

STATUS OF PROJECTS IN EXECUTION – FY07
SOPE
GUATEMALA

Operations Policy and Country Services
OCTOBER 10, 2007



Introduction

The Status of Projects in Execution (SOPE) Report for FY07 provides information on all IBRD/IDA projects that were active as of June 30, 2007. 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 or Program 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 FY07 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.

¹ Notes:

- Amounts and Graphs for loans/credits/grants 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 Operations, which provide quick-disbursing financing to support policy and institutional reforms. For these operations, funds are disbursed in one or more stages (tranches), released when the borrower complies with agreed prior actions.
- Projects which are not yet effective may not have a planned disbursement schedule and thus will not include a graph.



Country: Guatemala

Project Name (ID): Universalization of Basic Education (P048652)

Country: Guatemala

Board Approval Date : 05/22/2001

Midterm Review Date : 11/21/2005

Closing Date : 12/31/2007

Loan/Credit/Grant Number : IBRD-70520

Sector(s): Primary education(67%), Central government administration(12%), Sub-national government administration(12%), Tertiary education(7%), Other social services(2%)

Theme(s): Education for all(P), Rural services and infrastructure(P), Indigenous peoples(P), Decentralization(S), Gender(S)

Project Development Objectives:

The objective is to improve the coverage, equity, efficiency and quality of primary education.

Progress toward achieving development objective(s):

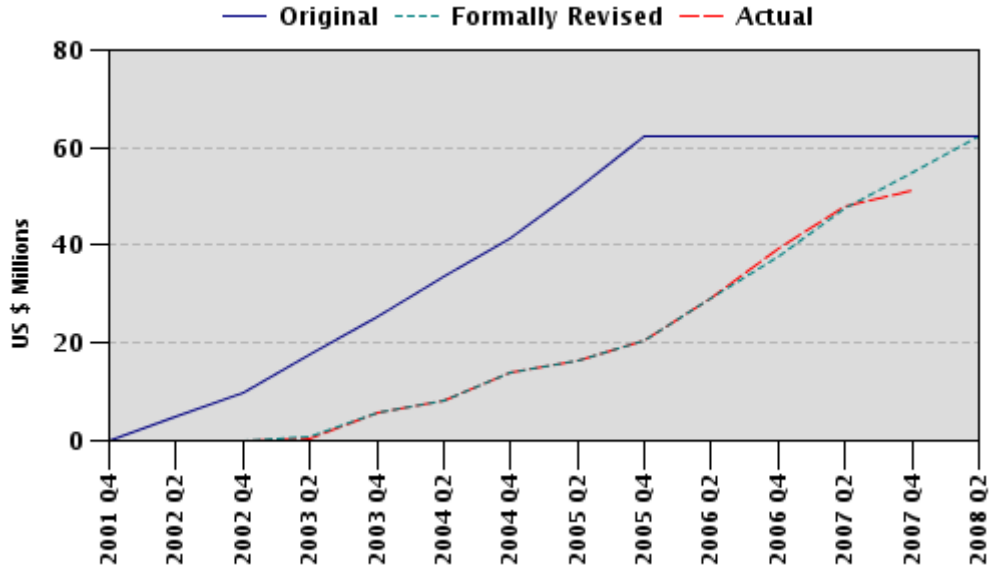
The project has exceeded its objective regarding expanding primary education in rural areas: 90,000 new students (compared to the target of 40,000) have been enrolled to date through the community-based program PRONADE (the National Community-managed Program for Educational Development). The implementation of institutional development objectives has also been excellent. The Ministry of Education is now finalizing the training program for almost 8,000 multigrade schools and has provided these schools with educational materials and school furniture, exceeding the original target of 3,500 schools. The Government has informed the Bank that approximately \$4 million (of the \$62 million loan) will be undisbursed given delays in procurement processes which will extend until 2008. The Government expects to request for an extension of the loan's closing date to finalize these processes and deliver the investments at the school level.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-70520	Effective	62.16	51.22	10.94	0.00



Status of Projects in Execution - FY07
LATIN AMERICA AND THE CARIBBEAN REGION



Project Name (ID): Competitiveness Project (P055084)

Country: Guatemala

Board Approval Date : 12/14/2000

Midterm Review Date : 02/15/2004

Closing Date : 06/30/2008

Loan/Credit/Grant Number : IBRD-70440

Sector(s): General industry and trade sector(42%), Central government administration(31%), Micro- and SME finance(25%), Law and justice(2%)

Theme(s): Regulation and competition policy(P), Export development and competitiveness(P), Small and medium enterprise support(P), Other financial and private sector development(P), Economic statistics, modeling and forecasting(S)

Project Development Objectives:

The objectives are to: (a) advance the Guatemala National Competitiveness Program, (b) improve investment climate, and (c) promote foreign direct investment and exports, with special emphasis on small- and medium-size enterprises.

Progress toward achieving development objective(s):

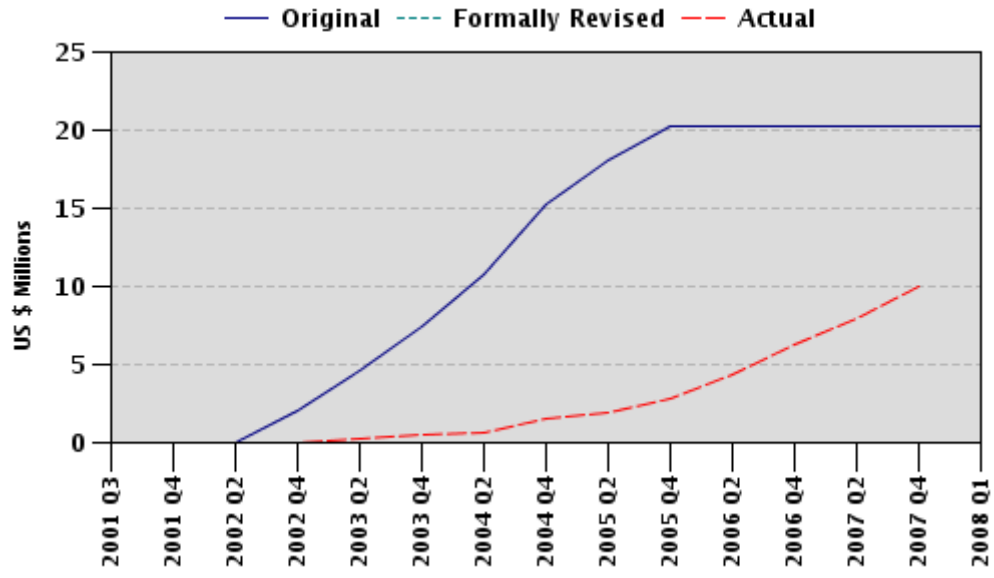
The project continues to execute activities efficiently, promoting strong coordination within the Government and with broad support from civil society and the private sector. Innovative activities include community-based rural competitiveness projects (Grupos Gestores, AGER, Tecnoserve), a human capital development fund for investors, and clusters (with a focus on micro and small firm participation). Thanks to strong project support of the investment promotion office Invest in Guatemala, foreign direct investment has grown impressively, from \$155 million in 2004 to an estimated \$507 million in 2007. Foreign direct investment has focused on a mix of new and traditional sectors, including call centers and business process outsourcing, agro-processing, and tourism. The project has also supported the development of the new international airport, a streamlining of the customs system, a one-stop window for business registration and licensing, and digital mapping of the country.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-70440	Effective	20.30	9.96	10.34	0.00



Status of Projects in Execution - FY07
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Project Name (ID): Second Rural and Main Roads Project (P055085)

Country: Guatemala

Board Approval Date : 05/06/2003

Closing Date : 12/31/2007

Loan/Credit/Grant Number : IBRD-71690, JPN-26766

Sector(s): Roads and highways(90%), Sub-national government administration(10%)

Theme(s): Rural services and infrastructure(P), Participation and civic engagement(S)

Project Development Objectives:

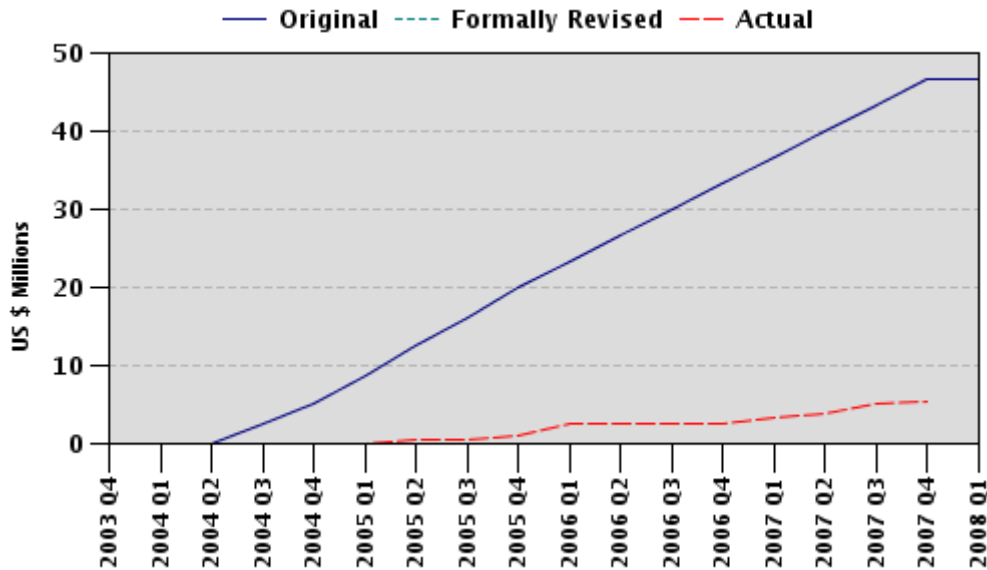
The objectives are to: (a) improve rural access on a sustainable basis; (b) develop institutional capacity at the local and central levels; and (c) generate employment in rural areas.

Progress toward achieving development objective(s):

Works began on the rural road network (220 km of rural roads to be rehabilitated at a total cost of around \$6 million). Unfortunately the first package of works was not completed on time. Currently the project is behind schedule, and an action plan has recently been put in place covering both the rural and secondary road networks. Progress on the Action Plan will be assessed in late September or early October 2007.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-71690	Effective	46.70	5.34	41.36	0.00
JPN-26766	Closed	0.27	0.16	0.00	0.11



Project Name (ID): Integrated Financial Management III -TA (P066175)

Country: Guatemala

Board Approval Date : 03/14/2002

Midterm Review Date : 11/08/2005

Closing Date : 06/30/2008

Loan/Credit/Grant Number : IBRD-71040, JPN-25968, JPN-55407

Sector(s): Central government administration(70%), Sub-national government administration(30%)

Theme(s): Public expenditure, financial management and procurement(P), Tax policy and administration(P), Other accountability/anti-corruption(S), Decentralization(S)

Project Development Objectives:

The objective is to increase effectiveness, efficiency, and transparency of public sector financial planning, management, and control.

Progress toward achieving development objective(s):

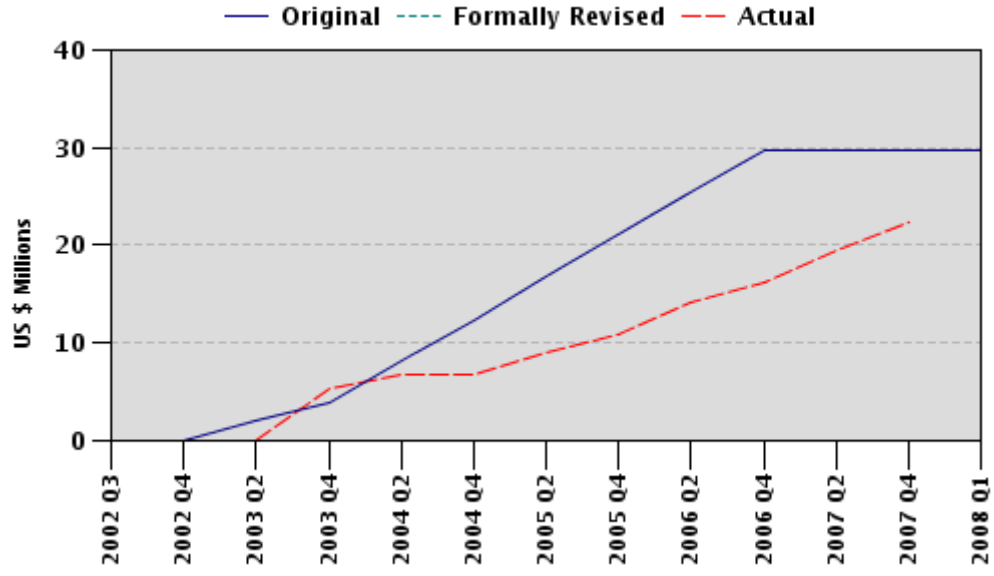
Significant progress towards the development objectives has been observed during fiscal 2007. The web-based IFMS (called SICOIN-Web) deployed in 2005 is fully established and now incorporates a module for entering purchase orders. Ten decentralized entities are now using the SICOIN-Web system, as well as seven large municipalities. There are 318 municipalities now operating one of the two systems developed specifically for local governments (SIAF-Muni and SIAFITO-Muni), and new regulations issued by the Controller General's Office (CGO) make their use mandatory for accountability purposes. The e-procurement system, called Guatecompras, is earning accolades as a highly effective tool to combat corruption and promote efficiency and effectiveness, and has incorporated added functionalities this year. All of these elements contribute significantly towards the project's development objective.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-71040	Effective	29.75	22.32	7.43	0.00
JPN-25968	Closed	0.70	0.53	0.00	0.17
JPN-55407	Effective	0.35	0.15	0.20	0.00



Status of Projects in Execution - FY07
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Project Name (ID): Financial Sector TA Loan (P076853)

Country: Guatemala

Board Approval Date : 06/25/2002

Midterm Review Date : 02/01/2005

Closing Date : 06/30/2009

Loan/Credit/Grant Number : IBRD-71290

Sector(s): Banking(50%), General finance sector(50%)

Theme(s): State enterprise/bank restructuring and privatization(P), Standards and financial reporting(S)

Project Development Objectives:

The objective is to provide technical assistance to support the implementation of the financial sector reform program aimed at restoring the soundness of the financial system.

Progress toward achieving development objective(s):

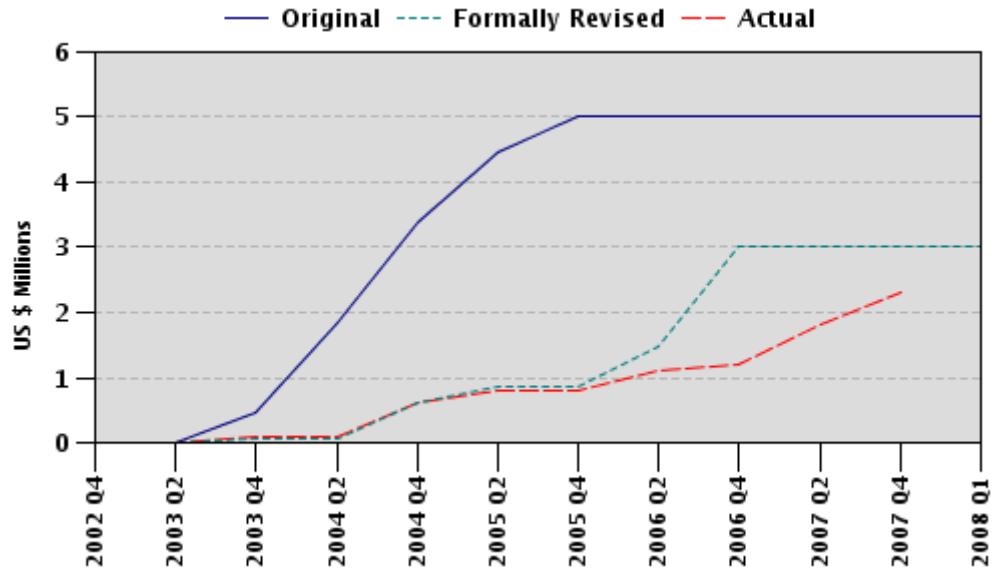
The project has made substantial progress towards achieving its objective. Advances have been made on the rapid and effective resolution of insolvent banks with the successful resolution of two banks (Bancafe and Banco de Comercio) which were resolved through the implementation of the new bank resolution mechanism supported by the project. Progress has also been achieved in the process towards risk-based supervision and consolidated supervision; in the functioning of the Bank Capitalization Fund that provided essential support to the deposit insurance scheme and the three banks that participated in the Bancafe resolution; and in the improvement of credit information systems and the modernization of the payments system, as well as in the draft bills of Insurance and Movable Collateral.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-71290	Effective	5.00	2.33	2.67	0.00



Status of Projects in Execution - FY07
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Project Name (ID): Maternal and Infant Health and Nutrition (P077756)

Country: Guatemala

Board Approval Date : 01/19/2006

Closing Date : 06/30/2011

Loan/Credit/Grant Number : IBRD-73570, JPN-51359

Sector(s): Health(65%), Other social services(30%), Central government administration(5%)

Theme(s): Population and reproductive health(P), Nutrition and food security(P), Participation and civic engagement(S), Indigenous peoples(S), Managing for development results(S)

Project Development Objectives:

The objectives are to: (a) improve maternal and infant health in the project's 40 areas of intervention; and (b) reduce chronic malnutrition among children less than two years of age in the rural areas of the 70 municipalities targeted by the project.

Progress toward achieving development objective(s):

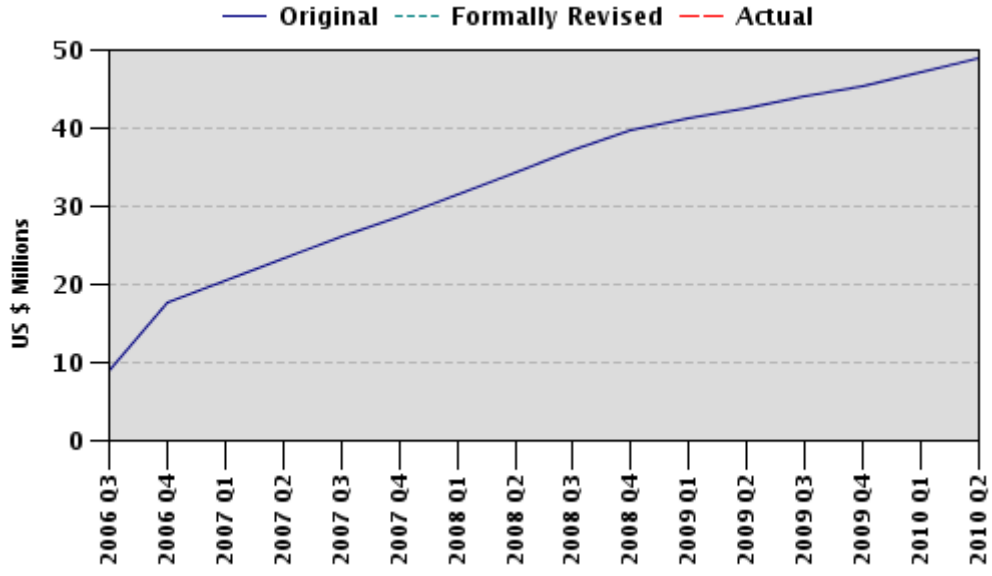
The loan was declared effective on June 26, 2007 but due to lack of fiscal space, no disbursements have been made from the loan. The appointment of a new coordinator (who was a member of the preparation team) and of key staff have facilitated progress of several processes geared toward a faster execution of some prioritized activities. An action plan has been designed for the rest of the year before the new government takes office in January 2008. The plan includes: (a) rehabilitating 12 maternal and child units, to implement the Community Integrated Care for Children and Women (Atencion Integral a la Ninez y Mujer - Comunitario, AINM-C) and the Creciendo Bien strategy through an amendment to 25 NGOs' contracts and to partially finance the Encuesta Nacional de Salud Materno Infantil (ENSMI); and (b) contracting a team of consultants to start the design of the health promotion and communication plan.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-73570	Effective	49.00	0.12	48.88	0.00
JPN-51359	Closed	1.04	0.86	0.19	0.19



Status of Projects in Execution - FY07
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Project Name (ID): Land Administration APL2 (P087106)

Country: Guatemala

Board Approval Date : 12/14/2006

Closing Date : 12/01/2013

Loan/Credit/Grant Number : IBRD-74170, JPN-55126

Sector(s): Central government administration(66%), Sub-national government administration(34%)

Theme(s): Land administration and management(P), Rural markets(P), Personal and property rights(P), Municipal governance and institution building(S), Indigenous peoples(S)

Project Development Objectives:

The objective is to foster the process of achieving land tenure security in seven new departments (Alta Verapaz, Baja Verapaz, Chiquimula, Escuintla, Izabal, Sacatepequez, and Zacapa) and the municipality of Palachum in the Department of Quiche, through the provision of efficient and accessible cadastral and land administration services.

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 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-74170	Not Effective	62.30	0.00	62.30	0.00
JPN-55126	Closed	0.49	0.41	0.00	0.08



Project Name (ID): Education Quality and Secondary Education (P089898)

Country: Guatemala

Board Approval Date : 03/06/2007

Closing Date : 12/31/2013

Loan/Credit/Grant Number : JPN-55125, IBRD-74300

Sector(s): Secondary education(74%), General public administration sector(12%),
Primary education(11%), Other social services(3%)

Theme(s): Education for all(P), Rural services and infrastructure(P), Indigenous
peoples(P), Decentralization(S), Social safety nets(S)

Project Development Objectives:

The objective is to improve primary education completion rates for over age students, and increase access to a quality lower secondary education, especially for indigenous and low income non-indigenous students.

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 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
JPN-55125	Effective	0.47	0.39	0.08	0.00
IBRD-74300	Not Effective	80.00	0.00	80.00	0.00



Project Name (ID): Support Rural Economic Development Program (P094321)

Country: Guatemala

Board Approval Date : 03/29/2006

Closing Date : 01/31/2012

Loan/Credit/Grant Number : JPN-57250, IBRD-73740, JPN-55405

Sector(s): Telecommunications(25%), Agricultural marketing and trade(22%), Roads and highways(22%), Information technology(22%), General public administration sector(9%)

Theme(s): Rural services and infrastructure(P), Indigenous peoples(P), Other financial and private sector development(S), Managing for development results(S), Rural policies and institutions(S)

Project Development Objectives:

The objective is to improve the competitiveness of rural productive supply chains with strong indigenous participation.

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 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
JPN-57250	Effective	1.50	0.15	1.35	0.00
IBRD-73740	Not Effective	30.00	0.00	30.00	0.00
JPN-55405	Closed	0.39	0.35	0.00	0.04

