

STATUS OF PROJECTS IN EXECUTION – FY06
SOPE
REGION: LATIN AMERICA AND THE CARIBBEAN
COUNTRY: NICARAGUA

Operations Policy and Country Services
SEPTEMBER 19, 2006



Report on the Status of Projects in Execution - FY06
SOPE
Region: Latin America and the Caribbean
Country: Nicaragua

Introduction

The Status of Projects in Execution (SOPE) Report for FY06 provides information on all IBRD/IDA projects that were active on June 30, 2006.

The World Bank has issued a SOPE Report every year as an internal communication to the Board of Executive Directors. In accordance with the Bank's revised disclosure policy, since FY02, the SOPE Report is available to the public.

The report is intended to bridge the gap in information available to the public between the Project Appraisal Document, disclosed after the Bank approves a project, and the Implementation Completion Report, disclosed after the project closes.

In addition to the project progress description, the FY06 SOPE report¹ contains project level comparisons of disbursement estimates and actual disbursements, and a table showing the loan/credit/grant amount and disbursements to date for all active projects.

¹ Notes:

- Amounts for Projects in currencies other than U.S. dollars may not match exactly due to exchange rate fluctuations over the life of the project.
- Disbursement graphs are not included for Development Policy Loans, which provide quick-disbursing external financing to support policy and institutional reforms. For these loans, funds are disbursed in one or more stages (tranches), released when the borrower complies with agreed conditions.
- Projects which are not yet effective may not have a planned disbursement schedule and thus may not include a graph.



Country: Nicaragua

Project Name (ID): SECOND RURAL MUNICIPAL DEVELOPMENT (P055823)

Country: Nicaragua

Board Approval Date : 03/27/2001

Midterm Review Date : 05/05/2003

Closing Date : 12/31/2007

Loan/Credit/Grant Number : IDA-34800, IDA-3480A, IDA-Q2550, JPN-52534

Sector(s): Sub-national government administration (76%), Central government administration (24%)

Theme(s): Municipal governance and institution building (P), Municipal finance (P), Environmental policies and institutions (S), Other environment and natural resources management (S), Decentralization (S)

Project Development Objectives:

The project development objective is to build the capacity of rural municipalities in the provision of infrastructure, the delivery of municipal services, the sustainable management of natural resources, and the promotion of local economic development.

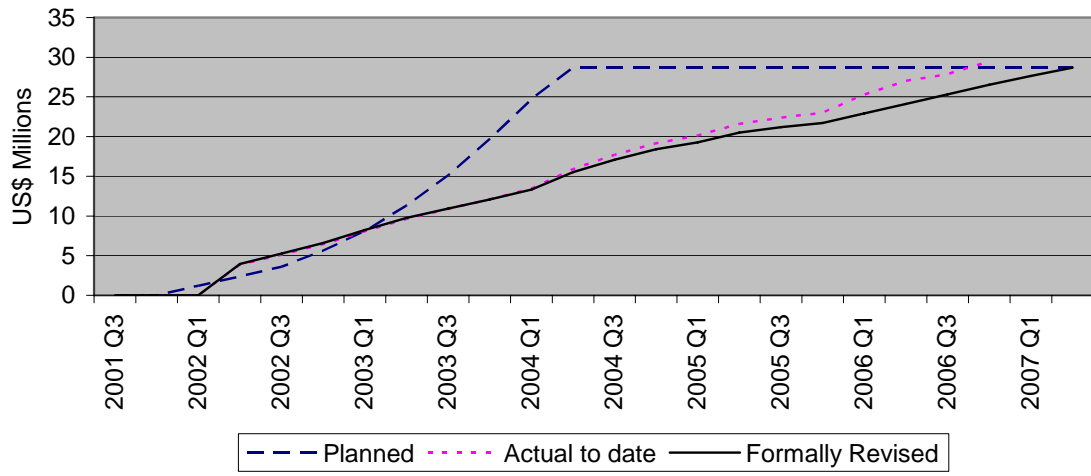
Progress toward achieving development objective(s):

The project has met or exceeded almost all the goals for the original project components implemented by the Ministry of Environment and the Institute for Municipal Development. Examples include: (a) municipal tax revenues increased by 320 percent, (b) all target municipalities now have municipal development and municipal environment commissions, along with municipal development and land use plans, (c) municipal staff are trained and equipped to use improved accounting, financial, reporting, investment, and information systems, (d) National Environmental Information System is established and operational, (e) at least ten municipalities are actively helping to manage protected areas, and (f) alternative mechanisms are being used to resolve environmental conflicts. In response to new developments and opportunities, the project is now also financing activities by the Ministry of Finance, General Controllers Office, and Office of Public Administration. These activities are helping implement and streamline the national government's municipal transfer law, establish a system of regular municipal financial audits (including 96 independent financial audits, of which 20 are completed), and define and formalize the government's decentralization strategy, policies, and programs.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-34800	Effective	14.83	12.87	1.31	0.00
IDA-3480A	Effective	17.51	16.60	0.00	0.00
IDA-Q2550	Closed	1.50	0.00	0.00	1.50
JPN-52534	Closed	0.26	0.23	0.02	0.00





Project Name (ID): LAND ADMINISTRATION (P056018)

Country: Nicaragua

Board Approval Date : 06/18/2002

Midterm Review Date : 03/24/2006

Closing Date : 12/31/2007

Loan/Credit/Grant Number : IDA-36650, IDA-3665A, IDA-Q1710

Sector(s): Central government administration (44%), Sub-national government administration (36%), Other social services (15%), General agriculture, fishing and forestry (3%), Law and justice (2%)

Theme(s): Personal and property rights (P), Other rural development (P), Land administration and management (P), Indigenous peoples (S), Biodiversity (S)

Project Development Objectives:

The project objective is to improve the security of land tenure and thereby: (a) develop and establish a national policy, legal, institutional and technical framework to support an efficient, reliable and equitable property rights administration; (b) develop, implement and validate a systematic methodology to accelerate and improve the processing of requests for new titles and title reviews in three departments (and nationwide subsequently); (c) achieve substantial progress in the recognition and definition of Indigenous Peoples land rights and demarcate 15 territories and community lands; and (e) achieve substantial progress in the definition and demarcation of existing and proposed protected areas and critical habitats.

Progress toward achieving development objective(s):

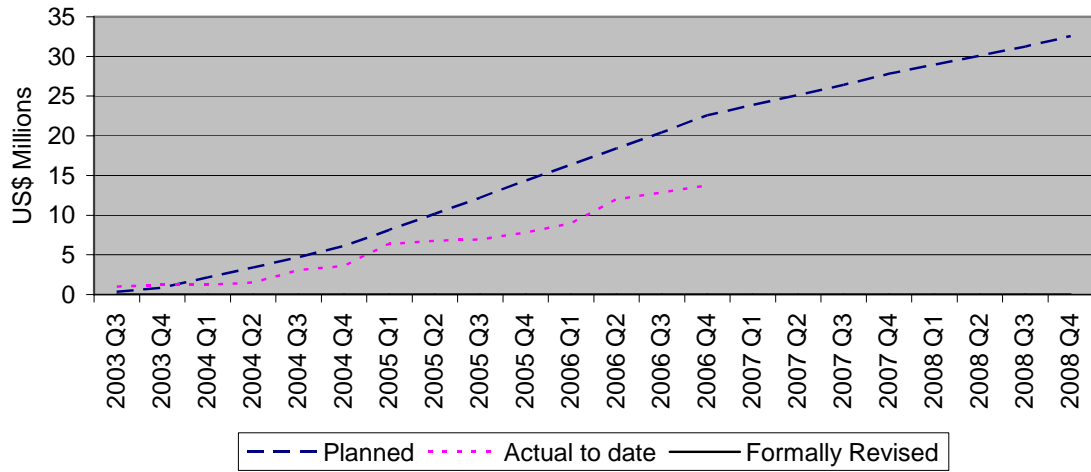
During FY06, the project continued showing significant improvement. A Mid-Term Review was carried in March-April 2006 to supervise all the technical, fiduciary, communications, and safeguards aspects of the project. It concluded that the project could achieve its objectives provided it continues recovering at the same speed as during the last 18 months. Cadastral Law and Regulations have been approved, which has reduced the time to process cadastral services and has improved quality of services. The Registry Law is still pending approval in the National Assembly. The contract for the development of the Integrated Cadastral and Registry Information System (SIICAR) was awarded. The cadastral survey is undergoing in three departments. Titling in these three departments already started and will speed up in the coming months. The component for the demarcation of protected areas is being implemented successfully. Indigenous land regularization still requires a lot more efforts. Though the five titles in Bosawas have not been definitely registered, there is high political and social mobilization to move the process to its conclusion. Under this component, the project is providing assistance for the titling of 8 additional communities and the fulfillment of the Inter-American Human Rights court case in Awás Tignis.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-36650	Effective	36.90	12.12	24.65	0.00



IDA-3665A	Effective	1.61	1.59	0.00	0.00
IDA-Q1710	Closed	2.00	0.00	2.00	0.00



Project Name (ID): Poverty Reduction and Local Development (P064906)

Country: Nicaragua

Board Approval Date : 05/03/2001

Closing Date : 12/31/2006

Loan/Credit/Grant Number : IDA-35040, IDA-3504A

Sector(s): General education (32%), General water, sanitation and flood protection (22%), Sub-national government administration (17%), Health (15%), General transportation (14%)

Theme(s): Municipal governance and institution building (P), Participation and civic engagement (P), Improving labor markets (P), Rural services and infrastructure (P), Indigenous peoples (S)

Project Development Objectives:

The objective is to implement a portion of the poverty reduction strategy through the Emergency Social Investment Fund (FISE) by: (a) continuing to improve access to priority small-scale social and economic infrastructure and services to the poor; (b) strengthening local capacity (municipalities, community organizations, NGOs and private sector); and (c) developing a coherent social safety net.

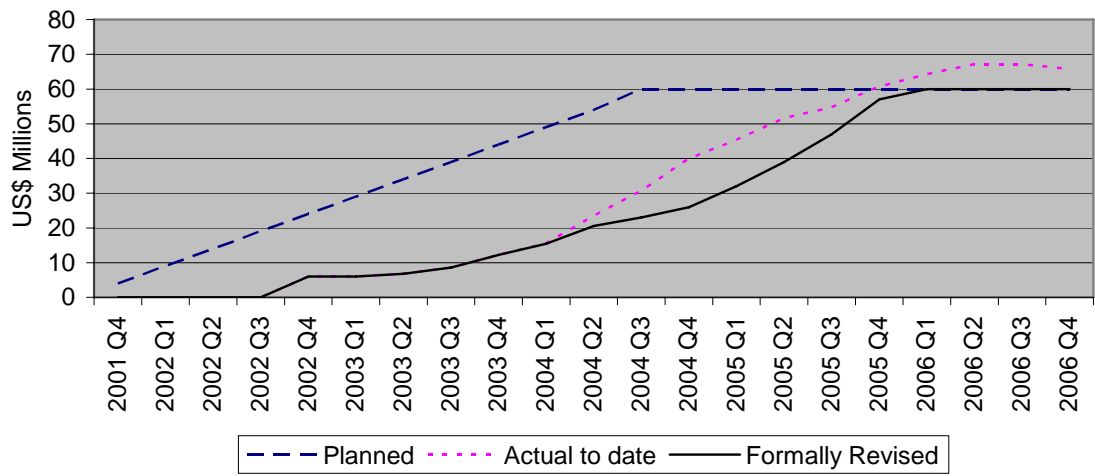
Progress toward achieving development objective(s):

The project is concluding well and should achieve its objectives. Implementation of the municipal development and infrastructure components is nearly complete. The Social Investment Fund (FISE) management introduced many innovations, such as the decentralization of the full sub-project cycle to 109 municipalities and the community-driven projects on the Atlantic Coast. Overall, FISE consolidated its move from an institution merely providing access for the poor to basic infrastructure to an important actor in poverty reduction and local development. The project has also made progress in the Social Protection component: The Crisis Response pilot implemented by the Ministry of Family has made payments to approximately 3,000 households in two areas affected by drought and its operations are integrated with those of the Red de Protección Social. The Social Protection Policy Solidaridad is piloted in five municipalities.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-35040	Effective	43.43	41.08	1.46	0.00
IDA-3504A	Effective	25.22	24.69	0.00	0.00





Project Name (ID): Natural Disaster Vulnerability Reduction (P064916)

Country: Nicaragua

Board Approval Date : 04/03/2001

Midterm Review Date : 01/26/2004

Closing Date : 09/29/2006

Loan/Credit/Grant Number : IDA-34870, IDA-3487A, JPN-51374

Sector(s): Central government administration (67%), Sub-national government administration (26%), Other social services (7%)

Theme(s): Natural disaster management (P), Municipal governance and institution building (S)

Project Development Objectives:

The objective is to improve Nicaragua's disaster management capacity by: (a) strengthening institutional capability in disaster management at the national level; (b) building institutional capacity for disaster mitigation at the national level; (c) promoting disaster awareness and preventive thinking through public sector education and awareness programs; (d) building local capacity to manage disaster emergencies, to assess risk and to identify mitigation measures; and (e) implementing vulnerability reduction and mitigation measures at the local level.

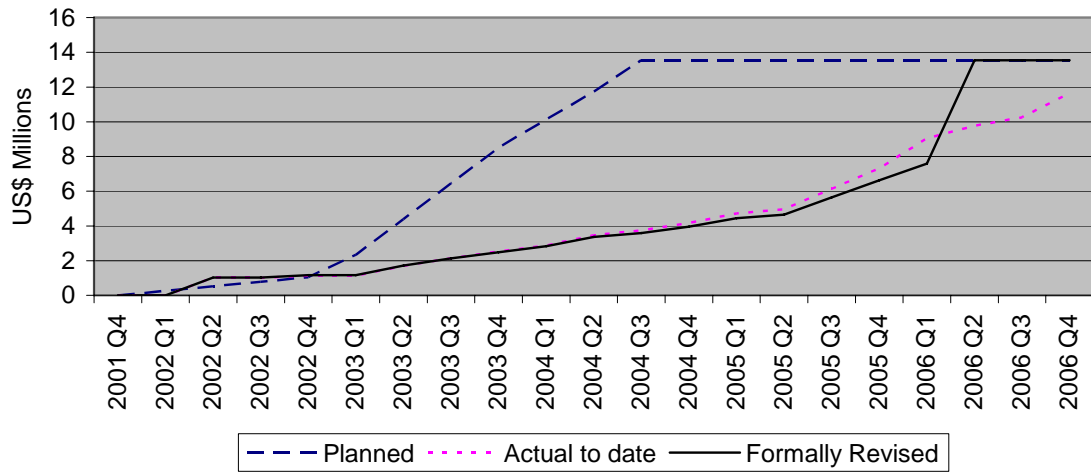
Progress toward achieving development objective(s):

During FY06, the project completed most of the studies, acquisition of rescue and communication equipment, refreshed training for municipal committees and brigades, and completed a second set of small mitigation works. All the studies are in the process of dissemination and appropriation by the responsible institutions. The Executive Secretariat of the National System for Disaster Prevention, Mitigation and Response (SE-SINAPRED) was reorganized with support from the project. A new lot was identified to construct the complex for emergency operations, the acquisition of the corresponding land parcels (20 in total) is in process pending only the registration of a single title, and the design has been revised.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-34870	Effective	11.64	7.97	3.48	0.00
IDA-3487A	Effective	3.80	3.70	0.00	0.00
JPN-51374	Closed	1.49	1.47	0.02	0.00





Project Name (ID): Third Road Rehabilitation and Maintenance (P068673)

Country: Nicaragua

Board Approval Date : 02/15/2001

Midterm Review Date : 03/30/2003

Closing Date : 12/31/2006

Loan/Credit/Grant Number : IDA-34640, IDA-3464A

Sector(s): Roads and highways (91%), Central government administration (9%)

Theme(s): Regional integration (P), Rural services and infrastructure (P)

Project Development Objectives:

The objectives are to (a) improve transportation infrastructure along the key international trunk road corridors; (b) improve access to productive agricultural areas and to rural communities; and (c) help ensure the sustainability of the road improvements.

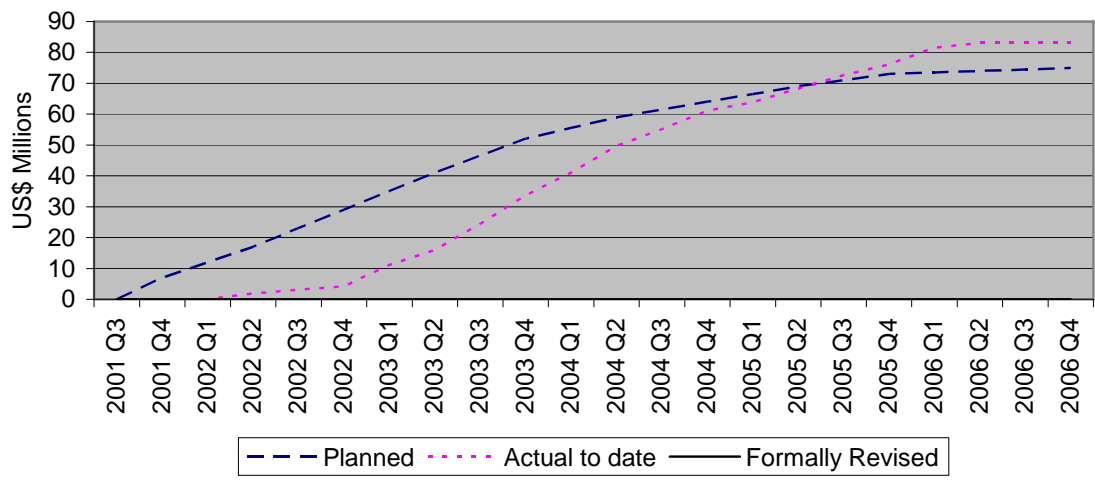
Progress toward achieving development objective(s):

The Ministry of Transport and Infrastructure (MTI) has managed implementation very well and the project has now been 99% completed. In a landmark action, the government approved the reforms to the Road Maintenance Fund (FOMAV) law in order to permit its sustainable funding via a small surcharge on fuels. The main civil works components (152km) as well as all of the 240km of rural roads that were programmed for adoquin stabilization have been completed. Thirty three microenterprises have been established and are maintaining about 2080km of roads. The study for the Regional Environmental and Social Analyses (RESA) needed for the proposed Naciones Unidas-Bluefields road improvement has been completed. Subsequently, the MTI decided to set up the Regional Work Group (GTR) that will develop an Action Plan for the key safeguard issues along the road corridor.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-34640	Effective	33.04	31.74	0.01	0.00
IDA-3464A	Effective	53.40	51.31	0.00	0.00





Project Name (ID): Offgrid Rural Electrification (P073246)

Country: Nicaragua

Board Approval Date : 05/15/2003

Midterm Review Date : 02/15/2007

Closing Date : 12/31/2008

Loan/Credit/Grant Number : IDA-37600, IDA-3760A, JPN-26676

Sector(s): Renewable energy (74%), Central government administration (10%), Micro- and SME finance (10%), Other industry (4%), Other social services (2%)

Theme(s): Climate change (P), Small and medium enterprise support (P), Rural services and infrastructure (P), Infrastructure services for private sector development (S), Indigenous peoples (S)

Project Development Objectives:

The objectives are to: (a) support the sustainable provision of electricity services and associated social and economic benefits in selected rural sites; and (b) strengthen the Government's institutional capacity to implement its national rural electrification strategy.

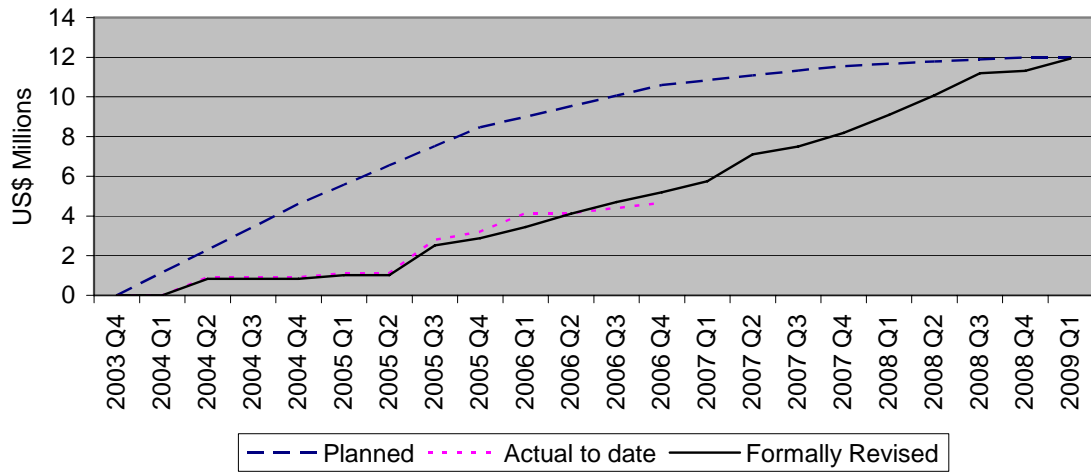
Progress toward achieving development objective(s):

Implementation has advanced as planned, after an initial delay in the first rural electrification project of El Bote. Solar electrification has started with the construction of Solar Battery Charging Stations in five indigenous communities and the launching of the National Solar Credit Line. Preparation of additional rural electrification sites is also progressing with the support to the grid extension for La Union Puerto Principe, the feasibility studies for a possible mini-hydroelectric plant, and the measurement of wind currents in San Juan del Norte. In parallel, work on energy policy issues for renewables, national price, subsidies and tariff matters, as well as the National Wood Survey is underway. Finally, microfinance services and support to small businesses in the communities benefiting from electrification has advanced as planned to improve the payment capacity of potential electricity users, thereby contributing to long-term sustainability, and maximizing the economic impact on the community.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-37600	Effective	12.02	3.74	8.32	0.00
IDA-3760A	Effective	0.91	0.93	0.00	0.00
JPN-26676	Closed	0.45	0.43	0.00	0.01





Project Name (ID): Broad-Based Access to Financial Services (P077826)

Country: Nicaragua

Board Approval Date : 05/18/2004

Midterm Review Date : 08/08/2007

Closing Date : 12/31/2010

Loan/Credit/Grant Number : IDA-39030

Sector(s): Micro- and SME finance (70%), General finance (30%)

Theme(s): Regulation and competition policy (P), Small and medium enterprise support (P), Rural markets (S), Standards and financial reporting (S)

Project Development Objectives:

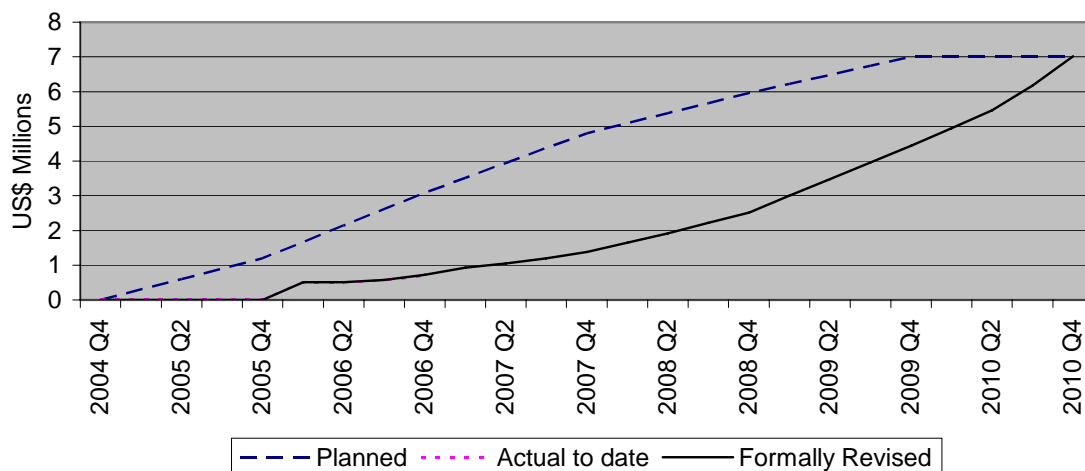
The objective is to improve access of low-income households and micro and small businesses to financial services provided by sound, profitable financial institutions.

Progress toward achieving development objective(s):

In spite of budgetary limitations, implementation has begun strongly. Coordination, planning and short-term activities are progressing well thanks to appointing staff with the necessary technical background and professional experience. Component 3 (Technical Assistance to Micro Finance Institutions that will transform into regulated financial institutions) has begun slowly, due to a procurement issue that has recently been resolved.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-39030	Effective	7.06	0.69	6.36	0.00



Project Name (ID): PUBLIC SECTOR TECHNICAL ASSISTANCE (P078891)

Country: Nicaragua

Board Approval Date : 03/25/2004

Midterm Review Date : 04/24/2006

Closing Date : 06/30/2008

Loan/Credit/Grant Number : IDA-38770, MULT-54143

Sector(s): Central government administration (100%)

Theme(s): Administrative and civil service reform (P), Public expenditure, financial management, and procurement (P), Poverty strategy, analysis, and monitoring (S), Participation and civic engagement (S), Law reform (S)

Project Development Objectives:

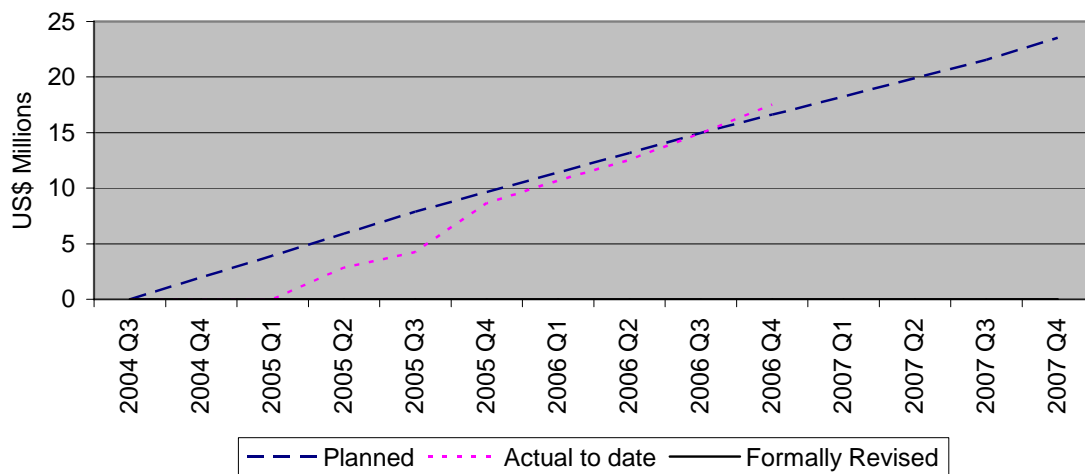
The objective is to strengthen the public sector's capacity to develop and implement public policies, to increase overall effectiveness, efficiency, and transparency in the use of public resources, and to ensure the implementation of the Poverty Reduction Strategy.

Progress toward achieving development objective(s):

Project implementation has already yielded results in the areas of: (a) financial management by the expansion of the Integrated Financial and Administrative Management System (SIGFA); (b) civil service reform by the accreditation of 1,500 civil servants in the central administration; (c) fiscal management by keeping the country's fiscal program on track ; and (d) poverty reduction strategy implementation by aligning public investment projects to poverty reduction related programs.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-38770	Effective	23.23	14.82	8.51	0.00
MULT-54143	Effective	3.13	2.69	0.44	0.00



Project Name (ID): EDUCATION (P078990)

Country: Nicaragua

Board Approval Date : 09/02/2004

Midterm Review Date : 03/19/2007

Closing Date : 06/30/2008

Loan/Credit/Grant Number : IDA-39780, NETH-53991

Sector(s): Primary education (35%), Secondary education (35%), Central government administration (24%), Sub-national government administration (5%), Pre-primary education (1%)

Theme(s): Education for all (P), Other accountability/anti-corruption (S), Decentralization (S), Administrative and civil service reform (S)

Project Development Objectives:

The objectives are to: (a) increase enrollment for preschool, primary and secondary education; (b) improve quality and relevance of learning; (c) improve systems of governance and accountability; and (d) harmonize donor assistance.

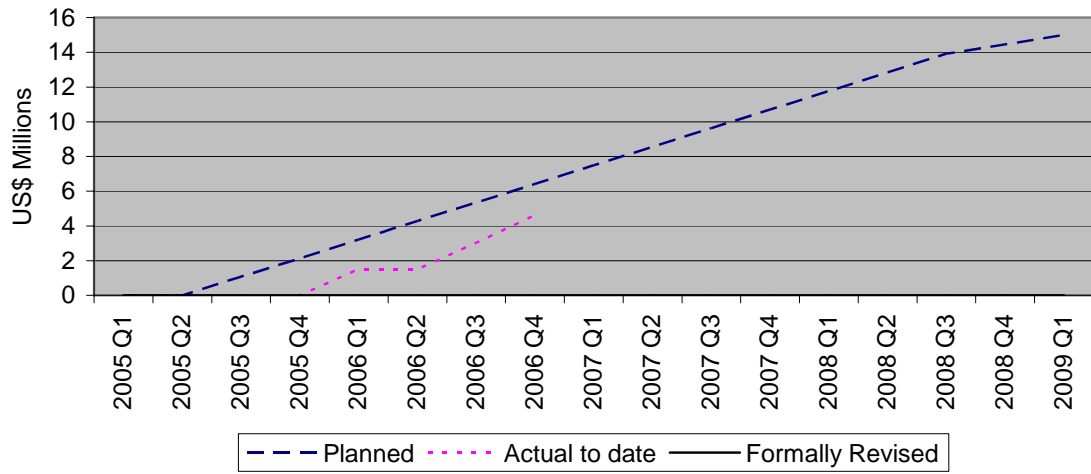
Progress toward achieving development objective(s):

Despite some initial delays in launching the implementation of the project, the following achievements have taken place: (a) the activities financed by the education project 'Proyecto Educacional de Nicaragua' (PASEN) are clearly laid out as part of the overall annual program and budget; (b) changes in management and technical staff, in particular the appointment of a high-level technical team within Ministerio de Educación Cultura y Deportes (MECD), are yielding positive results, including the improvement in monitoring of physical, financial and outcome indicators; (c) the implementation of a school readiness program for children aged 6-7 from very poor households to ensure timely enrollment into first grade; (d) good progress in planning for the upcoming implementation of the national assessment, the international assessment (SERCE/LLECE) and the School Report Cards pilot program; and (e) communications between the lead donor agency and MECD as well as the coordination among key donors to focus their financing on the Ministry's Common Work Program (CWP) remains outstanding. These will contribute positively towards the achievement of the development objectives of the project.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-39780	Effective	15.29	4.61	10.64	0.00
NETH-53991	Closed	7.00	7.00	0.00	0.00





Project Name (ID): Health Services Extension and Modernization (2nd APL) (P078991)

Country: Nicaragua

Board Approval Date : 04/05/2005

Midterm Review Date : 12/01/2007

Closing Date : 11/30/2009

Loan/Credit/Grant Number : IDA-40500, JPN-53140

Sector(s): Health (93%), Central government administration (5%), Sub-national government administration (2%)

Theme(s): Health system performance (P), Population and reproductive health (P), Child Health (P), Nutrition and food security (S), Decentralization (S)

Project Development Objectives:

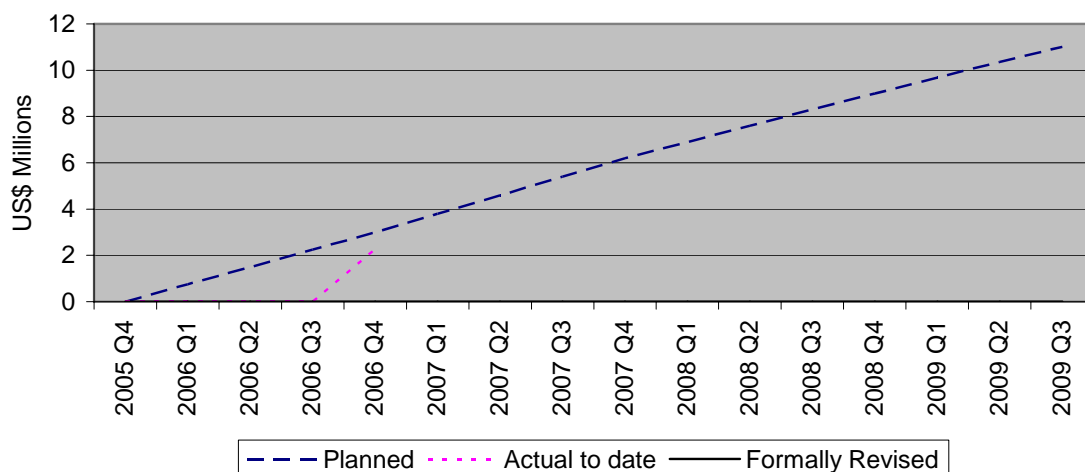
The objective is to improve health outcomes in Nicaragua, particularly among the poor under a sector wide approach.

Progress toward achieving development objective(s):

Project was made effective on April 11, 2006. The project has taken off and it is making sufficient improvement. The provision of health care services from non-public providers has been encouraged through the purchase of services by the Local Integrated Health Care Systems (SILAIS) through capitation criteria. The Sector Wide approach has increased the harmonization and coordination of the development partners' support.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-40500	Effective	10.58	2.26	8.36	0.00
JPN-53140	Closed	0.72	0.66	0.00	0.06



Project Name (ID): Fourth Roads Rehabilitation and Maintenance (P083952)

Country: Nicaragua

Board Approval Date : 06/08/2006

Midterm Review Date : 12/31/2008

Closing Date : 12/31/2011

Loan/Credit/Grant Number : IDA-41850

Sector(s): Roads and highways (89%), Central government administration (11%)

Theme(s): Rural services and infrastructure (P), Infrastructure services for private sector development (P), Small and medium enterprise support (S)

Project Development Objectives:

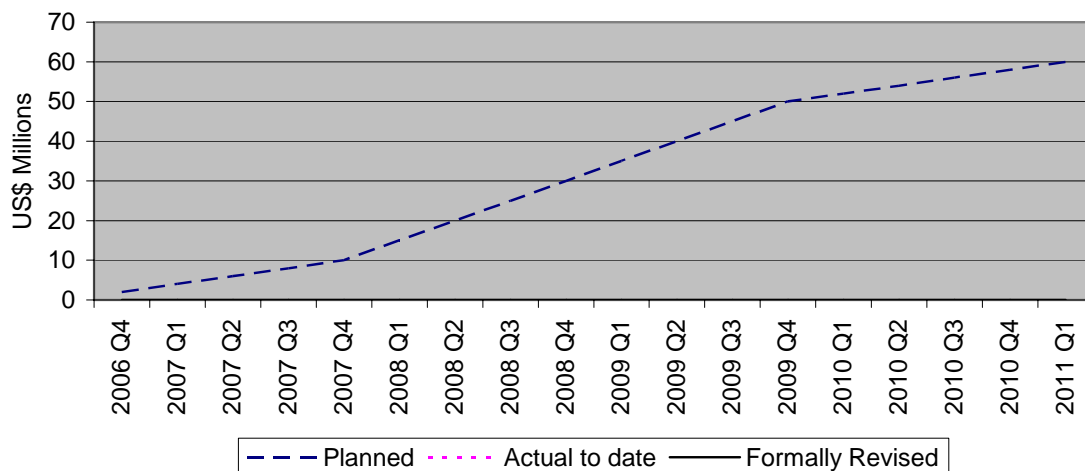
The objective is to support Nicaragua's broad based economic growth and poverty reduction plan by relieving transportation bottlenecks that currently hinder economic growth and private sector investment. Specific objectives are to: (a) expand and complement the previous focus on trunk roads; (b) help ensure the sustainability of the road improvements; and (c) foster institution building and technical development in the Ministry of Transport and Infrastructure (MTI) and the Road Maintenance Fund (FOMAV).

Progress toward achieving development objective(s):

Project is not yet effective.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-41850	Not Effective	60.42	0.00	60.42	0.00



Project Name (ID): Second Agricultural Technology (P087046)

Country: Nicaragua

Board Approval Date : 11/29/2005

Midterm Review Date : 07/15/2008

Closing Date : 03/31/2010

Loan/Credit/Grant Number : IDA-41270, IDA-Q4790, JPN-53139

Sector(s): Agricultural extension and research (71%), Central government administration (20%), Forestry (9%)

Theme(s): Rural services and infrastructure (P), Rural markets (P), Environmental policies and institutions (S), Indigenous peoples (S), Nutrition and food security (S)

Project Development Objectives:

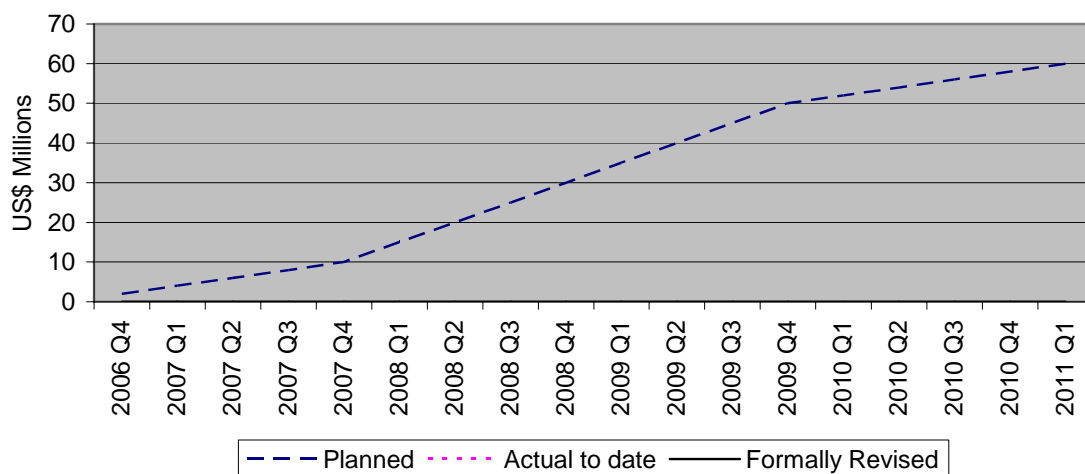
The objective is to provide rural households and communities with broader access to sustainable agricultural, forestry, and natural resource management services and innovations. The project would contribute to (a) increasing agricultural productivity of project beneficiaries through innovations in environmentally friendly technology, and (b) the strengthening and modernization of agricultural public sector institutions.

Progress toward achieving development objective(s):

The project was not effective before the close of the reporting period.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-41270	Effective	12.20	0.00	12.20	0.00
IDA-Q4790	Closed	1.98	0.00	1.98	0.00
JPN-53139	Closed	0.56	0.51	0.05	0.00



Project Name (ID): Rural Telecom (P089989)

Country: Nicaragua

Board Approval Date : 04/27/2006

Midterm Review Date : 03/27/2009

Closing Date : 06/30/2011

Loan/Credit/Grant Number : IDA-41680, JPN-54620

Sector(s): Telecommunications (95%), Sub-national government administration (5%)

Theme(s): Rural services and infrastructure (P), Regulation and competition policy (S), Other financial and private sector development (S), Decentralization (S), Municipal governance and institution building (S)

Project Development Objectives:

The objective is to increase access to and reduce costs of telecommunications services in rural areas of Nicaragua.

Progress toward achieving development objective(s):

The project was not effective at the end of the reporting period.

Lending Information/Disbursement Summary (USD millions, as of June 30 2006)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-41680	Not Effective	7.20	0.00	7.20	0.00
JPN-54620	Effective	0.48	0.35	0.13	0.00

