Sociedad Cooperativa Apícola de la Región CHO'L S.C.L.	14-Jul-03	528,000.00	14.60%
ATN/SF-8690-ME	Montaña de Guerrero Regional Development Project	Fundación para la Productividad en el Campo, México	7-Apr-04	613,000.00	10.00%
ATN/SF-8689-ME	Productive Projects Funds of Cajas Solidarias de Guerrero A.C.	Consejo Coordinador Estatal de Cajas Sol	14-Apr-04	570,000.00	0.00%

C. Projects related to the same sector or beneficiaries.

Project number/ Approval date	Project Title, Executing Agency, and Amount	Signing date and original disbursement period in months	Percentage disbursed	Comments: Satisfactory or problematic execution, including delays, extensions, reformulations, changes in executing agency, etc.
ATN/MH-5128-HO 23 January 1996.	Rural Entrepreneurship Development Program Escuela Zamorano \$1,892,300 from MIF	2 October 1996. 42 months (and 15 month extension)	100%	Project completed; with highly satisfactory classification (HS/HP).
ATN/ME-5275-RG 10 July 1996.	Katalysis Network: Support for the Sustainable Development of Microenterprises Katalysis Honduras \$1,690,000 from MIF	25 September 1996. 42 months (and 18 month extension)	100%	Project completed; with highly satisfactory classification (HS/HP). Transfer of technology to microcredit and management information systems has had a significant impact on expanding community-banking programs.
ATN/ME-5911-GU 1 April 1998.	Development of Competitive Capacity in Nontraditional Agricultural Exports Asociación Gremial Exportadores Productos No Tradicionales (AGEXPRONT) \$1,500,000 from MIF	14 May 1998. 48 months (and 30 month extension)	83%	Red flag (U/I). The approach to small-scale and medium-sized agriculture was not as anticipated since very few have managed to export their production and most did not report improvements in family income as indicated in the final evaluation.

Project number/ Approval date	Project Title, Executing Agency, and Amount	Signing date and original disbursement period in months	Percentage disbursed	Comments: Satisfactory or problematic execution, including delays, extensions, reformulations, changes in executing agency, etc.
ATN/ME-7724-RG 13 December 2001.	Advisory Services for Small Rural Producers Escuela de Agricultura de la Región Tropical Húmeda \$495,850 from MIF	15 January 2002. 44 months	92%	Project classified as satisfactory (S/P). The assumptions have been met and quantitative targets have been exceeded, An effort will be made to become self-sustainable with the creation of a sustainability fund.
ATN/ME-7835-HO 3 April 2002.	Strengthening of the Capacity for the Agro- Exporters Federación de Agro-exportadores de Honduras \$728,150 from MIF	7 May 2002. 54 months	61%	Project classified as satisfactory (S/P). The context is favorable since Honduran companies are poised to secure a foothold in external markets and technical assistance will be necessary for compliance with international standards.
ATN/ME-8292-RG 30 April 2003.	Support for the Competitive Position of Central American Coffees TECHNOSERVE (NI) \$3,000,000 from MIF	27 October 2003. 42 months	22%	Project classified as satisfactory (S/P). The project is proceeding as agreed and substantial progress has been made in two of its three components: i) design of a quality system and creation of a pilot producer group, and ii) alternative marketing mechanisms.

Portafolio FOMIN

Portafolio FOMIN in Costa Rica

No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
1	MIF/AT-15	TC9307340	ATN/MT-4688-CR	Enabling Private Investment in Infrastructure	MIRENEM	I	26-Oct-94	Completed	1,502,329	100.00
2	MIF/AT-35	TC9406366	ATN/ME-4850-CR	Small Enterprise Competitiveness Program	CICR	IIIa	15-Feb-95	Completed	2,486,561	100.00
3	MIF/AT-46	TC9408403	ATN/ME-4962-CR	Support Program for Tourism-related Microenterprises	CANAMET	IIIa	19-Jul-95	Completed	960,000	100.00
4	MIF/AT-62	TC9506083	ATN/MT-5062-CR	Strengthening Agricultural Commercialization	BOLPRO	I	15-Nov-95	Completed	322,700	100.00
5	MIF/AT-99	TC9307332	ATN/MT-5397-CR	Mediation and Arbitration Project	CCCR	I	31-Oct-96	Completed	365,656	100.00
6	MIF/AT-136	TC9611022	ATN/MT-5644-CR	Strengthening of Capital Markets	MH	I	30-Jul-97	Completed	1,376,518	100.00
7	MIF/AT-135	TC9701154	ATN/MT-5643-CR	Program to Support the Reform of the Financial Sector	MH	I	30-Jul-97	Completed	582,218	100.00
8	MIF/AT-137	TC9701477	ATN/MT-5645-CR	Support the Development of the Concessions Systems	MH	I	30-Jul-97	Completed	762,516	100.00
9	MIF/AT-211	TC9610363	ATN/ME-6255-CR	Support to the Use of Biodiversity by Small Enterprises	INBIO	IIIa	24-Nov-98	Completed	1,185,622	100.00
10	MIF/AT-256	TC9811234	ATN/MH-6538-CR	Software Sector Competitiveness Support	PROCOMER	II	2-Jun-99	Completed	1,500,000	66.71
11	MIF/AT-285	TC9902015	ATN/ME-6663-CR	Institutional Strengthening of the Asociación Para el Desarrollo Rural Integrado (ADRI)	ADRI	IIIa	21-Sep-99	Completed	203,917	100.00
12	MIF/AT-295	TC9603011	ATN/MH-6700-CR	Youth Training in Tourism	ACOPROT	II	13-Oct-99	Completed	411,917	100.00
13	MIF/AT-304	TC9901043	ATN/ME-6751-CR	Development of Suppliers for High-Tech Enterprises	FUNCENAT	IIIa	10-Nov-99	Completed	595,385	100.00
14	MIF/AT-406	TC9902014	ATN/MT-7408-CR	One-Stop Shop for Formalizing Micro and Small Business	MEIC	I	25-Apr-01	In execution	660,000	56.70

No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
15	MIF/AT-441	TC0011066	ATN/ME-7639-CR	Institutional Strengthening of Financiera Trisan	TRISAN	Illa	18-Oct-01	Cancelled	0	0.00
16	MIF/AT-532	TC0211007	ATN/MT-8354-CR	Institutional Support to Consejo Nacional de Concesiones	CNC	I	26-Jun-03	In execution	500,000	5.00
17	MIF/AT-546	TC0301003	ATN/MT-8429-CR	Instruments for Environmental Management & Cleaner Production	CICR	Illa	10-Sep-03	In execution	244,000	22.82
18	MIF/AT-546	TC0301003	ATN/ME-8430-CR	Instruments for Environmental Management & Cleaner Production	CICR	Illa	10-Sep-03	In execution	446,000	20.29
19	MIF/AT-575	TC0205041	ATN/MT-8591-CR	Airport Security Improvements	MOPT	I	19-Dec-03	Approved	357,100	0.00
20	MIF/AT-606	CR-M1001	ATN/MT-8843-CR	Improving quality control of financial statements	CCPA	I	10-Sep-04	In execution	435,000	10.00
21	MIF/AT-650	CR-M1002	ATN/ME-9278-CR	Factoring Industry in Costa Rica	CCEF	Illa	30-Jun-05	Approved	135,000	0.00
22	MIF/AT-650	CR-M1004	ATN/ME-9279-CR	Factoring Industry in Costa Rica	DESYFIN	IIIb	30-Jun-05	Approved	120,000	0.00
23	MIF/AT-650	CR-M1005	ATN/ME-9280-CR	Factoring Industry in Costa Rica	IMPROSA	Illa	30-Jun-05	Approved	100,000	0.00
Total MIF Amount									15,252,438	

Portafolio FOMIN in El Salvador

No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
1	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
2	MIF/AT-20	TC9405201	ATN/ME-4708-ES	Development of Productivity and Competitiveness of Small Enterprises	ANEP	Illa	9-Nov-94	Completed	2,065,716	100.00
3	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
4	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
5	MIF/AT-62	TC9404435	ATN/MT-5063-ES	Strengthening Agricultural Commercialization	BOLPROES	I	15-Nov-95	Completed	692,473	100.00
6	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

No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
7	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
8	MIF/AT-175	TC9801425	ATN/MT-5977-ES	Water Sector Reform	COSERSHI	I	27-May-98	In execution	2,400,000	15.72
9	MIF/AT-218	TC9807195	ATN/ME-6282-ES	MIC/ New Organic Fruit and Vegetable Microenterprises	CLUSA	IIla	7-Dec-98	Completed	665,839	100.00
10	MIF/AT-218	TC9812024	ATN/ME-6283-ES	MIC/ New Organic Fruit and Vegetable Microenterprises	PROEXSAL	IIla	7-Dec-98	Completed	528,204	100.00
11	MIF/AT-237	TC9808273	ATN/MT-6400-ES	Support Program for Financial Sector	CPSP	I	24-Feb-99	In execution	2,706,600	42.04
12	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
13	MIF/AT-220	ES0122	16/MS-ES	Microenterprise Recovery Program	FINCALPIA	IIlb	23-Apr-99	Completed	500,000	100.00
14	MIF/AT-220	ES0123	26/MS-ES	Microenterprise Recovery Program	FUSADES	IIlb	16-Jun-99	Completed	250,000	100.00
15	MIF/AT-220	TC9907010	ATN/ME-6582-ES	Microenterprise Recovery Program	FUSADES	IIla	16-Jun-99	Completed	40,000	100.00
16	MIF/AT-220	ES0126	33/MS-ES	Microenterprise Recovery Program	FUSAI	IIlb	9-Aug-99	Completed	487,280	100.00
17	MIF/AT-220	ES0135	46/MS-ES	Microenterprise Recovery Program	CCSN	IIlb	7-Jan-00	Completed	500,000	100.00
18	MIF/AT-220	TC0001012	ATN/ME-6857-ES	Microenterprise Recovery Program	CCSN	IIla	7-Jan-00	Completed	35,000	100.00
19	MIF/AT-220	ES0136	49/MS-ES	Microenterprise Recovery Program	CAM	IIlb	22-Feb-00	Completed	200,000	100.00
20	MIF/AT-321	TC9908002	ATN/MT-6952-ES	Support for Microenterprise and Small Business	CONAMYPE	I	26-Apr-00	In execution	850,000	99.77
21	MIF/AT-328	TC9804271	ATN/ME-6984-ES	Pilot Training Program for Microenterprise	FEDISAL	IIla	31-May-00	In execution	870,000	72.64
22	MIF/AT-330	TC9809487	ATN/MT-6986-ES	Small Enterprise and Municipality Support Program	FISDL	IIla	31-May-00	In execution	627,000	32.01
23	MIF/AT-330	TC9809487	ATN/ME-6987-ES	Small Enterprise and Municipality Support Program	FISDL	IIla	31-May-00	In execution	773,000	22.06
24	MIF/AT-345	TC0004020	ATN/MH-7082-ES	Strengthening Quality Management and Food Safety	CONACYT	II	2-Aug-00	In execution	735,000	39.27
25	MIF/AT-372	TC9903041	ATN/ME-7204-ES	Program to Support Agro-enterprise Competitiveness	CAAS	IIla	1-Nov-00	In execution	850,000	94.99
26	MIF/AT-401	TC0003024	ATN/ME-7359-ES	Support of Credit Unions and Workers' Banks System	FEDECREDITO	IIla	7-Mar-01	In execution	2,000,000	45.32
27	MIF/AT-419	TC0003016	ATN/MH-7496-ES	Labor Intermediation Services	FEDISAL	II	27-Jun-01	In execution	1,633,557	80.98
28	MIF/AT-431	TC0103033	ATN/ME-7546-ES	Recovery Program Microfinance Institutions	IDB	IIla	31-Aug-01	Completed	77,450	100.00

No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
29	MIF/AT-431	TC0109004	ATN/ME-7570-ES	Recovery Program Microfinance Institutions	IDB	IIla	31-Aug-01	In execution	15,000	99.16
30	MIF/AT-443	TC0104007	ATN/ME-7678-ES	Institutional Strengthening of PROFIM	FUANTELSALV	IIla	19-Nov-01	In execution	210,000	59.09
31	MIF/AT-431	ES0155	56/MS-ES	Recovery Program Microfinance Institutions	FEDECACES	IIlb	28-Feb-02	Completed	411,385	100.00
32	MIF/AT-431	ES0156	54/MS-ES	Recovery Program Microfinance Institutions	CAM	IIlb	28-Feb-02	Completed	241,250	100.00
33	MIF/AT-431	ES0157	53/MS-ES	Recovery Program Microfinance Institutions	CCSN	IIlb	28-Feb-02	Completed	241,250	100.00
34	MIF/AT-431	ES0158	55/MS-ES	Recovery Program Microfinance Institutions	CALPIA	IIlb	28-Feb-02	Completed	241,250	100.00
35	MIF/AT-473	TC0202014	ATN/ME-7886-ES	Strengthening of Financial Services and Family Remittances	FEDECACES	IIla	29-May-02	In execution	1,500,000	27.23
36	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	31.59
37	MIF/AT-510	TC0201124	ATN/MT-8097-ES	Airport Security Improvements	CEPA	I	4-Nov-02	In execution	196,630	40.00
38	MIF/AT-538	TC0303011	ATN/ME-8396-ES	Institutional Strengthening of Adel Morazán Créditos	SOCOAHCR	IIla	8-Aug-03	In execution	300,000	39.37
39	MIF/AT-537	TC0303012	ATN/ME-8395-ES	Institutional Strengthening of Sociedad Apoyo Integral	INTEGRAL	IIla	8-Aug-03	In execution	300,000	33.87
40	MIF/AT-556-1	TC0304027	ATN/MH-8511-ES	Entrepreneurship Development in Soyapango	FUNDAPYME	II	19-Nov-03	In execution	790,000	8.73
41	MIF/AT-580	TC0303038	ATN/ME-8608-ES	Institutional Strengthening of Asociación Organizaciones de Microfinanzas	ASOMI	IIla	16-Jan-04	In execution	212,000	18.05
Total MIF Amount									32,522,585.54	

Portafolio FOMIN in Guatemala

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	Completed	1,685,648	100.00
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	IIla	1-Apr-98	In execution	1,500,000	82.69

No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
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	97.20
8	MIF/AT-255	TC9802192	ATN/ME-6537-GU	Business services pilot project	CIG	IIIa	2-Jun-99	In execution	1,585,070	71.01
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	GU0141	24/MS-GU	Microenterprise Recovery Program	FUNDAP	IIIb	2-Jul-99	Completed	350,000	100.00
11	MIF/AT-220	GU0142	25/MS-GU	Microenterprise Recovery Program	FENACOAC	IIIb	2-Jul-99	Completed	500,000	100.00
12	MIF/AT-220	GU0144	34/MS-GU	Microenterprise Recovery Program	ADEPH	IIIb	31-Aug-99	Completed	100,000	100.00
13	MIF/AT-220	GU0145	35/MS-GU	Microenterprise Recovery Program	COINACE	IIIb	31-Aug-99	Cancelled	0	0.00
14	MIF/AT-287	TC9809023	ATN/MT-6664-GU	Strengthening Agricultural Commodity Exchange	BAN	I	21-Sep-99	Completed	396,863	100.00
15	MIF/AT-363	TC0005020	ATN/ME-7179-GU	Institutional Strengthening of BANCAF	BANCAFE	IIIa	19-Oct-00	In execution	246,678	99.85
16	MIF/AT-384	TC9810369	ATN/ME-7268-GU	Tourism Microenterprise Program	FDM	IIIa	13-Dec-00	In execution	520,000	96.73
17	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	71.38
18	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
19	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	22.45
20	MIF/AT-471	TC0201106	ATN/MT-7873-GU	Strengthening of Airport Security	DGAC	I	15-May-02	In execution	316,990	40.00
21	MIF/AT-483	TC0105023	ATN/ME-7950-GU	Redemif: Accounting Standards	REDIMIF	IIIa	18-Jul-02	In execution	330,000	81.28
22	MIF/AT-544	TC0211008	ATN/MT-8426-GU	Strengthening Unit Concesiones y Desincorp	MCTOP	I	9-Sep-03	In execution	500,000	0.00
23	MIF/AT-579	TC0202022	ATN/ME-8605-GU	Promotion of Cleaner Production Support	CIG	IIIa	15-Jan-04	In execution	418,000	14.27
24	MIF/AT-600	GU-M1001	ATN/ME-8789-GU	Institutional Strengthening of Bancasol	BANCASOL	IIIa	26-Jul-04	In execution	285,000	18.38
25	MIF/AT-615	TC0003025	ATN/MT-8910-GU	Electricity Regul. Strengthening	CNEE	I	25-Oct-04	In execution	500,000	5.00
26	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

No.	Memo #	Project	ATN	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
27	MIF/AT-640	GU-M1002	ATN/ME-9031-GU	Support to the Development of e-Commerce	CCG	IIla	17-Dec-04	In execution	403,750	14.86
Total MIF Amount									15,997,544	

Portafolio FOMIN in Honduras

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	IIla	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	IIla	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	95.68
14	MIF/AT-220	HO0147	27/MS-HO	Microenterprise Recovery Program	ODEF	IIlb	19-Jul-99	Completed	350,000	100.00
15	MIF/AT-220	HO0157	28/MS-HO	Microenterprise Recovery Program	WRHO	IIlb	19-Jul-99	Completed	400,000	100.00
16	MIF/AT-220	HO0151	30/MS-HO	Microenterprise Recovery Program	FAMA	IIlb	21-Jul-99	Completed	100,000	100.00
17	MIF/AT-220	HO0154	29/MS-HO	Microenterprise Recovery Program	COVELO	IIlb	21-Jul-99	Completed	200,000	100.00

No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
18	MIF/AT-220	HO0148	37/MS-HO	Microenterprise Recovery Program	FINCA	IIIb	28-Sep-99	Completed	300,000	100.00
19	MIF/AT-220	HO0150	38/MS-HO	Microenterprise Recovery Program	FH	IIIb	8-Oct-99	Completed	100,000	100.00
20	MIF/AT-220	HO0162	39/MS-HO	Microenterprise Recovery Program	INSOPROSA	IIIb	8-Oct-99	Completed	100,000	100.00
21	MIF/AT-220	HO0166	42/MS-HO	Microenterprise Recovery Program	COMIXPROL	IIIb	26-Nov-99	Completed	80,000	100.00
22	MIF/AT-220	HO0169	41/MS-HO	Microenterprise Recovery Program	COOMPOL	IIIb	26-Nov-99	Completed	150,000	100.00
23	MIF/AT-220	HO0163	43/MS-HO	Microenterprise Recovery Program	FACACH	IIIb	13-Dec-99	Completed	144,344	100.00
24	MIF/AT-220	HO0171	44/MS-HO	Microenterprise Recovery Program	FINSOL	IIIb	13-Dec-99	Completed	500,000	100.00
25	MIF/AT-220	HO0167	48/MS-HO	Microenterprise Recovery Program	LA PESPIRENSE	IIIb	7-Mar-00	Cancelled	0	0.00
26	MIF/AT-220	HO0177	47/MS-HO	Microenterprise Recovery Program	TAULABE	IIIb	7-Mar-00	Cancelled	0	0.00
27	MIF/AT-323	TC9904020	ATN/ME-6946-HO	Strengthening BANCOMER	XBDCZPB	IIIa	25-Apr-00	Completed	25,479	100.00
28	MIF/AT-351	TC9904022	ATN/ME-7118-HO	Strengthening BAHNCAF	BANHCAFE	IIIa	30-Aug-00	Completed	273,000	100.00
29	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
30	MIF/AT-375	TC9909024	ATN/MT-7240-HO	Strengthening the Financial Sector	BCH	I	29-Nov-00	In execution	1,456,872	80.39
31	MIF/AT-464	TC0001017	ATN/ME-7835-HO	Strengthening of the Agricultural Export Sector	FPX	IIIa	3-Apr-02	In execution	728,150	61.00
32	MIF/AT-500	TC0203019	ATN/ME-8046-HO	Savings Mobilization in Honduras	KH	IIIa	4-Oct-02	In execution	500,000	44.94
33	MIF/AT-504	TC0201099	ATN/MT-8077-HO	Airport Security Improvements	DGCA	I	24-Oct-02	Completed	114,724	100.00
34	MIF/AT-570	TC0206015	ATN/ME-8545-HO	Developmento of New Microfinance Poductos for Cooperatives of Credit and Savings	FACACH	IIIa	10-Dec-03	In execution	1,425,000	19.28
35	MIF/AT-603	TC0304029	ATN/MT-8802-HO	Adoption of International Accounting Standards	COHPUCP	I	5-Aug-04	In execution	490,000	4.08
36	MIF/AT-604	HO-M1001	ATN/MT-8806-HO	Water and Sanitation	ERSAPS	I	6-Aug-04	In execution	455,000	10.86
37	MIF/AT-647	HO-M1005	ATN/ME-9176-HO	Institutional Strengthening ODEF	ODEF	IIIa	21-Apr-05	In execution	260,000	10.00
							Total MIF Amount		17,646,486	

Portafolio FOMIN 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-27	TC9407182	ATN/MH-4744-ME	Training and Services for Street Youth	FBC	II	7-Dec-94	Completed	745,000	100.00
3	MIF/AT-56	TC9505366	ATN/MH-5050-ME	Technical Training for the Electronics Industry	CANIECE	II	1-Nov-95	Completed	28,611	100.00
4	MIF/AT-78	TC9502239	ATN/MT-5198-ME	Energy Regulations	CORE	I	24-Apr-96	Completed	0	0.00
5	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
6	MIF/AT-128	TC9605017	ATN/ME-5593-ME	Productivity Center in Jalisco	IFMJ	IIIa	4-Jun-97	Completed	1,767,550	100.00
7	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
8	MIF/AT-187	TC9805120	ATN/MT-6085-ME	Capital Market Development	INDEVAL	I	5-Aug-98	Completed	1,449,912	100.00
9	MIF/AT-202-1	ME0216	8/MS-ME	MIC/ Rural Financing for Small Farmers	FMDR	IIIb	11-Nov-98	Cancelled	0	0.00
10	MIF/AT-202-1	TC9802259	ATN/ME-6239-ME	MIC/ Rural Financing for Small Farmers	FMDR	IIIa	11-Nov-98	Cancelled	0	0.00
11	MIF/AT-303	TC9907013	ATN/MH-6742-ME	Training in Environmental Management Systems	IPA	II	9-Nov-99	Completed	304,196	100.00
12	MIF/AT-309	TC9808322	ATN/ME-6811-ME	Capital Development Fund in Tijuana	CDT	IIIa	8-Dec-99	In execution	1,370,000	84.95
13	MIF/AT-313	TC9710147	ATN/MH-6887-ME	Professionalization of NGO's Project	VAMOS	II	9-Feb-00	In execution	2,000,000	87.43
14	MIF/AT-326	TC9909009	ATN/ME-6974-ME	Institutional Strengthening of Compartamos	APC	IIIa	16-May-00	Completed	0	0.00
15	MIF/AT-341	TC9910000	ATN/MT-7066-ME	Alternative Dispute Resolution Project	ITAM	I	26-Jul-00	Completed	727,109	100.00
16	MIF/AT-358	TC9810509	ATN/MT-7139-ME	Program to Support Productive Integration	CONCAMIN	I	20-Sep-00	In execution	2,000,000	47.42
17	MIF/AT-440	TC0105028	ATN/ME-7630-ME	Insitutional Strengthening FINCOMUN	FINCOMUN	IIIa	15-Oct-01	In execution	296,000	46.23
18	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	44.89
19	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	46.57

No.	Memo #	Project #	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
20	MIF/AT-462	TC0202009	ATN/ME-7832-ME	Tourism Sector Auxiliary Industry Fund	FEC	IIIa	3-Apr-02	Approved	45,000	0.00
21	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	66.35
22	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
23	MIF/AT-509	TC0207015	ATN/ME-8085-ME	Venture Capital Fund for Small Enterprises in Chihuahua	FCHIHUAHUA	IIIa	30-Oct-02	In execution	110,000	54.55
24	MIF/AT-525	TC0201100	ATN/MT-8243-ME	Development of Standards for Financial Information	ICP	I	12-Mar-03	In execution	1,675,000	57.88
25	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
26	MIF/AT-533	TC0202012	ATN/ME-8378-ME	Expansion of Cleaner Production Support	IPN	IIIa	30-Jul-03	In execution	980,000	15.95
27	MIF/AT-542	TC0210061	ATN/ME-8424-ME	Promotion of Cleaner Production Opportunities in the Bajío Region	CCMEU	IIIa	9-Sep-03	In execution	465,000	10.00
28	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	22.66
29	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
30	MIF/AT-597	ME-M1005	ATN/ME-8764-ME	Venture Financing for Mexican early-stage technology firms	LIMVCF	IIIb	7-Jul-04	Approved	75,000	0.00
32	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	15.19
33	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
34	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
35	MIF/AT-658	ME-M1008	ATN/MH-9272-ME	Skill standards and certification for savings and credit institutions	COMACREP	II	30-Jun-05	Approved	745,000	0.00
							Total MIF Amount		34,915,242	

Portafolio FOMIN in Nicaragua

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	Completed	956,367	100.00
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

No.	Memo	Project	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
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
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	Completed	772,280	100.00
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	FUDESI	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	Completed	875,619	100.00
29	MIF/AT-296-1	TC9901025	ATN/MT-6714-NI	Strengthening Auditing Standards	CCPNI	I	27-Oct-99	Completed	402,863	100.00
30	MIF/AT-296-1	TC9901025	ATN/MH-6715-NI	Strengthening Auditing Standards	CCPNI	I	27-Oct-99	Completed	269,018	100.00
31	MIF/AT-298	TC9905037	ATN/MH-6717-NI	Human Development: Pilot Project Construction Sector	CNCON	II	27-Oct-99	Completed	444,525	100.00
32	MIF/AT-220	NI0133	40/MS-NI	Microenterprise Recovery Program	CARUNA	IIIb	8-Nov-99	Completed	150,000	100.00
33	MIF/AT-220	NI0138	45/MS-NI	Microenterprise Recovery Program	PRODECOOP	IIIb	6-Dec-99	Completed	500,000	100.00
34	MIF/AT-344	TC0004019	ATN/MH-7081-NI	Quality Management and Food Safety Standards	CADIN	II	2-Aug-00	In execution	674,258	99.54
35	MIF/AT-361	TC9905048	ATN/MT-7158-NI(A)	Strengthening of Private Health Care Services	MINSA	I	4-Oct-00	Completed	0	0.00
36	MIF/AT-361	TC0009023	ATN/ME-7159-NI(A)	Strengthening of Private Health Care Services	MINSA	IIIa	4-Oct-00	Completed	0	0.00
37	MIF/AT-361	TC0107002	ATN/ME-7159-NI(B)	Strengthening of Private Health Care Services	INSSB	I	4-Oct-00	In execution	587,000	91.10
38	MIF/AT-361	TC0107002	ATN/MT-7158-NI(B)	Strengthening of Private Health Care Services	INSSB	I	4-Oct-00	In execution	379,000	77.41
39	MIF/AT-365	TC0003010	ATN/ME-7181-NI	Strengthening of FINDE	FINDE	IIIa	20-Oct-00	Completed	243,627	100.00
40	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

No.	Memo	Project	ATN #	Name	Exec. Agency	FAC	Approval	Status	MIF Amount	% Disb
41	MIF/AT-402	TC0003000	ATN/ME-7390-NI	Systematization of Network of Credit	CACFA	IIla	6-Apr-01	In execution	200,000	85.05
42	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
43	MIF/AT-433	TC9909008	ATN/ME-7594-NI	Improving Quality of SME's in the Tourism Sector	INT	IIla	19-Sep-01	In execution	817,000	48.60
44	MIF/AT-447	TC0106041	ATN/ME-7701-NI	Development of a Sustainable Wheelchair Industry	SOLIDEZ	IIla	5-Dec-01	In execution	304,600	90.90
45	MIF/AT-466	TC0202015	ATN/MT-7844-NI	Airport Security Improvements	DGAC	I	17-Apr-02	Completed	497,939	100.00
46	MIF/AT-481-1	TC9912013	ATN/MT-7975-NI	Strengthening the Superintendency of Banks	SBOIF	I	7-Aug-02	In execution	1,238,000	41.37
47	MIF/AT-534	TC0203015	ATN/ME-8379-NI	Equity Investment in Financiera Nicaraguense de Desarrollo	FINDESA	IIla	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	IIla	30-Jul-03	In execution	1,000,000	50.00
53	MIF/AT-541	TC0302006	ATN/ME-8427-NI	Adopting Cleaner Production to Improve Competitiveness	UNI	IIla	10-Sep-03	In execution	700,000	28.03
54	MIF/AT-545	TC0303003	ATN/MT-8428-NI	Improving Security Transaction Framework	SCEP	I	10-Sep-03	In execution	700,000	5.00
55	MIF/AT-551	TC0206031	ATN/MT-8457-NI	One-Stop Shop for New Businesses	MINFIC	I	1-Oct-03	In execution	980,000	29.58
56	MIF/AT-563	NI-M1001	ATN/ME-8536-NI	Support for Expansion of Rural Microfinance	ASOMIF	IIla	8-Dec-03	In execution	470,000	31.57
							Total MIF Amount		21,964,081	

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK
MULTILATERAL INVESTMENT FUND

PROPOSED RESOLUTION MIF/DE-___/05

Regional. Nonreimbursable Technical Cooperation ATN/ME-___-RG
Strengthening the Financial Management of Small Rural
Producer Organizations

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, 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 the strengthening the financial management of small rural producer organizations.
2. That up to the amount of US\$1,570,000, or its equivalent in other convertible currencies, shall be authorized for the purpose of this resolution, chargeable to the technical cooperation resources of the Small Enterprise Development Facility of the Multilateral Investment Fund.
3. That the above-mentioned sum is to be provided on a nonreimbursable basis.

LEGIII/RG-612844-05
RG-M1061