

STATUS OF PROJECTS IN EXECUTION – FY07
SOPE
NICARAGUA

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: Nicaragua

Project Name (ID): Land Administration Project (P056018)

Country: Nicaragua

Board Approval Date : 06/18/2002

Midterm Review Date : 03/24/2006

Closing Date : 12/31/2008

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

Sector(s): Central government administration(44%), Sub-national government administration(36%), Other social services(15%), General agriculture, fishing and forestry sector(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 (d) achieve substantial progress in the definition and demarcation of existing and proposed protected areas and critical habitats.

Progress toward achieving development objective(s):

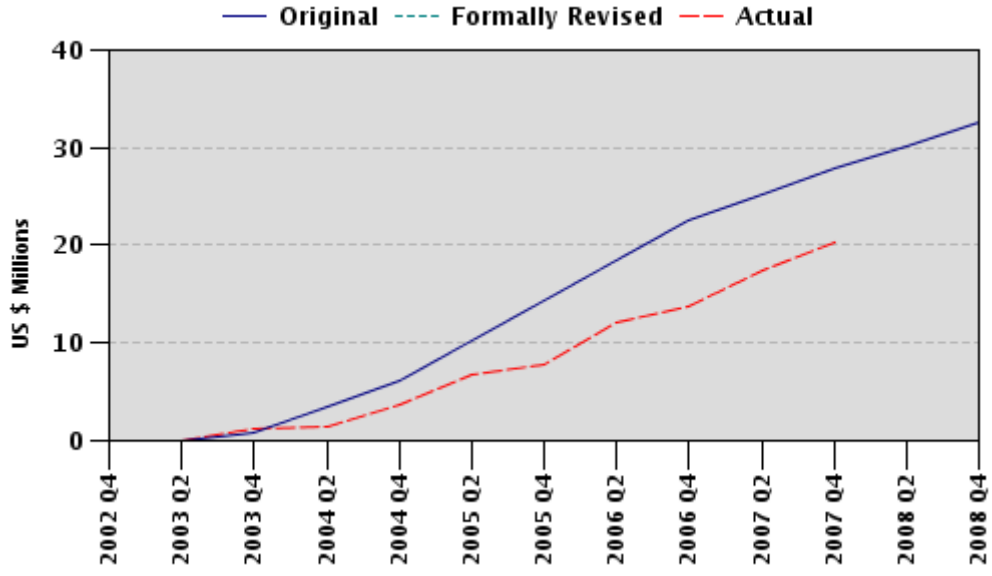
The project continues to show significant progress. An amendment to the Development Credit Agreement, which became effective in June 2007 and extends the project closing date until December 2008, will expedite financial management and procurement. The Government has reiterated its commitment to indigenous land regularization through a participatory process, and has successfully completed the registration of five community titles in Bosawas. The pending approval of the Registry Law by Congress represents a risk to the project since it is necessary to allow the use of information technology in the registry including the application of the Integrated Cadastral and Registry Information System (SIICAR) that is being developed.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-Q1710	Closed	2.00	0.00	2.00	0.00
IDA-3665A	Effective	1.66	1.59	0.00	0.00
IDA-36650	Effective	38.05	18.78	18.66	0.00



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



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

Country: Nicaragua

Board Approval Date : 04/03/2001

Midterm Review Date : 01/26/2004

Closing Date : 02/28/2009

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

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, assess risk and identify mitigation measures; and (e) implementing vulnerability reduction and mitigation measures at the local level.

Progress toward achieving development objective(s):

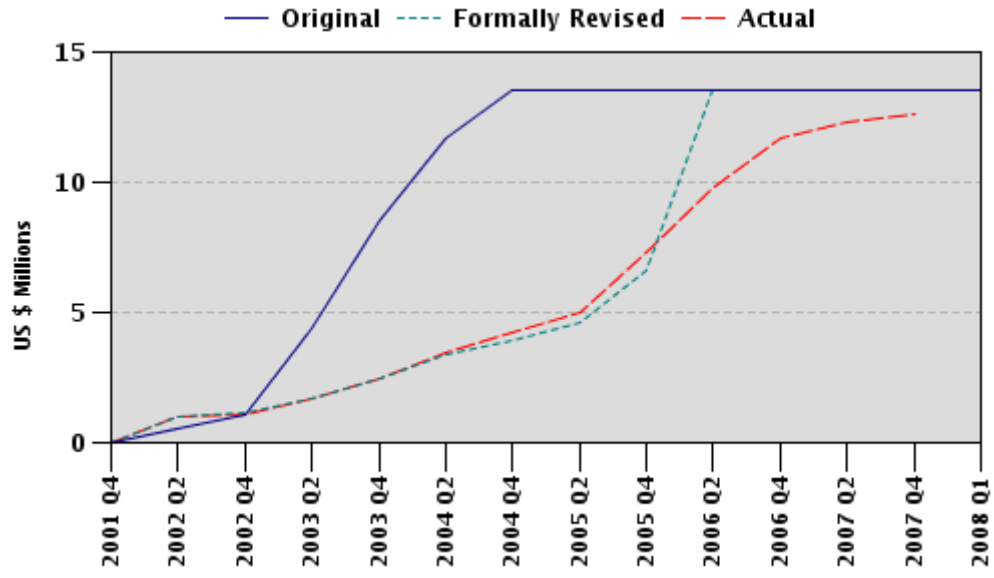
During FY07, the project received an extension and underwent a formal reallocation to facilitate the remaining activities. Overall, important advances were made in project execution, specifically the launching of public works activities for construction of the National Emergency Management Complex (scheduled for completion in April 2008). With the project nearing completion, much effort has centered on ensuring the long-term operational sustainability of SINAPRED (the National System for the Prevention and Mitigation of Disasters). The Nicaraguan government recently approved SINAPRED's 2007-2008 budget, and the establishment of a National Catastrophe Fund is being completed. These actions, along with the remaining capacity building and technical assistance activities to be financed by the project, will serve to bolster the current capacities of Nicaragua to reduce their vulnerability and manage disaster for the foreseeable future.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
JPN-51374	Closed	1.49	1.47	0.00	0.02
IDA-3487A	Closed	3.91	3.70	0.00	0.00
IDA-34870	Effective	12.00	8.90	2.64	0.00



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



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

Country: Nicaragua

Board Approval Date : 05/15/2003

Midterm Review Date : 07/10/2006

Closing Date : 12/31/2008

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

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 areas; and (b) strengthen the Government's institutional capacity to implement its national rural electrification strategy.

Progress toward achieving development objective(s):

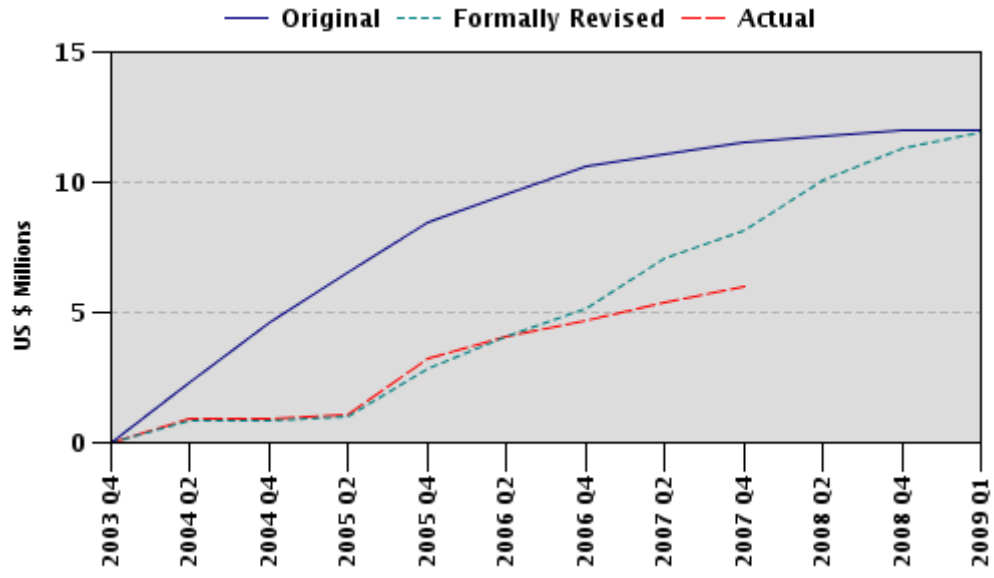
Implementation has advanced with a substantial delay due to misprocurement relating to the El Ayote project. Substitute projects were identified and the project is now on track. Solar electrification has had resounding success with the construction of Solar Battery Charging Stations in five indigenous communities and launch of the National Solar Credit Line; project milestones for solar systems have already been achieved. Preparation of additional rural electrification sites is also progressing (La Union, Wapi, Kepi). The National Wood Survey has been completed. Finally, microfinance services and support to small businesses in the communities benefiting from electrification have 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 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-37600	Effective	12.39	5.05	7.25	0.00
JPN-26676	Closed	0.45	0.43	0.00	0.01
IDA-3760A	Effective	0.94	0.93	0.00	0.00



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



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

Country: Nicaragua

Board Approval Date : 05/18/2004

Closing Date : 12/31/2010

Loan/Credit/Grant Number : IDA-39030

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

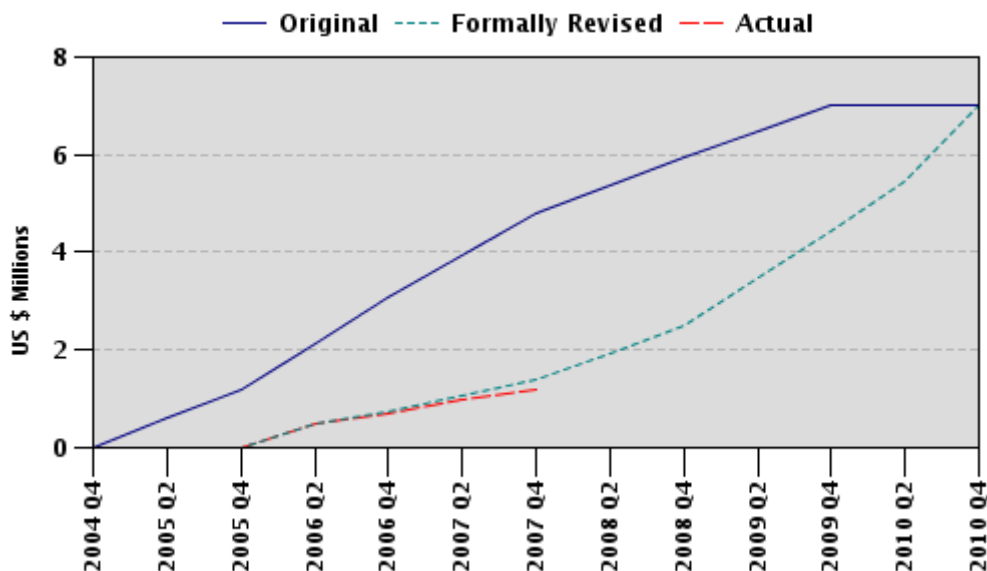
The objective is to improve access of low-income households and micro and small businesses to financial services provided by sound, profitable financial institutions.

Progress toward achieving development objective(s):

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

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-39030	Effective	7.27	1.20	6.04	0.00



Project Name (ID): Public Sector TA (P078891)

Country: Nicaragua

Board Approval Date : 03/25/2004

Midterm Review Date : 08/09/2006

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 objectives are to: (a) strengthen the public sector's capacity to develop and implement public policies; (b) increase overall effectiveness, efficiency, and transparency in the use of public resources; and (c) ensure the implementation of the Poverty Reduction Strategy.

Progress toward achieving development objective(s):

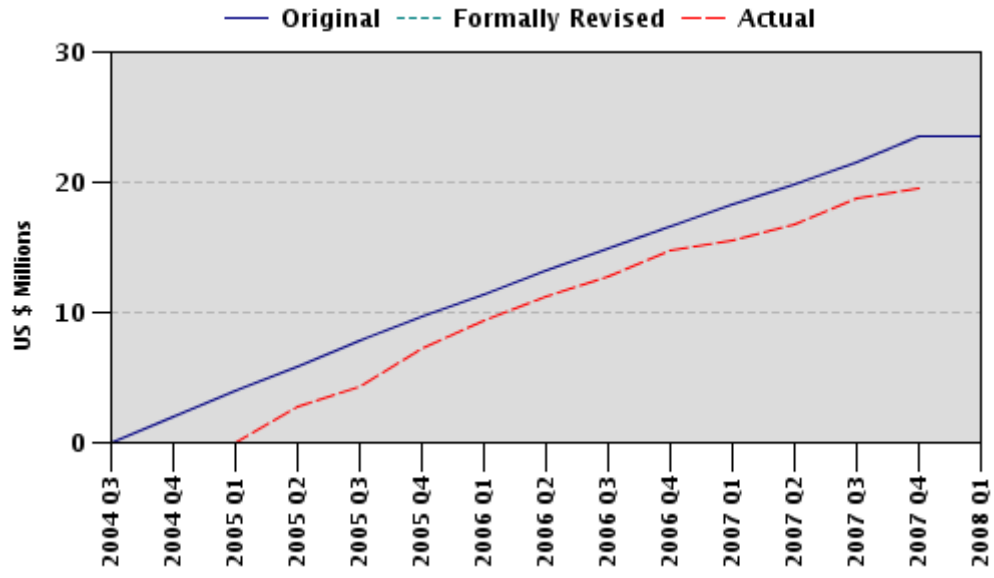
Project implementation has already yielded results in the areas of: (a) financial management through the expansion of the Integrated Financial and Administrative Management System (SIGFA); (b) civil service reform by the accreditation of 5,000 civil servants in the central administration; (c) fiscal 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 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-38770	Effective	23.95	19.51	4.03	0.00
MULT-54143	Effective	7.13	6.63	0.50	0.00



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



Project Name (ID): Education (P078990)

Country: Nicaragua

Board Approval Date : 09/02/2004

Closing Date : 06/30/2008

Loan/Credit/Grant Number : IDA-39780, MULT-57311, 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):

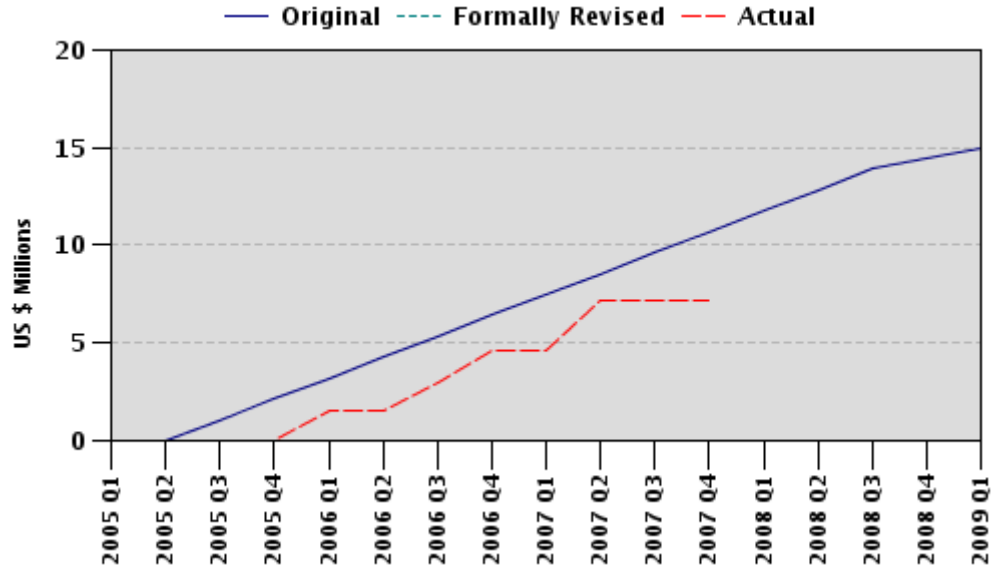
Despite some initial delays in launching the implementation of the project, the team is working with the new administration to monitor project implementation closely. The project is lagging behind because the National Education Program (NEP) was put on hold until the National Program is ready in July 2008. It was agreed, however, that only project-financed activities will continue (these activities include data cleaning and analysis of the National Student Assessment carried out in October 2006 and possibly re-engineering). In addition, the student assessments, report cards, school enrollment audit, joint financial audit and monitoring and evaluation of Education for All Fast Track Initiative (EFA FTI) activities are running behind schedule. With respect to the EFA FTI Trust Fund, the focus will continue on textbooks, learning materials and teaching guides. Therefore, the grant was extended until August 2008 to complete the remaining activities of the second tranche.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-39780	Effective	15.76	7.17	8.35	0.00
MULT-57311	Effective	7.00	3.50	3.50	0.00
NETH-53991	Closed	7.00	7.00	0.00	0.00



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



Project Name (ID): Health Sector II APL (P078991)

Country: Nicaragua

Board Approval Date : 04/05/2005

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 project's development objective is to improve health outcomes in Nicaragua, particularly among the poor under a Sector Wide Approach (SWAp).

Progress toward achieving development objective(s):

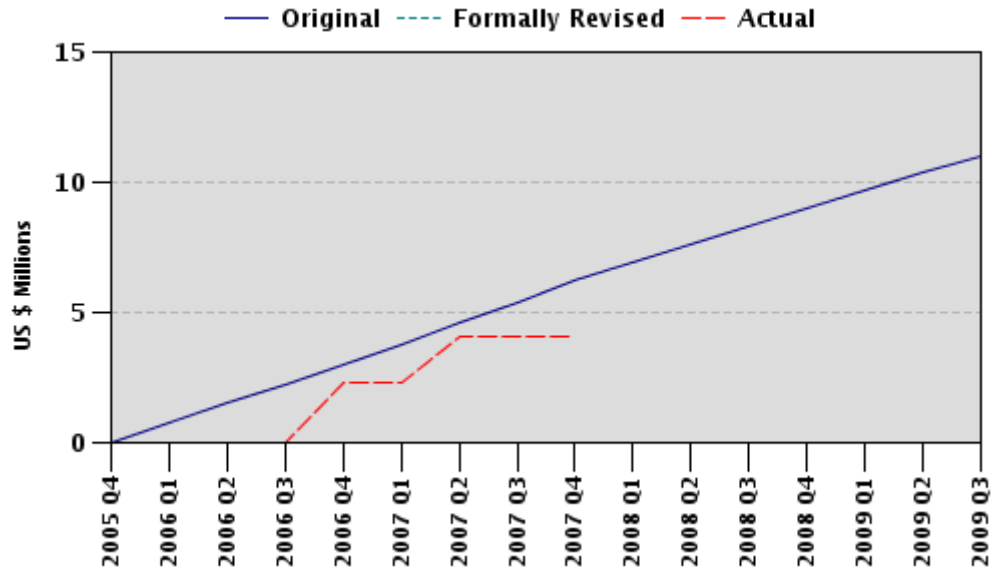
The loan became effective on April 11, 2006. The project is making good progress. The provision of health care services from non-public providers has been encouraged through the purchase of services by the Local Integrated Health Care Systems (SILAIS) through capitation criteria, and substantial progress in the reduction of child and infant mortality rates was accomplished. The Sector Wide Approach (SWAp) has increased the harmonization and coordination of the development partners' support, and common performance and Financial Management (FM) audits of the sector are underway. Procurement capacity at the Ministry of Health (MINSa) is satisfactory and some key health activities are almost completed. FM arrangements have improved and have provided reliable information to monitor project implementation.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-40500	Effective	10.91	4.11	6.76	0.00
JPN-53140	Closed	0.72	0.66	0.00	0.06



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



Project Name (ID): Roads Rehab and Maintenance IV (P083952)

Country: Nicaragua

Board Approval Date : 06/08/2006

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 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):

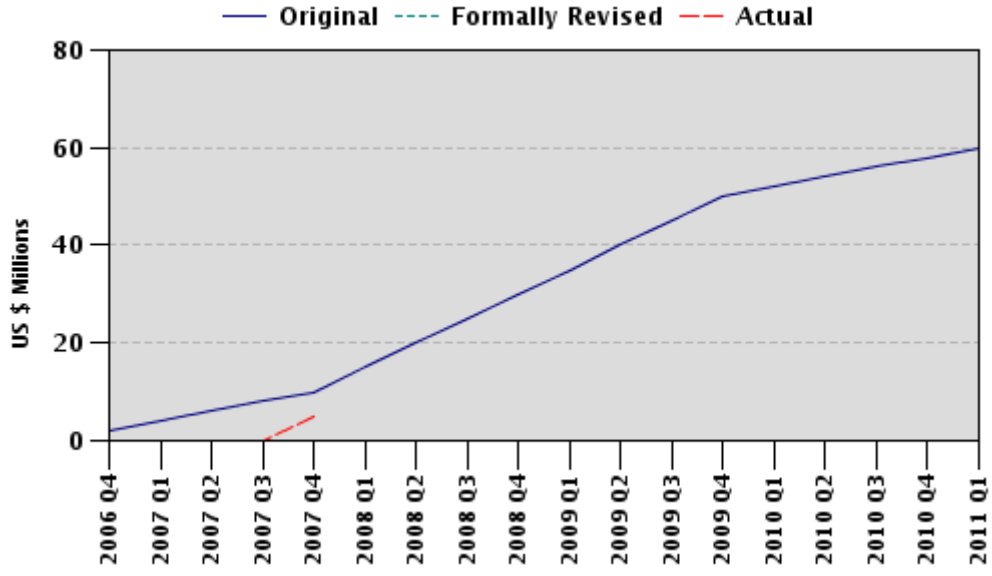
The Credit became effective on January 7, 2007. MTI has commenced design and bidding activities for the Road Rehabilitation Program and the Rural Transport Program. All disbursement conditions have been met and MTI has processed the first withdrawal application. The transfer of the 33 micro enterprises to the FOMAV has been completed. Permission has also been obtained for the FOMAV to contract the micro enterprises directly. This augurs well for the long-term sustainability of the road maintenance program. The project startup had been delayed somewhat due to the national elections and subsequent change in administration. However, all arrangements are now in place and full scale project implementation has begun. However, due to oil price increases and the effects of inflation, civil work costs have increased nearly 40 percent since project preparation and it may become necessary to scale back the road program targets (unless the Government can increase its counterpart funding share).

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-41850	Effective	62.29	5.00	57.31	0.00



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



Project Name (ID): 2nd Agricultural Technology Project (P087046)

Country: Nicaragua

Board Approval Date : 11/29/2005

Closing Date : 03/31/2010

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

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:

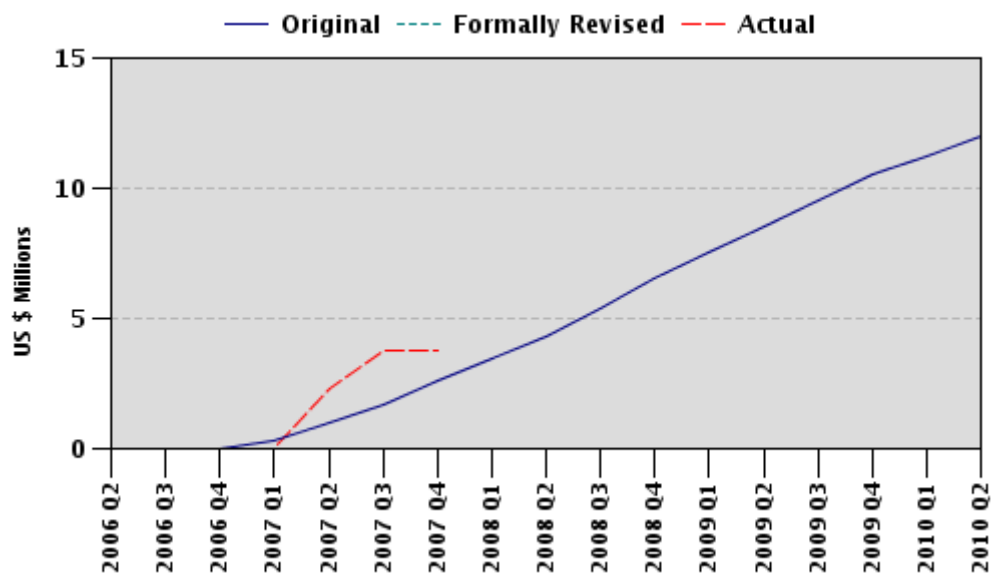
The objective is to provide rural households and communities with broader access to sustainable agricultural, forestry, and natural resource management services and innovations. The project would contribute to: (a) increasing agricultural productivity of project beneficiaries through innovations in environmentally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

Progress toward achieving development objective(s):

The project has made sizeable progress towards the achievement of its objectives. Many results indicators are exceeding the benchmarks for 2006-2007. The objectives of the overall PRORURAL rural sector program are also being achieved.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
JPN-53139	Closed	0.56	0.50	0.00	0.06
IDA-Q4790	Closed	1.98	0.00	1.98	0.00
IDA-41270	Effective	12.58	3.84	8.65	0.00



Project Name (ID): Rural Telecom (P089989)

Country: Nicaragua

Board Approval Date : 04/27/2006

Closing Date : 06/30/2011

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

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):

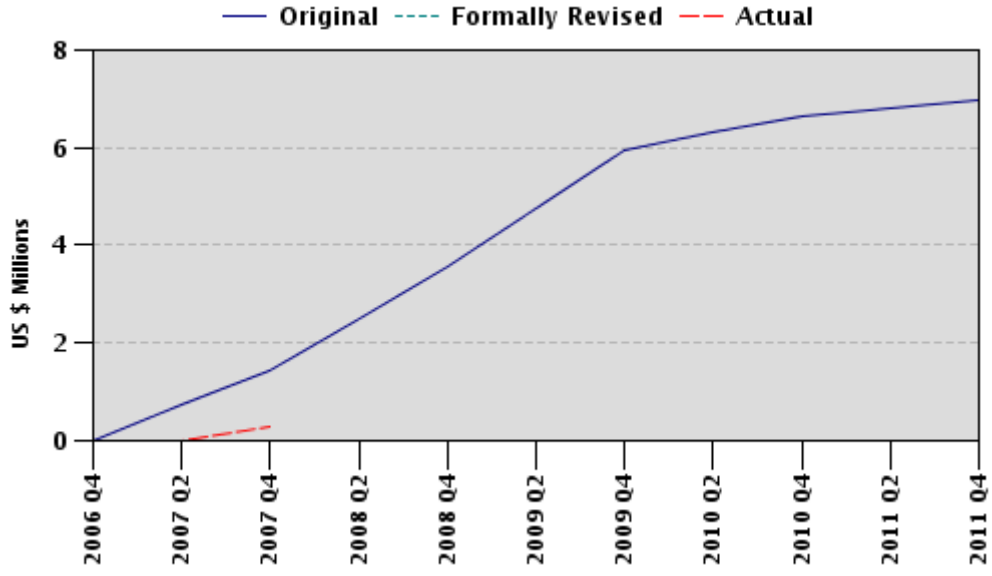
The project became effective on January 5, 2007 and is making sufficient progress. A demand study has been done on 103 municipalities, involving demand for telephony and internet service, as well as service coverage from existing operators. Based on information from the study, the country has been divided into five regions and a set of tenders is being prepared for the first region, which comprises the departments of Esteli, Madriz and Nueva Segovia. These tenders will help install public payphones in underserved areas and give Internet service in all municipal heads. The government is holding meetings with operators and local communities to disseminate the benefits of the project.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
JPN-54620	Closed	0.48	0.34	0.00	0.14
IDA-41680	Effective	7.43	0.30	7.12	0.00



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



Project Name (ID): Enhanced Competitiveness (P092949)

Country: Nicaragua

Board Approval Date : 08/24/2006

Closing Date : 12/31/2011

Loan/Credit/Grant Number : JPN-54621, IDA-42300

Sector(s): Central government administration(58%), General industry and trade sector(23%), Banking(19%)

Theme(s): Export development and competitiveness(P), Regulation and competition policy(P), Small and medium enterprise support(S), Regional integration(S), Standards and financial reporting(S)

Project Development Objectives:

The Project Development Objective is to strengthen the capacity of the Presidential Commission for Competitiveness (CPC) to provide technical leadership and coordinate the efforts of government agencies, municipalities, the private sector, civil society and donors in the field of competitiveness. By building the capacity of CPC, the project design intends to make certain government administrative and regulatory processes more efficient for businesses, improve the efficiency of selected firms and value chains, improve the performance of selected firms through matching grants to help them raise quality and obtain certification, improve firms' access to market information, and build the capacity of the financial sector to support private sector competitiveness. The main target groups are government policymakers, private sector associations, small and medium businesses, and financial services providers.

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-54621	Closed	0.71	0.69	0.00	0.02
IDA-42300	Not Effective	17.54	0.00	17.54	0.00

