

GOVERNMENT OF GUATEMALA



**APPENDIX OF THE FINAL REPORT ON THE FOLLOW-UP
MATRIX OF THE MAIN ISSUES IN THE CONSULTATIVE
GROUP OF FEBRUARY 2002**

**ANALYSIS INVENTORY OF PROJECTS
UP-DATED TO MARCH 2003:
PEACE AND DEVELOPMENT FOR ALL**

PEACE AND DEVELOPMENT FOR ALL PROJECT INVENTORY

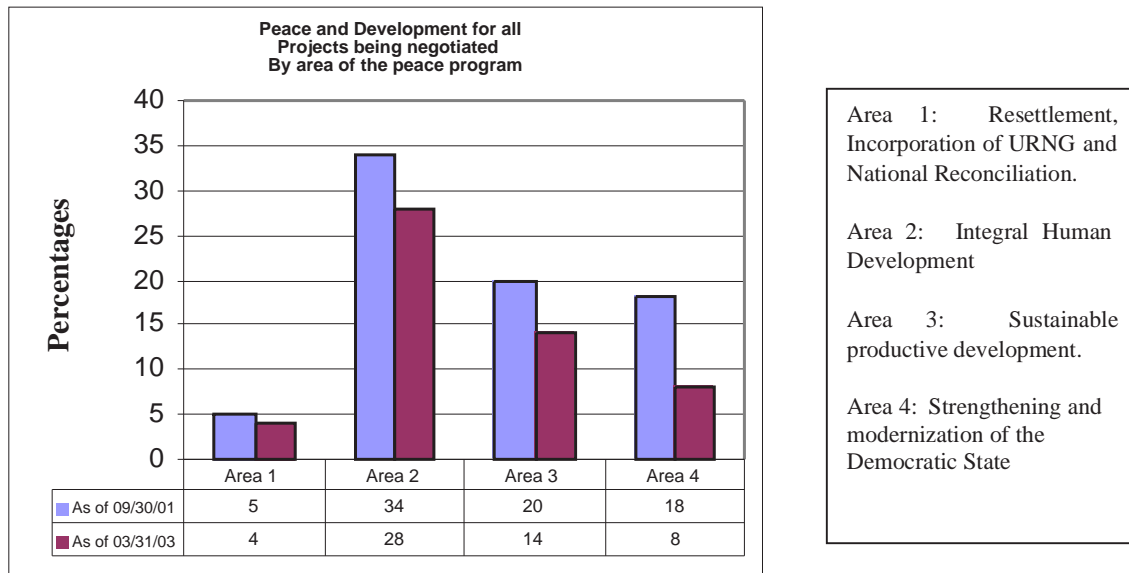
For the Consultative Group that took place in February 2002 in Washington, D. C., the Guatemalan Government presented a project inventory to the consideration of the international community with the title “Peace and Development for All”, with the object of sustaining the financing negotiations that would allow it to complement the national efforts to strengthen compliance with the peace agreements and the public policies oriented towards poverty reduction. This inventory was classified in two great groups: Projects being negotiated, which included those projects for which formal negotiations had begun with an identified source; and Projects without an Identified Source.

PROJECTS BEING NEGOTIATED:

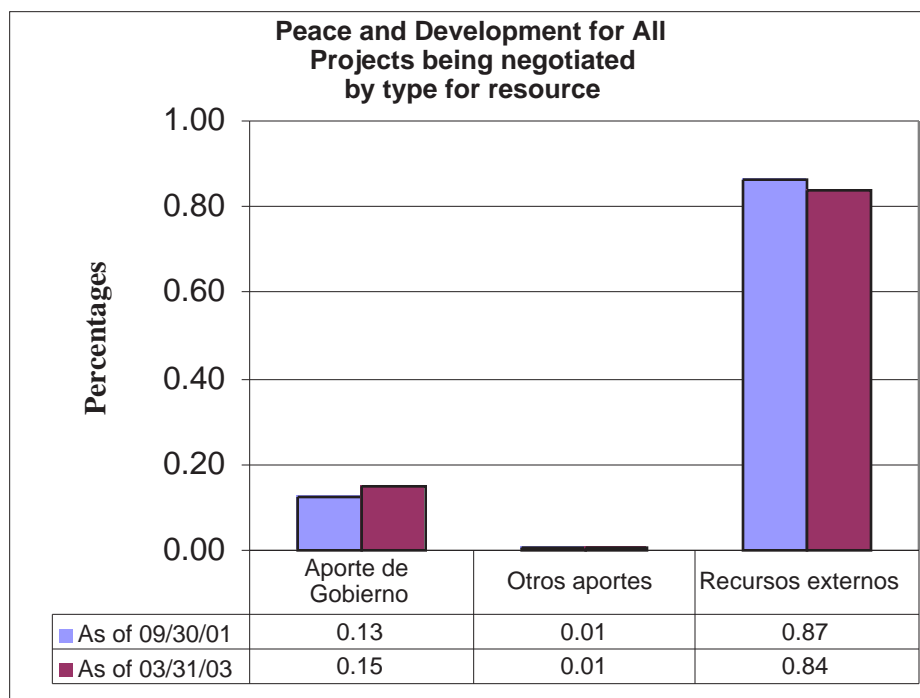
As of September 30, 2001, last date included in the information presented to the Consultative Group in February 2002, the project inventory registered 77 projects being negotiated before the different cooperating sources, for an amount of US\$1,051,259 thousand, of which US\$132,975 thousand would be contributed by the government; US\$8,705 thousand would be constituted by other contributions that basically would come from the support of the local community and governments; and US\$909,580 thousand were expected to be obtained from international cooperation sources.

Because of the dynamics of a project portfolio, as of March 31, 2003 the situation underwent some changes. Noticeable is a decrease both in the number of projects being negotiated as in the amounts, except in the contributions from others that presented an increase. The registry at that date is of 54 projects being negotiated for a total amount of US\$885,337 thousand, of which US\$130,688 thousand correspond to government contributions, US\$11,366 thousand to other contributions and US\$743,283 thousand to external resources.

Graph 1



Graph 2

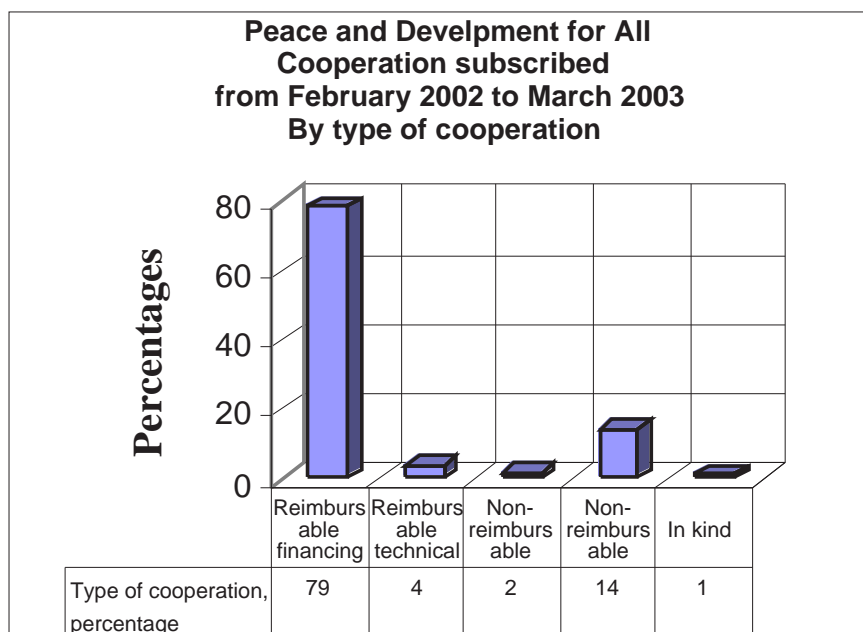


Of the initial portfolio 15 projects with an amount of US\$35,918 thousand in external resources were transferred to the portfolio of those projects without an identified source in order to seek another financing sources, because those identified initially did not show any interest in them; 8 projects for an amount of US\$25,912 thousand in external resources were taken out of the inventory after the cleansing done by the public sector institutions.

During the period of February 2002 to March 2003, 72 agreements were subscribed and the respective projects passed to the execution state for an amount of US\$656,900 thousand in external resources, of which 79 percent is reimbursable financial cooperation that was contracted with the Inter-American Development Bank (IADB), Central American Economic Integration Bank (CAEIB), International Bank for Reconstruction and Development, (IBRD) and the Republic of China. Four percent corresponds to reimbursable technical cooperation mainly with the International Bank for Reconstruction and Development; 2 percent is formed by non-reimbursable technical cooperation, mainly from Canada, IADB, United Nations Organization for Agriculture and Food (FAO), United Nations Development Program (UNDP), Japan, UNDP/Sweden, UNDP/International Work Organization (IWO), UNDP/Holland, UNDP/Norway, and UNDP/Netherlands. Fourteen percent comes from non-reimbursable financial cooperation from the United Nations Population Fund (UNPF), Japan, United States, Central American Economic Integration Bank, Canada, the European Union, Germany and Sweden; and the remaining 1 percent is integrated by food donations from the World Food Program.

Among others, these resources will support the following sectors: Financial, Health and Social Services; Education, Science and Culture; Agriculture and Livestock; Housing and Urban and Rural Development; Transportation; Industry and Commerce; Water and Sanitation; Work and Social Security; Administration and General Services.

Graph 3



On the other hand, 29 new projects went into the projects being negotiated inventory, of which 14 require reimbursable external resources for an amount of US\$297,841 thousand and 15 projects require non-reimbursable external resources for US\$100,599 thousand. This demand arose mainly from the sectors: Multi-sector; Education, Science and Culture; Administration and General Services; Transportation; Water and Sanitation; Environment; Agricultural; Financial; Work and Social Security; Health and Social Services; Industry and Commerce; Housing and Urban and Rural Development.

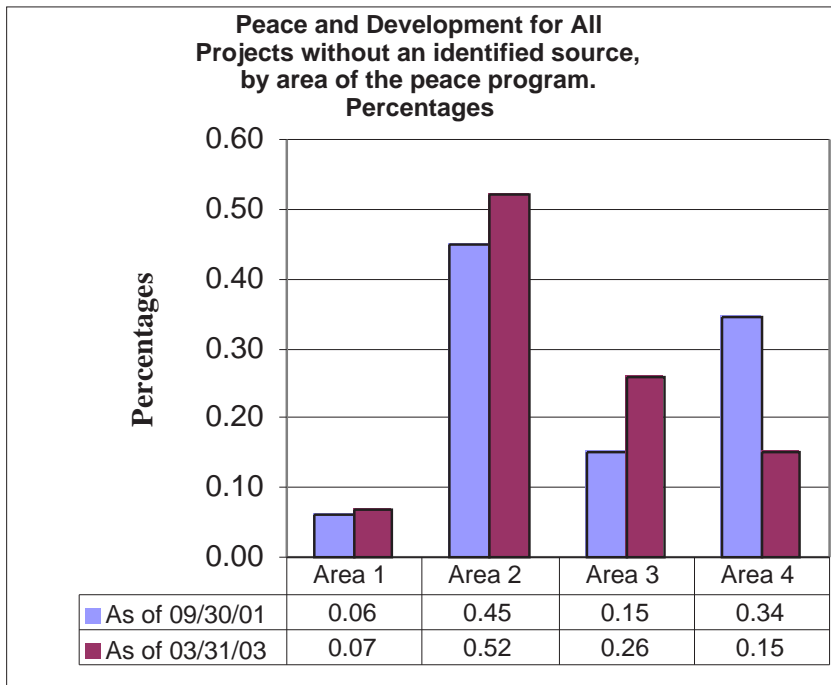
The situation of demand by sector can be observed in Table 2.

PROJECTS WITHOUT AN IDENTIFIED SOURCE:

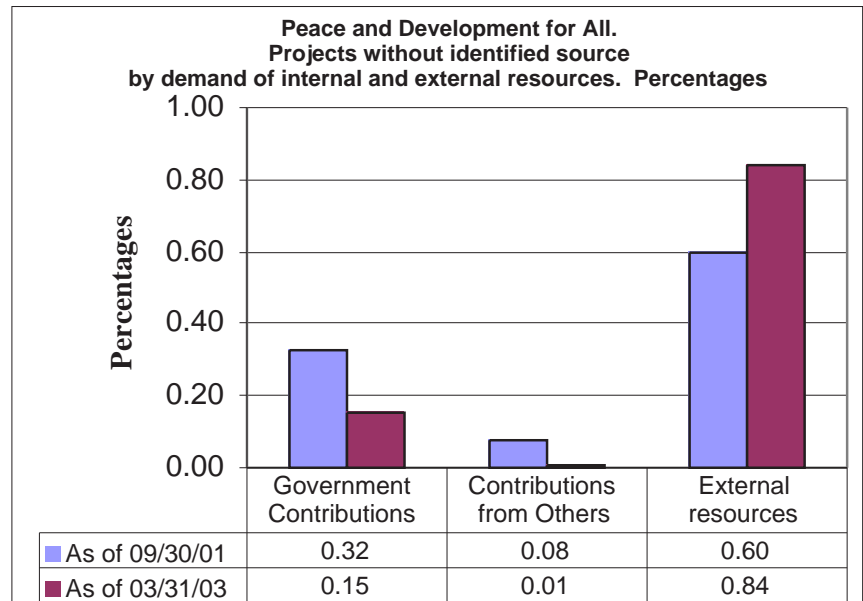
As of September 30, 2001 the registered projects without an identified source to support their financing were 134, for a total amount of US\$2,094,271 thousand, of which US\$678,784 thousand would be the government's contribution, US\$166,312 thousand would come from other contributions and the amount to be financed would be US\$1,249,175 thousand.

As of March 31, 2003, the number of projects was 150; the total amount had increased to US\$2,095,410 thousand. Contributions were required from the Government for US\$667,607 thousand, from other sources US\$154,493 and external resources for US\$1,273,310 thousand.

The changes in the portfolio of projects without an identified sources are a consequence of the updating and classification by priority of the projects done by the executive units, due to the request presented by the international community immediately after the meeting of the Consultative Group ended in February 2002, which provoked new projects to be included and others excluded. Two projects changed their situation, one to in-execution when financing was obtained from the IADB and the other to in-negotiation before the same source, and three projects were excluded from the 'without identified source portfolio',

Graph 4

Area 1: Resettlement, Incoorporation of URNG and National Reconciliation
Area 2: Integral Human Development
Area 3: Sustainable productive development
Area 4: Stregthening and modernization of the Democratic State

Graph 5

at the request of the executive units. As a consequence, its total amount decreased by US\$32,447 thousand, the government resources by US\$15,645 thousand, contributions from others by US\$11,887 thousand and required external resources by US\$32,447 thousand. The new projects that entered the inventory were 21, which require a total amount of US\$81,523 thousand, of which US\$13,265 thousand would be Government contributions, US\$78,538 thousand would be external resources and US\$68 thousand contributions from others.

The behavior by sector had a slight variation that may be observed in table 4.

Table 1
Peace and Development for All
Inventory of Projects being Negotiated
as of September 30, 2001 and March 31, 2003,
by area of the peace program
In thousands of US Dollars

Area of the peace program	As of September 30, 2001					As of March 31, 2003				
	No. of projects	Total amount	Government Contributions	Contributions from others	External resources being negotiated	No. of projects	Total amount	Government Contribution	Contributions from others	External resources being negotiated
TOTAL	77	1,051,259	132,975	8,705	909,580	54	885,337	130,688	11,366	743,283
1. Resettlement, URNG incorporation and National Reconciliation	5	162,553	29,567	000	132,986	4	158,111	28,111	000	130,000
2. Integral Human Development	34	475,238	70,520	8,390	396,328	28	465,324	65,693	9,204	390,427
3. Sustainable Productive Development	20	319,490	19,026	222	300,242	14	169,168	23,149	2,162	143,857
4. Strengthening and Modernization of the Democratic State	18	93,978	13,862	93	80,024	8	92,734	13,735	000	78,999

Table 2
Peace and Development for All
Inventory of projects being negotiated
As of September 30, 2001 and March 31, 2003 by sector,
In thousands of US Dollars

Sectors	As of September 30, 2001					As of March 31, 2003				
	No. of projects	Total Amount	Government contributions	Contributions from others	External resources being negotiated	No. of projects	Total amount	Government Contributions	Contributions from others	External resources being negotiated
TOTAL	77	1,051,259	132,975	8,705	909,580	54	885,337	130,688	11,366	743,283
1. Administration and General Services	19	75,649	9,150	86	66,413	10	103,280	13,206	86	89,988
2. Defense and Internal security	1	1,991	000	000	1,991	0	000	000	000	000
3. Financial	1	200,000	000	000	200,000	1	36,605	6,605	000	30,000
4. Housing and Urban Development	3	56,578	13,003	8	43,567	0	000	000	000	000
6. Agricultural	4	9,232	976	94	8,162	5	27,909	4,647	94	23,168
7. Industry and Commerce	8	31,251	3,617	68	27,566	1	271	68	68	135
8. Transportation										
9. Energy	3	80,290	5,440	000	74,850	3	100,020	17,020	000	83,000
10. Health and Social Services	4	18,325	000	000	18,325	0	000	000	000	000
11. Services	6	103,877	14,135	000	89,742	3	22,764	2,478	000	20,286
12. Work and Social Security	2	4,426	20	000	4,406	2	19,677	3,394	000	16,283
14. Education, Science and Culture	11	182,217	35,948	296	145,973	11	120,951	20,674	1,118	99,159
15. Water and Sanitation										
16. Environment	3	20,747	5,197	60	15,490	4	60,672	4,186	000	56,486
17. Multi-sectors	5	65,092	11,213	000	53,879	5	60,630	8,200	000	52,430
	7	201,584	34,276	8,093	159,216	9	332,558	50,210	10,000	272,348

Table 3
Peace and Development for All
Inventory of Projects without identified source
As of September 30, 2001 and March 31, 2003
By area of the peace program
In thousands of US Dollars

Area of the Peace Program	As of September 30, 2001					As of March 31, 2003				
	No. of projects	Total amount	Government Contributions	Contributions from others	Amount to be financed	No. of projects	Total amount	Government contributions	Contributions from others	Amount to be financed
TOTAL	134	2,094,271	678,784	166,312	1,249,175	150	2,095,480	667,607	154,493	1,273,310
1. Resettlement, URNG Incorporation and National Reconciliation	8	48,328	7,689	2,858	37,782	8	48,328	7,689	2,858	37,782
2. Integral Human Development	60	1,195,943	496,652	39,323	659,968	67	1,252,812	505,455	39,331	708,026
3. Sustainable Productive Development	20	392,673	99,924	120,176	172,573	23	346,575	85,042	108,349	153,184
4. Strengthening and Modernization of the Democratic State	46	457,328	678,784	3,955	378,853	52	447,695	69,421	3,955	374,318

Table 4
Peace and Development for All
Inventory of projects without an identified source
as of September 30, 2001 and March 31, 2003 by sector
In thousands of US Dollars

Sectors	As of September 30, 2001					As of March 31, 2003				
	No. of projects	Total Amount	Government Contributions	Contributions from others	External resources being negotiated	No. of projects	Total amount	Government contributions	Contributions from others	External resources being negotiated
TOTAL	134	2,094,271	678,784	166,312	1,249,175	150	2,095,410	667,607	154,493	1,273,310
1. Administration and General Services	54	332,016	49,182	3,582	279,249	62	319,284	38,276	3,582	277,426
2. Defense and Internal security	10	180,014	35,612	67	144,335	9	175,014	35,612	67	139,335
3. Financial	2	43,519	9,836	11,921	21,762	2	1,794	0	42	30,000
4. Housing and Urban Development	5	57,036	4,349	15,916	36,771	6	92,036	9,599	15,916	1,752
6. Agricultural	2	9,232	68,721	89,148	34,148	5	192,476	68,721	89,148	66,521
7. Industry and Commerce	3	192,016	7,060	8,504	47,174	4	54,541	7,970	8,504	34,607
8. Transportation										
9. Energy	3	62,738	5,441	136	48,694	2	153,120	5,441	136	51,724
10. Health and Social Services	2	18,325	000	7,446	117,723	1 2	14,910	27,952	7,446	48,694
11. Services	12	54,541	27,952	000	13,274	3	330,240	1,636	0	117,723
13. Work and Social Security	3	14,910	1,636	4,424	203,054	2 5	91,525	109,218	4,424	13,274
14. Education, Science and Culture	2 2	314,053	106,575	20,112	63,665	6	52,451	7,598	20,172	216,598
15. Water and Sanitation										
16. Environment	5	91,375	7,598	2,430	39,876	6	549,821	5,737	2,430	63,755
17. Multi-sectors	6	48,180	5,874				60,630			44,284
	8	550,753	348,948	2,626	199,180	8	332,558	349,848	2,626	197,348