

MINISTRY OF PUBLIC FINANCE

SECOND REPORT
ON FISCAL POLICY
IN GUATEMALA:

Contributing to transparency



July, 2008

SECOND REPORT ON GUATEMALAN FISCAL POLICY: CONTRIBUTING TO TRANSPARENCY

EXECUTIVE SUMMARY

- **Public Spending**

Total public spending (including amortizations of the external public debt) executed by June 30, 2008 comes to Q 17,040.9 million, equal to 40.1% of the budget for the entire year (Q 42,535.5 million). This percentage of budgetary execution is greater than the average for the first semester of the 2000-2008 period. Due to the delay in approving loans from the World Bank and the Inter-American Development Bank, each for US\$ 100 million, several programs and projects did not receive financing intended for the first five months of the year. One of the institutions that underwent difficulties in this sense was the Ministry of Agriculture, but the execution level of total public expenditure was not affected.

Even so, the budget for 2008, measured proportionately to the GDP, is the smallest in the 2000-2008 period. It equals 14.8 percent of the GDP, while the 2007 budget represented 15.7 percent of the GDP and those of previous years were equivalent to percentages above 15 percent of the GDP. This fact, together with more exacting norms applied to funds transferred to trust funds, international agencies and NGOs, explains how public spending has contributed less to the liquidity of the economy in the first semester of 2008 than in the first semester of last year, a period in which there was an excess of liquidity.

Compared to the first semester of 2007, public spending during the first semester of 2008 prioritized social expenditure, especially (on) water, sanitation and education, as well as justice and security. The notable increase in water and sanitation expenditure is especially important taking into account that access to water and adequate sanitation conditions fundamentally determine health and, especially, child nutrition.

- **Fiscal Transparency**

By February 29, 2008 there were 60 public trust funds registered with Q 22,638.0 million in holdings and access to fiduciary banks for Q 2,137.9 million. Public expenditure executed through trust funds by June 30, 2008 came to Q 866.3 million, according to the report which the Ministry of Public Finance has posted on its Fiscal Transparency Site on the internet. It is recognized that, in spite of advances in determining the amount of public spending executed through trust funds, important challenges persist in improving control and transparency of public trust funds. To solve several of these problems, a government decree will be approved shortly that will regulate central government trust funds.

At the start of the new administration in January of 2008 the Budget had to be adjusted; interinstitutional transferences were therefore approved for Q 303.3 million and transferences within institutions for Q 1,231.9 million. This reordering corrected financing sources and strengthened budgetary allocations for social benefit programs and projects, in compliance with the Plan of Government.

In addition to transferences within the budgetary adjustment, during the first semester of 2008 10 interinstitutional transferences for Q 146.8 million were executed, in order to

implement programs addressing populations in extreme poverty, repairs for education centers and attention to victims of the tropical storm “Stan”. Funding was also secured for construction and remodelling of National Civil Police stations, the implementation of the International Commission against Impunity in Guatemala (CICIG) and the National Council for Adoptions. Furthermore, 133 transferences within institutions were approved with the purpose of facilitating financial administration, supporting infrastructure and reconstruction projects, and directing the budget towards security and social spending priorities.

- **Revenue**

During the first semester of 2008, tax revenue was sufficient for financing government spending executed during this period. Estimates for tax revenue closing at the end of 2008, revised in light of what was collected by June 30, point to the tax burden being situated around 12 percent for the year as a whole.

Important advances have been made towards presenting the Proposal for Fiscal Modernization as a law initiative, which by June 30, 2008 had been delivered to the General Secretariat of the Presidency, a step previous to its transfer to the Congress of the Republic. The Proposal for Fiscal Modernization contains a design for gradual application of taxation measures that, if approved by the Congress of the Republic, would generate additional resources in 2009 that would compensate the absence of the Temporary Tax to Support the Peace Accords -IETAAP-. The moderate effect in 2009 of the Proposal (maintaining the tax burden, not increasing it) responds to unrest over the effects of an international economic recession. As economic conditions improve, Fiscal Modernization would activate other measures that would gradually increase the tax burden until reaching and sustaining the goal of 13.2 percent as of 2011/2012.

- **Macroeconomic Stabilization**

The budgetary outcome for the first trimester was a fiscal surplus of Q 1,395.9 million, while the second semester showed a small deficit of Q 104.3 million (the accumulated budgetary outcome for the first semester is a surplus of Q 1,291.6 million). At the end of June a flow of external resources was registered for Q 1,738.7 million, which would be financing public expenditure as of July. These disbursements of external loans, together with the small fiscal deficit registered in the second trimester, signified an increase in available funds for Q 1,648.6 million (an amount very close to the disbursements received).

Although the use of resource funds allotted to the third trimester shows an increase of Q 338.8 million over what was intended in the Monetary and Fiscal Program, estimates show that the use of funds intended for the fourth trimester is consistent with that Program. It is estimated that with the budgetary expansion requested to the Congress of the Republic at the end of June, the Program should adjust to the margins anticipated for the variables in liquidity. However, the fact that the fiscal deficit will not exceed 2 percent of the GDP, even considering the budgetary expansion, means that the increase in the aggregate demand resulting from fiscal policy will be moderate.

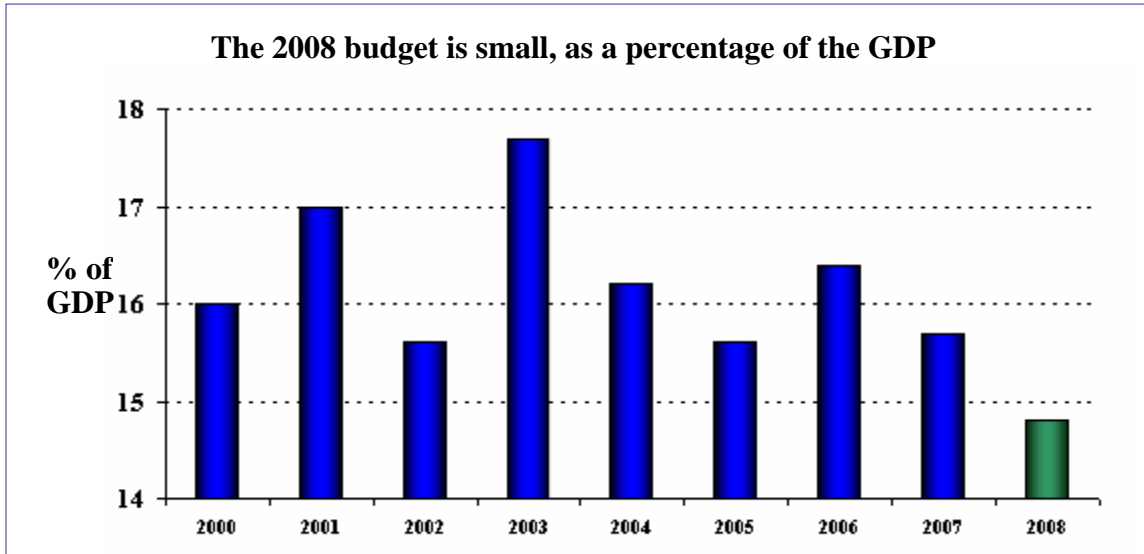


Table 1
Percentage of Budgetary Execution by the Central Administration
First Semester of Each Year during the Period from 2000 to 2008

Annual Period	2000	2001	2002	2003	2004	2005	2006	2007	2008 ^{1/}
First Trimester	16.6	21.8	20.1	19.1	17.2	18.5	19.4	20.7	19.0
	Average for the period: 19.2								
Second Trimester	18.3	21.4	18.9	22.8	18.4	19.8	19.6	22.0	21.0
	Average for the period: 20.3								
First Semester	36.5	43.3	39.1	41.9	35.6	38.3	38.9	42.6	40.1
	Average for the period: 39.6								

1/ Preliminary figures.

Expenditure by sector: Interannual variability in principal sectors.

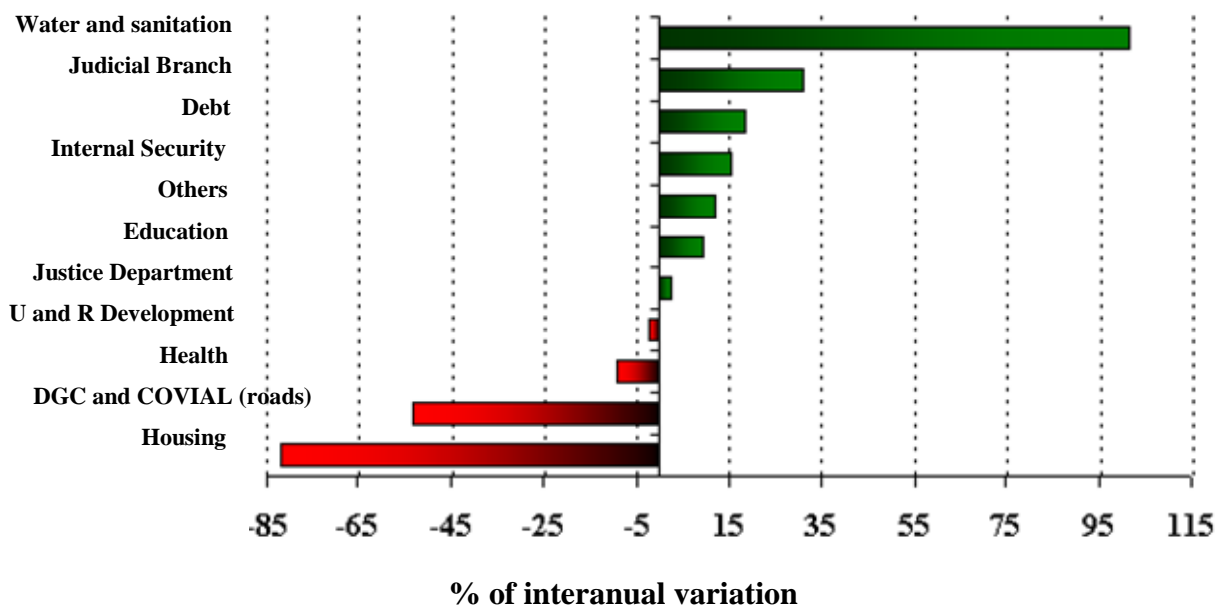


Table 2
Public Spending by the Central Administration executed during the
first semester of 2007 and of 2008^{2/}
- Millions of Quetzals and Percentages -

Concept	2007		2008 ^{2/}		Differences	
	Mill. of Q	Structure	Mill. of Q	Structure	Absolute	Relative
Health and Social Assistance	1,364.0	8.0	1,238.2	7.3	-125.8	-9.2
Education	2,768.4	16.2	3,023.2	17.7	254.8	9.2
Urban and Rural Development	1,888.8	11.0	1,846.7	10.8	-42.1	-2.2
Housing	150.5	0.9	27.2	0.2	-123.2	-81.9
Water and Sanitation	101.2	0.6	204.0	1.2	102.8	101.6
Internal Security	750.4	4.4	865.5	5.1	115.1	15.3
Judicial Branch	404.2	2.4	528.5	3.1	124.3	30.8
Justice Department	351.2	2.0	360.4	2.1	9.2	2.6
DGC and COVIAL ^{3/}	2,589.2	15.1	1,210.6	7.1	-1,378.6	-53.2
Public Debt	2,414.3	14.1	2,858.1	16.8	443.8	18.4
<i>Interests</i>	<i>1,699.2</i>	<i>9.9</i>	<i>1,956.3</i>	<i>11.5</i>	<i>257.1</i>	<i>15.1</i>
<i>Amortizations</i>	<i>715.1</i>	<i>4.2</i>	<i>901.8</i>	<i>5.3</i>	<i>186.7</i>	<i>26.1</i>
Other Entries	4,359.5	25.4	4,878.6	28.6	519.2	11.9
Total	17,141.6	100.0	17,040.9	100.0	-100.7	-0.6

1/ Includes amortizations of the public external debt.

2/ Preliminary figures.

3/ General Highway Administration (DGC) and Consultative Board for Road Maintenance (COVIAL), both departments in the Ministry of Communications, Infrastructure and Housing.

Table 3
Execution of Public Spending Through Agreements with International Agencies^{1/}
Transferences During the First Semester of 2007
Advance Payments and Expenditure During the First Semester of 2008
- Millions of Quetzals -

Concept	PAHO	UNDP	CIPREDA	IICA	IOM	CATIE	ICAO	Total
Transferences by June 2007	70.2	93.4	127.0	213.5	12.5	14.2	72.6	603.4
Advance Payments by June 2008	43.0	3.0	59.9	138.8	2.4	0.4		247.5
Expenditure by June 2008			20.7	92.4	0.7			113.8

1/ PAHO = Pan-American Health Organization; UNDP = United Nations Development Program; CIPREDA = International Center for Agricultural Development Pre-Investment; IICA = Inter-American Institute of Cooperation for Agriculture; OIM = International Migration Organization; CATIE = Tropical Agronomy Center for Investigation and Teaching; ICAO = International Civil Aviation Organization.
Source: SICOIN.

Table 4
Advance Payments Authorized and Received, and Expenditure
by Internacional Agencies:
Monthly Accumulated by the First Semester of 2008

- Millions of Quetzals -

Concept	January	February	March	April	May	June
Amount authorized for transference ^{1/}	0.0	9.2	56.0	355.9	360.8	590.8
Advance Payments by June 2008	0.0	5.0	10.7	72.3	125.0	247.5
Expenditure by June 2008	0.0	0.0	0.0	0.0	44.3	113.8

1/ Including only the amounts authorized in agreements signed by the Government and international agencies that have received advance payments by June 30, 2008.

Source: SICOIN.

Table 5
Advance Payments Authorized and Received, and Expenditure by
International Agencies and Non-Governmental Organizations:
Amount to be Transferred in 2008 and Advanced Payments and Expenditure by
the First Semester of 2008

Institution	Number of Conventions	Amount to Transfer ^{1/} (Mill. Q)	Advance Payments ^{2/} (Mill. Q)	Expenditure Executed ^{3/} (Mill. Q)	Expenditure / Advance Pay. (%)
Ministry of Foreign Relations	2	4.0	1.6	0.7	43.8
Ministry of Public Health and Social Assistance	375	325.0	88.4	14.0	15.8
Ministry of Agriculture, Livestock and Food	16	396.2	191.9	113.7	59.2
Ministry of Economy	1	4.1	8.0	0.0	0.0
Presidential Secretariat for Social Welfare	1	50.0	20.0	0.0	0.0
First Lady's Secretariat for Social Work	3	24.6	5.6	0.8	14.9
Peace Secretariat	1	85.2	2.2	0.0	0.0
Presidential Executive Coordination Secretariat	1	3.9	0.8	0.0	0.0
Total	400	893.0	318.5	129.2	40.6

1/ Amounts for all 2008, authorized in the conventions.

2/ Advance payments actually transferred by June 30, 2008.

3/ By June 30, 2008.

Source: SICOIN.

Table 6
Total Amount of the General Budget for State Revenue and Expenses 2000-2008^{1/}
- As a Percentage of the GDP -

2000	2001	2002	2003	2004	2005	2006	2007	2008 ^{2/}
16.0	17.0	15.6	17.7	16.2	15.6	16.4	15.7	14.8
Average for the period: 16.1								

1/ For the 2000-2007 period, the budget in use by December 31 of each year.

2/ Budget in use by June 30, 2008.

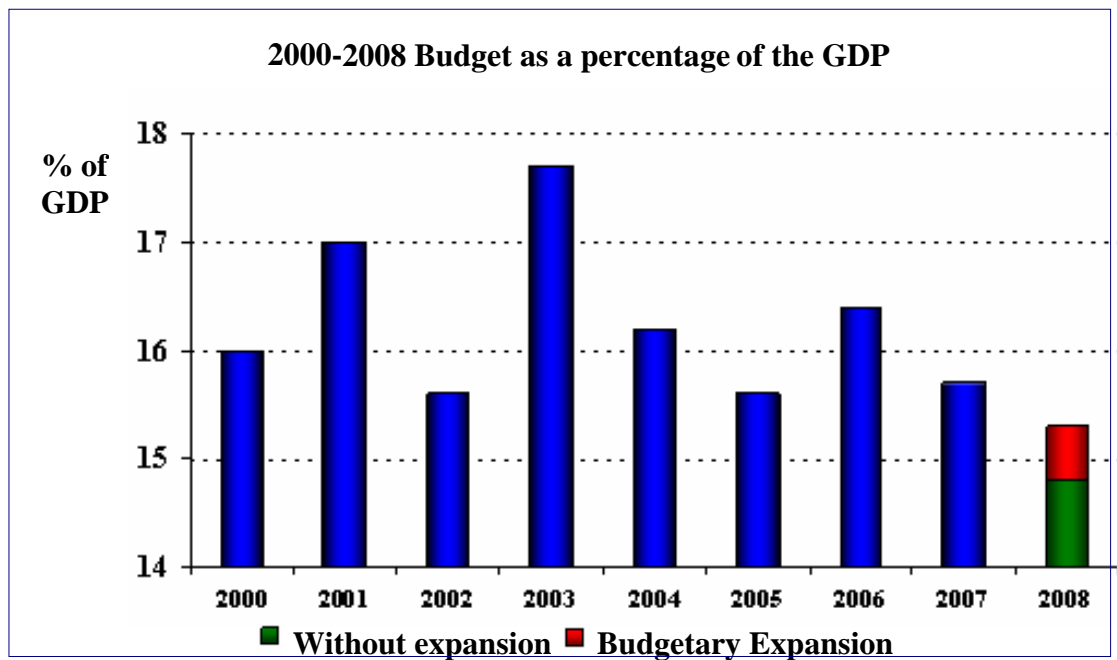


Table 7
Total Amount of the General Budget for State Revenue and Expenses 2000-2008^{1/}

- As a Percentage of the GDP -

2000	2001	2002	2003	2004	2005	2006	2007	2008 ^{2/}
16.0	17.0	15.6	17.7	16.2	15.6	16.4	15.7	15.3
Average for the period: 16.2								

1/ For the 2000-2007 period, the budget in use by December 31 of each year.

2/ Budget in use by June 30, 2008 (Q 42,535.0 million equivalent to 14.8 percent of the GDP), in addition to an expansion requested of the Congress of the Republic for 0.5 percent of the GDP (Q 1,400.0 million).

Table 8
Total Amount of the General Budget for State Revenue and Expenses 2000-2008^{1/}
and Estimated Budget Ceilings for 2009-2011

- As a Percentage of the GDP -

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009 ^{4/}	2010 ^{4/}	2011 ^{4/}
Scenario without approval of the expansion and without Fiscal Modernization											
16.0	17.0	15.6	17.7	16.2	15.6	16.4	15.7	14.8 ^{2/}	14.6	14.7	14.7
Average for the period: 15.7											
Scenario with approval of the Expansion and with Fiscal Modernization											
16.0	17.0	15.6	17.7	16.2	15.6	16.4	15.7	15.3 ^{3/}	15.3	15.9	16.3
Average for the period: 16.1											

1/ For the 2000-2007 period, the budget in use by December 31 of each year.

2/ Budget in use by June 30, 2008 (Q 42,535.0 million).

3/ Budget in use by June 30, 2008 including expansion requested of the Congress of the Republic (Q 1,400.0 million).

4/ Estimated budget ceilings.

Table 9
Non-Reimbursable Investment and Public Trust Fund Expenditure ^{1/}
2002 - 2007

- Millions of Quetzals -

	2002	2003	2004	2005	2006	2007
From the Central Government ^{2/}	1,622.0	1,524.5	1,581.5	1,970.1	3,168.6	3,857.7
From decentralized and autonomous institutions	143.6	137.8	138.4	125.1	191.9	140.8
Total	1,765.7	1,662.3	1,720.0	2,095.2	3,360.5	3,998.4
As a Percentage of the Nominal GDP	1.1	1.0	0.9	1.0	1.5	1.6

1/ Includes, among others, working expenses, taxes and irrecoverable accounts.

2/ Preliminary (see annex 6).

Source: Information provided by the fiduciaries of each trust fund.

**Number of Trust Funds according to
situation by February 29, 2008**

Total Trust Funds: 60

(Government: 50 / Decentralized and autonomous: 10)

-Number of Trust Funds and Total Percentage-

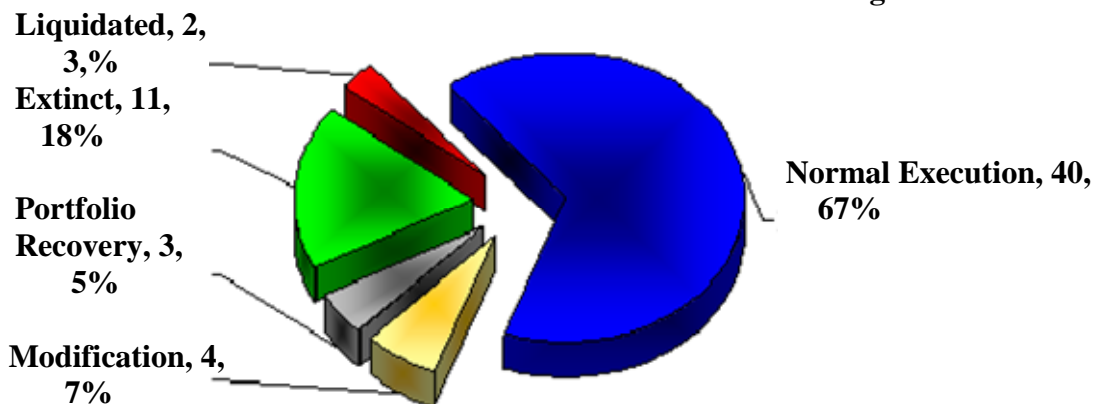


Table 10
Public Expenditure Executed through Trust Funds
2006 – June 30, 2008

- Millions of Quetzals -

Trust Fund	2006	2007	By June 30, 2008
Guatemalan National Fund for Conservation FONACON	2.2	3.5	
National Trust Fund for Coparticipative Rural Education (National Community-Managed Program for Educational Development PRONADE)	488.5	581.6	145.1
Modernization and Promotion of Irrigated Agriculture	27.0	27.0	3.1
National Program for Micro and Small Businesses	5.7	6.0	3.0
Forests and Water for Concord	445.0	356.0	
IDB Assembly Event	0.1	11.8	
Guatemalan Fund for Housing FOGUAVI	369.8	440.1	15.9
National Fund for Reactivation and Modernization of Agriculture FONAGRO	24.5	27.0	6.2
Fund for Institutional Support of the Peace Secretariat FOSEPAZ	160.6		
Fund for Consultative Board for Road Maintenance (COVIAL)	872.9	879.3	580.6
National Development Fund (FONADES)		20.5	14.1
National Fund for Peace FONAPAZ	569.8	349.6	84.8
Fund for Development of Indigenous Peoples FODIGUA	22.7	19.8	3.9
National Fund for Scholarships and Credit for Education	1.0	0.8	0.0
National Science and Technology Fund FONACYT	20.8	29.6	9.4
Total	3,252.8	2,752.5	866.3

Source: Integrated Accounting System (SICOIN)

Notes:

- Available on line at the Ministry of Public Finance Transparency Site
(http://transparencia.minfin.gob.gt/transparencia/Documentos/Fideicomisos01_06-2008.pdf).
- Regarding reports published at the Transparency Site, the information contained in this table pertains to accrued expenses, that is, expenditure actually executed.

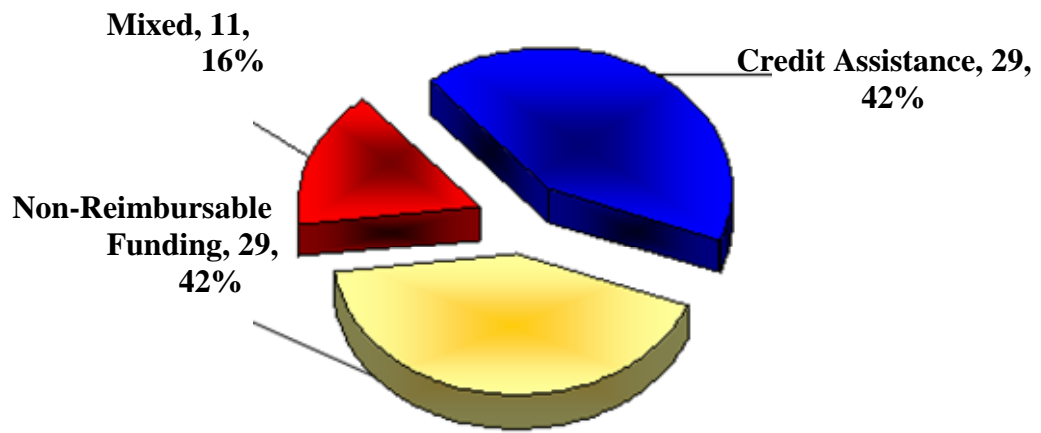
Table 11
Salaries Paid to Fiduciaries During the 2002 - 2007 Period

- Millions of Quetzals -

	2002	2003	2004	2005	2006	2007
From the Central Government	19.4	22.9	24.1	40.2	63.6	43.8
From decentralized and autonomous institutions	4.5	3.2	1.6	2.6	4.1	3.2
Total	24.0	26.1	25.7	42.8	67.7	47.0

Source: Information provided by the fiduciaries of each trust fund.

Total Trust Funds: 60
(50 Central Government and 10 Decentralized and Autonomous)
-Number of Trust Funds and Percentages of Total-



Number of trust funds according to financing category by February 29, 2008.

Table 12
Interinstitutional Transferences Approved for Implementing the Budgetary Adjustment^{1/}

- Millions of Quetzals -

Originating Institution	Transferred	Recipient Institution	Received
Presidency of the Republic	20.0	Presidency of the Republic	3.4
Ministry of the Interior	30.0	Ministry of Foreign Relations	20.0
Ministry of Communications, Infrastructure and Housing	12.1	Ministry of Public Finance	16.2
National Development Fund	131.5	Ministry of Labor and Social Provision	4.3
Council of Protected Areas	5.0	Ministry of Economy	7.1
		Ministry of Agriculture, Livestock and Food	25.0
		Ministry of Energy and Mining	1.0
		Ministry of Culture and Sports	8.0
		Presidential Executive Coordination Secretariat	62.0
		National Fund for Peace	45.0
		National Civil Service Office	1.0
		Authority for the Sustainable Management of Lake Amatitlán and its Basin	18.0
		Presidential Secretariat for Planning and Programming	25.0
		National Youth Council	1.8
		National Secretariat for Science and Technology	15.0
		Presidential Secretariat for Agricultural Affairs	15.0
		Secretariat for Food and Nutritional Security	2.0
		Ministry of Environment and Natural Resources	3.5
Judicial Branch	15.0		
Constitutionality Court	2.0		
Volunteer Firefighters Corps	5.0		
Integral Medical Attention Center for Pensioners (Guatemalan Institute of Social Security)	25.0		
General Accounting Comptroller's office	10.0		
Judicial Sentences	10.0		
State Non-Interactive Classes	33.7		
National General Attorney's Office	4.0	Justice Department	30.0
Total	303.3	Total	303.3

1/ Approved by the Governmental Decree on the Budget No. 3-2008.

Table 13
Interinstitutional Transferences Approved for Implementing the Budgetary Adjustment
^{1/}

- Millions of Quetzals -

Institution	Amount
Ministry of the Interior	102.1
Ministry of National Defense	2.5
Ministry of Education	210.9
Ministry of Public Health and Social Assistance	30.3
Ministry of Economy	3.4
Ministry of Agriculture, Livestock and Food	28.0
Ministry of Communications, Infrastructure and Housing	503.2
Ministry of Energy and Mining	5.5
Ministry of Culture and Sports	8.9
Presidential Secretariat for Social Welfare	159.8
Ministry of Environment and Natural Resources	1.0
Servicing the Public Debt	176.3
TOTAL	1,231.9

1/ Approved by the Ministerial Decree on the Budget No. 9-2008.

Table 14
Interinstitutional Transferences Additional to the Budgetary Adjustment^{1/}
Between January 1 and June 30, 2008

- Millions of Quetzals -

Originating Institution	Total Transferred	Recipient Institution	Total Received
Presidency of the Republic	10.0		
Ministry of Education	57.0		
Ministry of the Interior	8.0	Ministry of the Interior	30.0
Servicing the Public Debt	1.0		
Ministry of Agriculture, Livestock and Food	2.0	Ministry of Economy	5.8
Ministry of Communications, Infrastructure and Housing	30.0		
State Obligations through the Treasury	30.0	Ministry of Environment and Natural Resources	4.0
		State Obligations through the Treasury	10.0
Council of Protected Areas	4.0	Presidential Executive Coordination Secretariat	71.0
Secretariat for Food and Nutritional Security	4.8	National Fund for Peace	24.0
		Secretariat for Food and Nutritional Security	2.0
Total	146.8	Total	146.8

1/ Does not include the interinstitutional transference for Q 303.3 million approved in the Governmental Decree on the Budget No. 3-2008, which in turn implemented the budgetary adjustment from the Governmental Decree No. 80-2008 of January 21, 2008.

Table 15
Central Administration Tax Revenues from the
First Semester of 2007 and 2008

- Millions of Quetzals and Percentages -

Tax	2007	2008		Growth (percent)	
		Goal	Collected ^{1/}	2008/2007	2008/Goal
Income Tax	3,272.8	3,582.7	3,715.3	13.5	3.7
Temporary Tax in Support of the Peace Accords IETAAP	992.9	1,083.1	1,132.8	14.1	4.6
Value-Added Tax ^{2/}	7,263.6	7,727.4	8,185.8	12.7	5.9
Tariff Rights	1,248.4	1,332.3	1,183.4	-5.2	-11.2
IDP ^{3/}	1,038.2	1,074.4	993.6	-4.3	-7.5
Others	867.2	987.4	877.1	1.1	-11.2
Collected by SAT	14,683.2	15,787.4	16,088.0	9.6	1.9
Oil Royalties ^{4/}	225.9	135.2	403.4	78.6	198.5
Departures from the country	99.8	107.4	107.0	7.3	-0.4
Recaudación Total	15,008.8	16,029.9	16,598.4	10.6	3.5

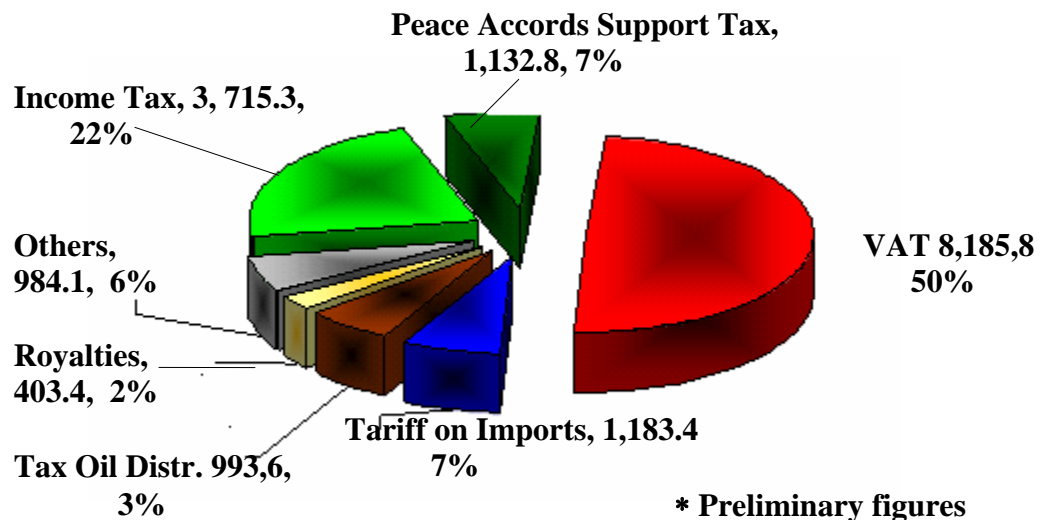
1/ Preliminary figures.

2/ Includes domestic VAT and on imports, net from fiscal credit returns to the export sector.

3/ Tax on Distribution of Crude Oil and Derived Fuels.

4/ Includes revenues from state participation in petroleum production.

Structure of tax revenue: first semester 2008*
(in millions of quetzals and percentages of the whole)



Gradual effect on the tax burden by approval of the Proposal for Fiscal Modernization

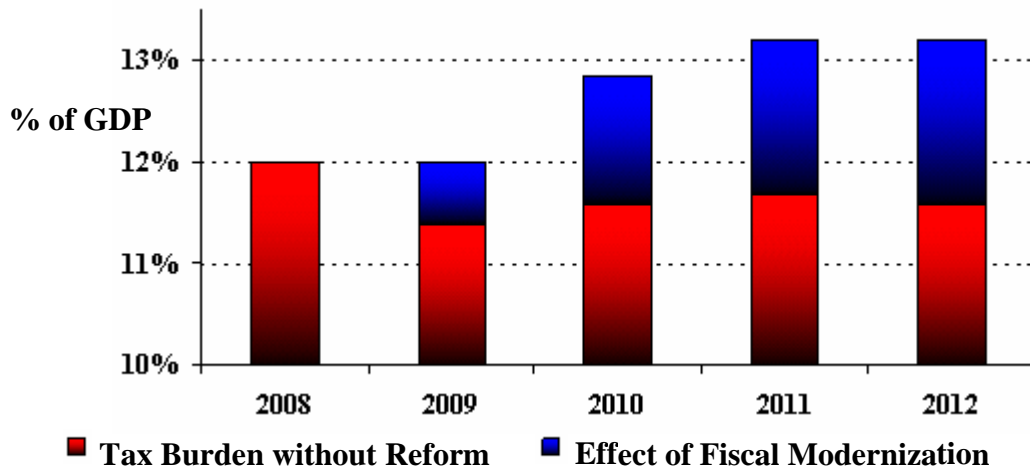


Table 16
Gradual Application of Taxation Measures Included in the Fiscal Modernization Proposal

Measures	2008 (Economic Adjustment)	2009 (Economic Recovery)	2010 (Normalized Economy)	2011 (Normalized Economy)	2012 (Normalized Economy)
Income Tax Gross Revenue	5%	5%	6%	7%	7%
Income Tax Net Revenue	31%	31%	28%	25%	25%
Dividends	3% (Fiscal Stamp)	5%	7%	10%	10%
VAT Deduction		100%	75%	50%	25%
Income Tax on Wage-Earners	31% 25% 20% 15%	5% 7%	5% 7%	5% 7%	5% 7%
Transference Prices	No	No	No	Sí	Sí
Vehicle Circulation			50%	100%	100%

Table 17
Financial Situation of the Central Administration
First Semester of 2006, 2007 and 2008

- Percentages of the GDP-

Concept	Observed		
	2006	2007	2008 ^{1/}
a Total Revenue	5.89	6.16	6.08
b Ordinary Revenue	5.88	6.15	6.08
Tax Revenue	5.56	5.87	5.79
Non-Tax Revenue	0.32	0.28	0.29
Capital Revenue	0.01	0.00	0.00
c Total Expenses	6.09	6.40	5.63
d Ordinary Expenses	4.30	4.36	4.10
e Interest on the Public Debt	0.66	0.66	0.68
Other Ordinary Expenses	3.65	3.69	3.42
Capital Expenses	1.79	2.05	1.53
Current Account Balance (b-d)	1.58	1.80	1.98
Primary Balance (a-(c-e))	0.45	0.42	1.13
Budgetary Balance (a-c)	-0.20	-0.25	0.45
Total Financing	0.20	0.25	-0.45
External Net	1.13	0.88	0.31
Internal Net	-0.93	-0.63	-0.76
Net Negotiation of Bonds	0.48	0.76	0.32
Cash Variations ^{2/}	-1.41	-1.40	-1.07
Nominal GDP (2001 base, in Millions of Q)	229,406.3	256,535.9	286,752.6

1/ Preliminary figures.

2/ Positive use of cash, negative increase of cash.

Note: For greater details and figures expressed in nominal terms, see annex 1.

Table 18
Financial Situation of the Central Administration 2008
Execution in First Semester and Estimates for Second Semester

- Millions of Quetzals -

Concept	Executed		Estimated		Closing
	1 st Trimester	2 nd Trimester ^{1/}	3 rd Trimester	4 th Trimester	Estimated
Total Revenue	8,956.7	8,474.0	9,136.1	9,803.5	36,370.4
Ordinary Revenue	8,956.7	8,474.0	9,122.1	9,786.5	36,339.3
Tax Revenue	8,522.1	8,522.1	8,487.3	8,978.4	34,064.1
Non-Tax Revenue	434.6	434.6	634.8	808.1	2,275.2
Donations	141.2	141.2	298.2	283.4	787.6
Capital Revenue	0.0	0.0	14.0	17.0	31.1
Total Expenses	7,560.8	8,578.3	11,137.8	12,872.3	40,149.1
Ordinary Expenses	5,770.6	5,981.9	8,265.6	8,649.3	28,667.4
Capital Expenses	1,790.2	2,596.4	2,872.2	4,222.9	11,481.7
Current Account Balance	3,186.1	2,492.1	856.5	1,137.2	7,671.9
Budgetary Balance	1,395.9	-104.3	-2,001.6	-3,068.7	-3,778.7
Total Financing	-1,395.9	104.3	2,000.6	3,068.7	3,778.7
External Financing	-499.5	1,378.3	-87.4	-58.1	733.3
Loan Disbursement	42.0	1,738.7	477.8	467.7	2,726.2
Loan Amortizations	541.4	360.4	565.2	525.9	1,992.9
Internal Financing	-896.4	-1,274.0	2,089.0	3,126.8	3,045.4
Net Negotiation of Bonds	532.4	374.7	312.5	501.0	1,720.5
Cost of Monetary Policy	0.0	0.0	393.3	0.0	393.3
Cash Variations ^{2/}	-1,428.8	-1,648.6	2,169.8	2,625.9	1,718.3

1/ Preliminary figures.

2/ Positive use of cash, negative increase of cash.

Table 19
Budgetary Outcomes and Cash Variations 2008
Estimated by the Ministry of Public Finance and Monetary Program
- Millions of Quetzals -

Concept	1 st Trimester	2 nd Trimester	3 rd Trimester	4 th Trimester
Estimates by the Ministry of Public Finance				
Budgetary Outcome ^{1/}	1,395.9 ^{3/}	-104.3 ^{4/}	-2,001.6 ^{5/}	-3,068.7 ^{5/}
Cash Variations ^{2/}	-1,428.8 ^{3/}	-1,648.6 ^{4/}	2,169.8 ^{5/}	2,625.9 ^{5/}
Monetary and Fiscal Program				
Budgetary Outcome ^{1/}	1,360	-980	-1,728	-2,431
Cash Variations ^{2/}	-76	-2,751	1,831	2,713

1/ Positive surplus, negative deficit.

2/ Positive use of cash, negative increase of cash.

3/ Observed.

4/ Preliminary.

5/ Estimated.

Note: Ministry of Public Finance estimates coincide with the monetary program on the closing at the end of the year, the fiscal deficit (Q 3,778.7 million), and cash variation (Q 1,718.3 million).

Annex 1: Financial Situation of the Central Administration by the First Semester of 2006, 2007 and 2008

- Millions of Quetzals -

Concept	2006	2007	2008 ^{1/}
Total Revenue	13,510.1	15,794.5	17,430.7
Ordinary Revenue	13,487.6	15,787.5	17,430.7
Tax Revenue ^{2/}	12,762.5	15,063.3	16,598.4
Direct Taxes	3,754.9	4,275.9	4,864.7
Income Tax	2,624.4	3,272.8	3,715.3
Property tax and others	5.0	4.8	7.2
Tax on Mercantile Enterprises	6.1	5.4	9.4
Temporary Tax to Support Peace Accords IETAAP	1,119.4	992.9	1,132.8
Indirect Taxes	9,007.6	10,787.5	11,733.7
Value-Added Tax	5,585.4	7,263.6	8,185.8
Domestic	1,985.8	2,779.1	2,863.6
Imports	3,599.7	4,484.4	5,322.2
Tariff Rights	1,249.8	1,248.4	1,183.4
Oil	973.5	1,038.2	993.6
Fiscal Stamps	192.9	207.8	184.9
Vehicles	195.6	206.4	222.6
Royalties	262.1	225.9	403.4
Departures from the country	88.8	99.8	107.0
Specific Taxes	355.9	385.6	393.8
Liquor and beverages	200.0	213.8	226.1
Tobacco	155.9	171.8	167.7
Cement Distribution	53.7	55.5	56.7
Others	49.9	56.2	2.5
Airline Ticket Tax		55.5	1.5
Non-Tax Revenue and Transferences	725.1	724.2	832.2
Contributions to Social Security	235.2	260.0	297.7
Donations	84.1	91.0	206.0
Others	405.7	373.2	328.6
Capital Revenue	22.5	7.0	0.0

1/ Preliminary figures by June 30, 2008

2/ Preliminary figures according to SAT report by July 3, 2008

Annex 1: Financial Situation of the Central Administration by the First Semester of 2006, 2007 and 2008 (Continued)

- Millions of Quetzals -

Concept	2006	2007	2008 ^{1/}
Total Expenses	13,972.8	16,426.5	16,139.1
Ordinary Expenses	9,868.4	11,173.1	11,752.5
Payments	3,502.9	3,740.2	4,134.6
Goods and Services	1,184.2	1,385.1	1,759.4
Indirect Taxes	5.1	17.5	6.0
Discounts and Bonuses	37.6	18.2	29.2
Social Security Benefits	826.0	895.2	1,018.2
Interest	1,506.1	1,699.2	1,956.3
Internal Debt	725.8	856.7	1,030.6
External Debt	780.3	842.5	925.7
Loans	397.6	455.9	591.7
Bonds	382.7	386.6	334.0
Land rental	0.1	0.0	0.1
Rights on Intangible Goods	2.1	1.2	5.1
Transferences	2,804.4	3,416.4	2,843.6
Rest of the Public Sector	1,630.6	2,275.0	2,404.3
Private Sector	867.9	881.7	399.7
External Sector	306.0	259.7	39.6
Capital Expenses	4,104.4	5,253.4	4,386.6
Real Direct Investment	1,009.8	1,800.1	1,390.6
Financial Investment	24.6	33.3	11.7
Transferences	3,070.0	3,420.0	2,984.3
Rest of the Public Sector	2,328.0	2,794.9	2,899.4
Private and external Sector	742.0	625.1	84.9
Current Account Balance	3,619.2	4,614.4	5,678.2
Primary Balance	1,043.4	1,067.2	3,247.9
Budgetary Balance	-462.7	-632.0	1,291.6
Total Financing	462.7	632.0	-1,291.6
Net External Financing	2,593.7	2,260.8	878.8
Loans	2,593.7	2,260.8	878.8
Disbursements	3,304.9	2,975.9	1,780.6
Amortizations	711.2	715.1	901.8
Eurobonds	0.0	0.0	0.0
Net Internal Financing	-2,131.0	-1,628.9	-2,170.4
Net Negotiation	1,094.8	1,956.5	907.0
Net Negotiation of Bonds	3,642.0	3,050.8	1,274.4
Amortizations	2,547.2	1,094.3	367.3
Amortization for the Cost of Monetary Policy	0.0	0.0	0.0
Cash Variation (+) decrease (-) increase	-3,225.8	-3,585.4	-3,077.4

^{1/} Preliminary figures by June 30, 2008

^{2/} Preliminary figures according to SAT report by July 3, 2008

Annex 2: Budgeted and Executed Expenditure by Institution, by June 30, 2008

- Millions of Quetzals -

Institution	Budget in Use	Committed	Executed by June 30*	Balance still outstanding	% Executed
Total	42,535.5	2,137.5	17,040.9	25,494.5	40.1
Presidency of the Republic	137.2	10.2	69.1	68.1	50.3
Ministry of Foreign Relations	270.4	17.0	125.1	145.3	46.3
Ministry of the Interior	2,602.2	174.2	867.0	1,735.3	33.3
Ministry of National Defense	1,265.3	76.2	615.3	650.0	48.6
Ministry of Public Finance	243.6	11.4	90.7	152.9	37.2
Ministry of Education	6,443.0	419.3	2,236.7	4,206.3	34.7
Ministry of Public Health and Social Assistance	3,000.0	192.7	1,052.0	1,948.0	35.1
Ministry of Labor and Social Provision	355.9	18.2	95.8	260.0	26.9
Ministry of Economy	242.7	10.2	83.9	158.9	34.6
Ministry of Agriculture, Livestock and Food	1,253.5	125.8	382.2	871.3	30.5
Ministry of Communications, Infrastructure and Housing	2,958.0	317.8	1,306.5	1,651.5	44.2
Ministry of Energy and Mines	47.0	2.7	17.3	29.6	36.9
Ministry of Culture and Sports	339.5	13.9	81.0	258.4	23.9
Secretariats and Other Executive Branch Departments	2,156.7	108.5	502.0	1,654.7	23.3
Ministry of Environment and Natural Resources	48.9	2.8	19.6	29.3	40.0
State Obligations through the Treasury	14,503.5	319.2	6,620.0	7,883.5	45.6
Service to the Public Debt	6,624.8	317.5	2,858.1	3,766.7	43.1
National General Attorney's Office	43.1	0.0	18.4	24.6	42.9

*s Preliminary Figures

Annex 3: Public Spending Executed by Institution, by June 30 of 2006, 2007 and 2008

- Millions of Quetzals -

Institution	2006	2007	2008*	Variations	
				2007/2006	2008/2007
Total	14,684.0	17,141.6	17,040.9	16.7	-0.6
Presidency of the Republic	60.9	63.1	69.1	3.6	9.5
Ministry of Foreign Relations	110.0	110.7	125.1	0.7	13.0
Ministry of the Interior	687.3	731.9	867.0	6.5	18.5
Ministry of National Defense	473.5	478.7	615.3	1.1	28.5
Ministry of Public Finance	95.4	94.8	90.7	-0.6	-4.4
Ministry of Education	2,071.7	2,091.2	2,236.7	0.9	7.0
Ministry of Public Health and Social Assistance	955.8	1,174.8	1,052.0	22.9	-10.5
Ministry of Labor and Social Provision	24.8	35.3	95.8	42.1	171.8
Ministry of Economy	82.6	87.9	83.9	6.3	-4.5
Ministry of Agriculture, Livestock and Food	698.9	717.9	382.2	2.7	-46.8
Ministry of Communications, Infrastructure and Housing	1,196.1	1,997.7	1,306.5	67.0	-34.6
Ministry of Energy and Mines	15.6	15.5	17.3	-0.6	11.6
Ministry of Culture and Sports	79.2	110.6	81.0	39.7	-26.8
Secretariats and Other Executive Branch Departments	681.1	776.6	502.0	14.0	-35.4
Ministry of Environment and Natural Resources	18.2	20.5	19.6	12.4	-4.3
State Obligations through the Treasury	5,198.4	6,201.3	6,620.0	19.3	6.8
Service to the Public Debt	2,217.3	2,414.3	2,858.1	8.9	18.4
National General Attorney's Office	17.2	19.0	18.4	10.4	-2.8

* Preliminary figures

Annex 4: Budgeted and Executed Expenditure by Secretariats and Other Executive Branch Departments by June 30, 2008

- Millions of Quetzals -

Institution	Budget in use	Executed by June 30*	Balance still outstanding	% Executed
Total	2,156.7	502.0	1,654.7	23.3
General Secretariat for the Presidency of the Republic	9.6	3.6	6.1	37.3
Presidential Coordinating Commission on Human Rights	26.2	15.0	11.2	57.2
Private Secretariat for the Presidency of the Republic	6.9	2.2	4.7	32.2
Executive Coordination Secretariat for the Presidency of the Republic	531.4	146.1	385.4	27.5
National Fund for Peace	397.7	84.8	312.8	21.3
Fund for the Development of Guatemalan Indigenous Peoples	20.2	3.9	16.3	19.5
Social Communication Secretariat for the Presidency of the Republic	34.7	10.9	23.8	31.3
Social Welfare Secretariat for the Presidency of the Republic	228.8	42.8	186.0	18.7
Peace Secretariat	322.7	44.3	278.4	13.7
National Civil Service Office	21.9	10.4	11.5	47.3
National Council of Protected Areas	59.0	15.2	43.8	25.8
Authority for the Sustainable Management of Lake Amatitlán and its Basin	53.4	9.9	43.5	18.5
Planning and Programming Secretariat of the Presidency of the Republic	75.3	21.4	53.9	28.4
National Youth Council	5.3	1.7	3.6	32.3
Executive Secretariat Commission Against Drug Addiction and and Illicit Traffic in Drugs	3.8	1.9	1.8	51.4
National Secretariat for Science and Technology	49.3	14.2	35.1	28.8
First Lady's Secretariat for Social Work	169.2	34.7	134.5	20.5
Secretariat of Strategic Analysis	17.7	6.5	11.2	36.7
Presidential Secretariat for Women	20.5	3.9	16.5	19.3
Secretariat for Agricultural Affairs of the Presidency of the Republic	44.7	14.2	30.4	31.9
Presidential Commission Against Racism and Discrimination of Indigenous Peoples	15.4	3.5	11.9	22.9
Secretariat of Food and Nutritional Security of the Presidency of the Republic	17.0	7.5	9.5	44.0
Authority for the Sustainable Management of the Lake Atitlán Basin and its Surroundings	5.8	0.6	5.2	10.6
Presidential Commission for Reform, Modernization and Strengthening of the State and its Institutions	9.9	0.4	9.6	3.8
Defensory of Indigenous Women	10.4	2.3	8.1	22.2

*Preliminary figures

Annex 5: Public Expenditure Executed by Secretariats and Other Departments of the Executive Branch, by June 30 of 2006, 2007 and 2008

- Millions of Quetzals -

Institution	2006	2007	2008*	Variations	
				2007/2006	2008/2007
Total	681.1	776.6	502.0	14.0	-35.4
General Secretariat of the Presidency of the Republic	3.7	3.7	3.6	0.7	-3.8
Presidential Coordinating Commission on Human Rights	10.1	12.2	15.0	20.2	23.3
Private Secretariat of the Presidency of the Republic	1.7	1.7	2.2	5.1	26.7
Executive Coordination Secretariat of the Presidency of the Republic	314.1	412.9	146.1	31.5	-64.6
National Fund for Peace	103.1	49.5	84.8	-52.0	71.4
Guatemalan Fund for the Development of Indigenous Peoples	9.7	3.8	3.9	-60.7	3.7
Social Communication Secretariat for the Presidency of the Republic	24.2	24.7	10.9	1.9	-55.9
Social Welfare Secretariat for the Presidency of the Republic	20.1	22.8	42.8	13.3	88.2
Peace Secretariat	11.8	65.8	44.3	456.2	-32.7
National Civil Service Office	10.2	10.5	10.4	3.3	-1.5
National Council of Protected Areas	13.5	16.7	15.2	24.0	-9.0
Authority for the Sustainable Management of Lake Amatitlán and its Basin	23.6	15.6	9.9	-33.8	-36.8
Planning and Programming Secretariat of the Presidency of the Republic	22.9	25.0	21.4	9.2	-14.7
National Youth Council	4.2	4.1	1.7	-1.3	-58.6
Executive Secretariat Commission Against Drug Addiction and Illicit Traffic in Drugs	1.6	1.6	1.9	-3.1	24.3
National Secretariat for Science and Technology	10.5	14.5	14.2	38.1	-1.9
First Lady's Secretariat for Social Work	49.8	48.6	34.7	-2.4	-28.6
Secretariat for Strategic Analysis	7.3	7.4	6.5	2.4	-13.0
Presidential Secretariat for Women	4.6	5.4	3.9	17.4	-26.4
Secretariat for Agricultural Affairs of the Presidency of the Republic	26.1	21.6	14.2	-17.3	-34.2
Presidential Commission Against Racism and Discrimination of Indigenous Peoples	4.6	3.8	3.5	-17.9	-6.3
Secretariat for Food and Nutritional Security of the Presidency of the Republic	3.8	4.6	7.5	21.3	62.1
Authority for the Sustainable Management of the Lake Atitlán Basin and its Surroundings			0.6		
Presidential Commission for Reform, Modernization and Strengthening of the State and its Institutions			0.4		
Defensory of Indigenous Women			2.3		

*Preliminary figures

**Annex 6: Preliminary Estimate of Non-Reimbursable Investment and
Public Trust Fund Expenditure During the 2002-2007 Period**

- Millions of Quetzals -

**Annex 7: Public Trust Funds According to Financing Category, by
February 29, 2008**

- Millions of Quetzals -

**Annex 8: Public Trust Funds According to Economic Activity, by February
29, 2008**

- Millions of Quetzals -

No.	Fiduciary	Trust Fund	Assets Receivedo	Availability
60		General Total	22,638.0	2,137.9
50		Central Government Total	19,830.2	1,345.2
18			1,469.6	592.7
1	BANGUAT	Improvement for Small Coffee Growers	53.7	22.1
2	BANRURAL	Portfolio Administration	6.5	0.9
3	BANRURAL	Financial Support for Guatemalan Coffee Producers	409.3	155.2
4	BANRURAL	Credit for Farming and Livestock Development -CREDESA-	29.6	7.4
5	BANRURAL	Credit for Productive Development DICOR II -CREDEPRODI-	8.0	8.4
6	BANRURAL	Integral Development of Rural Communities -DICOR- Project for Sustainable Rural Development of Ecologically Fragile	3.6	6.0
7	BANRURAL	Areas in the Trifinio Region, Area of Guatemala PRODERT Program for Integral Development in Areas with Irrigation and Drainage Potential	11.0	15.2
8	BANRURAL		295.6	125.5
9	BANRURAL	Rural Credit National Fund for Reactivation and Modernization of	62.2	56.9
10	BANRURAL	Agriculture and Livestock -FONAGRO-	394.1	35.0
11	BANRURAL	Project for Rural Development of the Cuchumatán Sierra	6.4	5.5
12	BANRURAL	Project for Rural Development for Small Producers in the Departments of Zacapa and Chiquimula	6.2	9.8
13	BANRURAL	Productive Projects for Displaced Populations Trust Fund Credit Rural Development Program in the Department of	12.5	3.2
14	BANRURAL	Fund for Development of Micro and Small Enterprise	13.4	14.0
28	BANTRAB	Fund for Development of Micro and Small Enterprise	90.4	48.9
29	C. H. N.	Fund for Development of Micro and Small Enterprise	3.6	1.1
15	BANTRAB CORFINA	Global Credit Program for Establishment or Expansion Regional Agricultural Movement -MAR- of Small and Medium Industrial and Tourism Enterprises	5.5	0.8
16	C. H. N.	Credit Support for the Committee for Improvement of Farmers in the North	2.0	0.0
17	CORFINA	Trust Fund for Integral Development of the Third Sector of the Economy	0.0	0.0
18	G&T CONTINENTAL	Guate Invests Trust Fund for Rural Development	150.0	126.8
1			572.6	10.9
19	BANGUAT	Fiduciary Fund for Banking Capitalization	572.6	10.9
2			25.2	13.1
20	C. H. N.	Trust Fund for Administration and Investment of the National Fund for Conservation of Nature -FONACON-	15.2	13.1
21	INDUSTRIAL	Trust Fund for the Environment	10.0	0.0
2			3,510.4	154.8
22	INDUSTRIAL	National Trust Fund for Coparticipative Rural	3,493.7	138.8

Anexo 8: Public Trust Funds According to Economic Activity, by February 29, 2008 (Continuación)

- Millions of Quetzals -

No.	Fiduciary	Trust Fund	Assets Received	Availability
7		MULTISECTORIAL Total	6,431.4	141.0
31	BANCAFE *	Fund for Institutional Support of the Peace Secre SEPAPZ -FOSEPAZ- 1/	183.2	26.7
32	BANGUAT	National Fund for Peace -FONAPAZ-	4,786.0	46.2
33	BANGUAT	Community Development for Peace Programa -DECOPAZ- 2/	380.0	0.0
34	BANTRAB	Guatemalan Fund for the Development of Indigenous Peoples -FODIGUA-	200.5	15.5
35	C. H. N.	IDB 2007 Assembly Event	24.5	0.6
36	C. H. N.	Rehabilitation and Reconstruction Trust Fund for the Tropical Storm STAN	792.5	51.9
37	C. H. N.	Trust Fund for Attention to Activities of Financial, Economic and Social Interest	64.6	0.0
2		PREINVESTMENT Total	31.0	9.7
38	C. H. N.	National System for Financing Preinvestment -SINAFIP-	1.0	0.9
39	C. H. N.	National Development Fund, FONADES	30.0	8.8
2		HUMAN RESOURCE Total	20.9	21.9
40	AGROMERCANTIL	Human Resource Training	20.5	21.9
41	CORFINA	Utilities	0.4	0.0
2		FORESTRY Total	1,698.3	234.4
42	CORFINA	Fund for Promotion of Forestry and Reforestation of East and Northeast Guatemala	7.3	1.1
43	C. H. N.	Forests and Water for Concord	1,691.0	233.3
2		TRANSPORT Total	680.2	5.2
44	C. H. N.	Guatemala City Transport Trust Fund FIDEMUNI-	580.2	5.0
45	C. H. N.	Trust Fund in Support of the Public Mass Transit System for Local and Extra-urban Passengers	100.0	0.3
5		HOUSING Total	1,667.5	61.5
46	BANCAFE*	Administrative Trust Fund for the Subsidy 1/	74.0	0.0
47	BANGUAT	Extraordinary Specific Fund for Reconstruction -FEER-	94.7	2.0
48	C. H. N.	Trust Fund for Administration of the Subsidy FIDESUBSIDIO CHN	1,318.8	26.5
49	G&T CONTINENTAL	FOGUAVI G&T Continental Trust Fund	100.0	0.0
50	BCIE	Investment Trust Fund for Mortgage Fund for Housing	79.9	33.0
10		Decentralized and Autonomous Institutions Total	2,807.9	792.7
2		AGRICULTURE AND LIVESTOCK Total	1,306.3	357.9
1	BANRURAL	Peace Accords Land Fund	1,221.1	343.5
2	C. H. N.	Trust Fund for Land Leasing for the Special Program for Farming and Livestock Production and Marketing in Support of Vulnerable Rural Populations	85.2	14.4
3		ELECTRIC ENERGY Total	764.1	262.3
3	AGROMERCANTIL	Administrative Trust Fund for INDE - ORZUNIL	11.7	0.0
4	AGROMERCANTIL	Administrative Trust Fund for INDE - Rural Works in West and East	747.7	262.3
5	AGROMERCANTIL	Administrative and Compliance Trust Fund for INDE - SECACAO	4.7	-
4		MULTISECTORIAL Total	737.5	172.3
6	C.H.N	Trust Fund for Administration and Investment of GUATEL Pensioners' Fund	462.5	102.3
7	REPÚBLICA	Administrative and Investment Trust Fund for GUATEL	56.0	56.4
8	FINANCIERA DE OCCIDENTE	Trust Fund for Planning and Development of the Municipality of Villa Nueva -FIDEVILLANUEVA-	10.5	10.4
9	FINANCIERA UNO	Trust Fund for Infrastructure Works for the Municipality of Mixco -FIDEMIXCO-	208.4	3.3
1		TOURISM Total	0.0	0.2
10	REPÚBLICA	Administrative Trust Fund for Cruise Passenger Terminal in Port Quetzal	0.0	0.2

*Through its legal representative

1/ Financial Information up until September 30, 2006; Fiduciary was intervened after October 19, 2006.

2/ Financial Information up until December 31, 2005, cancellation date of the Trust Fund

**Anexo 9: Public Trust Funds According to Fiduciaries,
February 29, 2008**

by

- Millions of Quetzals -

No.	Fiduciary	TOTAL Resources
60	General Total	2,137.9
4	Agromercantil	284.2
	Human Resource Training	21.91
	Administrative Trust Fund for INDE - ORZUNIL	0.00
	Administrative Trust Fund for INDE - Rural Works in West and East	262.32
	Administrative and Compliance Trust Fund for INDE - SECACAO	0.00
2	Bancafe*	26.8
	Fund for Institutional Support of the Peace Secretariat SEPAZ -FOSEPAZ- 1/	26.75
	Administrative Trust Fund for the Subsidy 1/	0.02
7	Banguat	129.6
	Administrative Trust Fund for the National Science and Technology Fund -FONACYT-	0.03
	Extraordinary Specific Fund for Reconstruction -FEER-	1.96
	Fiduciary Fund for Banking Capitalization	10.89
	National Fund for Peace -FONAPAZ-	46.22
	Global Credit Program for Micro and Small Enterprise	48.42
	Improvement for Small Coffee Growers	22.08
	Community Development for Peace Program -DECOPAZ- 2/	0.03
15	Banrural	787.1
	Portfolio Administration	0.85
	Financial Support for Guatemalan Coffee Producers	155.23
	Credit for Farming and Livestock Development -CREDESA-	7.35
	Credit for Productive Development DICOR II -CREDEPRODI-	8.35
	Integral Development of Rural Communities -DICOR-	5.98
	Development Fund for Micro and Small Enterprise	0.51
	Project for the Sustainable Rural Development of Ecologically Fragile Areas in the Trifinio Region, Guatemalan Area -PRODERT-	15.18
	Program for Integral Development in Areas with Irrigation and Drainage Potential	125.48
	Rural Credit	56.93
	National Fund for Reactivation and Modernization of Agriculture and Livestock -FONAGRO-	34.98
	Project for Rural Development of the Cuchumatán Sierra	5.54
	Project for Rural Development for Small Producers in the Departments of Zacapa and Chiquimula	9.85
	Productive Projects for Displaced Populations Trust Fund	3.24
	Credit Rural Development Program in the Department of Totonicapán -CREDITOTO- ALA 94/81	14.03
	Peace Accords Land Fund	343.53
3	Workers' Bank	65.2
	Development Fund for Micro and Small Enterprise	48.86
	Guatemalan Fund for the Development of Indigenous Peoples -FODIGUA-	15.49
	Regional Agricultural Movement -MAR-	0.85
1	Central American Bank for Economic Integration	33.0
	Investment Trust Fund for Mortgage Fund for Housing	33.01

**Anexo 9: Public Trust Funds According to Fiduciaries,
by February 29, 2008 (Continued)**

- Millions of Quetzals -

No.	Fiduciary	TOTAL Resources
14	National Mortgage Credit Bank	458.2
	Credit Support for the Committee for Improvement of Farmers in the North	0.00
	IDB 2007 Assembly Event	0.65
	Guatemala City Transport Trust Fund -FIDEMUNI-	4.99
	Rehabilitation and Reconstruction Trust Fund for the Tropical Storm STAN	51.86
	Trust Fund for Attention to Activities of Financial, Economic and Social Interest	0.01
	Fund for Development of Micro and Small Enterprises	1.15
	National Development Fund, FONADES	8.81
	Forests and Water for Concord	233.31
	Trust Fund for Administration of the Subsidy	26.51
	Trust Fund in Support of the Public Mass Transit System for Local and Extra-urban Passengers	0.25
	Trust Fund for Land Leasing for the Special Program for Farming/Livestock Production and Marketing in Support of Vulnerable Rural Populations	14.40
	Trust Fund for Administration and Investment of GUATEL Pensioners' Fund	102.28
	Trust Fund for Administration and Investment of the National Fund for Conservation of Nature -FONACON-	13.07
	National System for Financing Preinvestment -SINAFIP-	0.88
4	National Financing Corporation CORFINA	1.1
	Trust Fund for Integral Development of the Third Sector of the Economy	0.03
	Fund for Promotion of Forestry and Reforestation of East and Northeast Guatemala	1.07
	Global Credit Program for Establishment or Expansion of Small and Medium Industrial and Tourism Enterprises	0.03
	Utilities	0.00
1	Financiera de Occidente	10.4
	Trust Fund for Planning and Development of the Municipality of Villa Nueva - FIDEVILLANUEVA-	10.42
1	Financiera Uno	3.3
	Trust Fund for Infrastructure Works for the Municipality of Mixco -FIDEMIXCO-	3.26
2	G&T Continental	126.8
	Guate Invests Trust Fund for Rural Development	126.77
	FOGUAVI G&T Continental Trust Fund	0.04
4	Banco Industrial	155.7
	National Trust Fund for Coparticipative Rural Education	138.81
	National Trust Fund for Scholarships and Credit for Education-FINABECE-	16.01
	Road Trust Fund	0.90
	Trust Fund for the Environment	0.02
2	Banco de la República	56.5
	Administrative and Investment Trust Fund for GUATEL	56.38
	Administrative Trust Fund for Cruise Passenger Terminal in Port Quetzal	0.16

* Through its legal representative

1/ Financial Information up until September 30, 2006; Fiduciary was intervened after October 19, 2006.

2/ Financial Information up until December 31, 2005, cancellation date of the Trust Fund

**Annex 10: Situation of the Portfolio of Public Trust Funds Orientated
Towards Credit Activity, by February 29, 2008**

- Millions of Quetzals -

No.	Trust Fund	CREDIT PORTFOLIO			
		Out-standing	Past due	TOTAL Portfolio	Delinquency % (Past due/ Total Portfolio)
	Total General	1932.4	198.5	2130.9	9.3
	Banco de Guatemala	709.2	5.5	714.7	0.8
1	Extraordinary Specific Fund for Reconstruction -FEER-	8.4	0.0	8.4	0.0
2	Fiduciary Fund for Banking Capitalization	607.0	0.0	607.0	0.0
3	Global Credit Program for Small and Medium Enterprise	38.1	5.5	43.6	12.6
4	Improvement for Small Coffee Growers	55.8	0.0	55.8	0.0
	Banco de Desarrollo Rural	956.2	152.0	1008.2	15.1
5	Portfolio Administration	1.1	5.8	6.9	83.7
6	Financial Support for Guatemalan Coffee Producers	291.5	30.7	322.1	9.5
7	Credit for Farming and Livestock Development -CREDESA-	0.0	5.5	5.5	99.2
8	Credit for Productive Development -DICOR II -CREDEPRODI-	2.1	1.5	3.6	41.5
9	Integral Development of Rural Communities -DICOR-	0.0	1.8	1.8	100.0
10	Urban Micro Enterprise Development Fund	0.0	2.3	2.3	100.0
11	Project for the Sustainable Rural Development of Ecologically Fragile Areas in the Trifinio Region, Guatemalan Area -PRODERT-	3.1	2.0	5.0	39.0
12	Program for Integral Development in Areas with Irrigation and Drainage Potential	138.7	14.8	153.4	9.6
13	Rural Credit	25.0	22.9	47.9	47.9
14	National Fund for Revetivation and Modernization of Agriculture and Livestock -FONAGRO-	25.9	38.6	64.5	59.8
15	Project for Rural Development of the Cuchumatán Sierra	2.4	3.2	5.6	57.6
16	Project for Rural Development for Small Producers in the Departments of Zacapa y Chiquimula	0.0	8.6	8.6	100.0
17	Productive Projects for Displaced Populations Trust Fund	8.7	0.0	8.7	0.0
18	Credit Rural Development Program in the Department of Totonicapán -CREDITOTO- ALA 94/81	4.2	0.6	4.8	13.3
19	Peace Accords Land Fund	353.6	13.8	367.4	3.8
	Banco de los Trabajadores	178.7	4.9	183.5	2.6
20	Development Fund for Micro and Small Enterprise	178.7	4.9	183.5	2.6
21	Regional Agricultural Movement -MAR-	0.0	4.3	4.3	100.0
	Banco Centroamericano de Integración Económica	71.0	0.0	71.0	0.0
22	Investment Trust Fund for Mortgage Fund for Housing	71.0	0.0	71.0	0.0
	Crédito Hipotecario Nacional	104.4	28.7	133.1	21.6
23	Credit Support for the Committee for Improvement of Farmers in the North	0.0	1.9	1.9	100.0
24	Trust Fund for Attention to Activities of Financial, Economic and Social Interest	64.6	0.0	64.6	0.0
25	Fund for Development of Micro and Small Enterprises	0.0	2.9	2.9	100.0

Annex 11: Salaries Paid to Fiduciaries During the 2002 - 2007 Period

- Quetzals -

No.	Trust Fund	2002	2003	2004	2005	2006	2007
CENTRAL GOVERNMENT INSTITUTIONS							
1	Administrative Trust Fund for the National Science and Technology Fund -FONACYI-	1,463.70	282.98	1,156.84	1,237.36	555.13	267.28
2	Extraordinary Specific Fund for Reconstruction -FEER-	6,785.55	6,759.14	6,761.67	6,697.87	6,697.87	6,700.38
3	Fiduciary Fund for Banking Capitalization	0.00	0.00	38,534.22	499,779.51	607,353.74	1,516,931.85
4	National Fund for Peace -FONAPAZ-	490,095.19	183,102.63	396,799.41	2,474,658.95	1,628,746.72	235,110.01
5	Community Development for Peace Program -DECOPAZ-	1,276.75	448.26	385.40	90.63	0.00	0.00
6	Global Credit Program for Micro and Small Enterprise Improvement for Small Coffee Growers	128,919.31	142,736.61	189,948.34	205,346.53	216,063.41	200,354.98
7		2,629,241.75	1,025,265.91	3,459,396.24	3,316,776.68	3,236,788.50	757,870.68
8		3,257,782.31	1,358,595.63	4,092,982.12	6,504,587.53	5,696,205.31	2,717,235.18
8	Portfolio Administration	6,139.77	30,320.95	33,995.94	19,135.74	10,393.51	1,789.80
9	Credit for Farming and Livestock Development -CREDESA-	658,028.22	666,766.76	671,091.65	635,762.31	614,772.21	612,809.80
10	Credit for Productive Development DICOR II -CREDEPRODI-	728,446.31	304,765.31	165,046.10	141,082.21	147,054.75	138,903.11
11	Integral Development of Rural Communities -DICOR-	337,731.81	304,579.58	104,002.32	62,587.53	60,072.52	61,702.18
12	Financial Support for Guatemalan Coffee Producers Trust Fund	740,267.08	2,102,434.61	2,071,228.87	2,000,052.70	2,227,750.54	2,760,502.21
13	Development Fund for Micro and Small Enterprise Project for the Sustainable Rural Development of Ecologically Fragile Areas in the Trifinio Region, Guatemala Area -PRODERT-	73,420.74	0.00	0.00	0.00	0.00	0.00
14		232,003.50	176,029.64	193,930.96	179,302.28	178,551.71	161,722.22
15	Program for Integral Development in Areas with Irrigation and Drainage Potential	1,190,611.10	2,653,306.64	3,084,407.67	3,206,582.71	3,470,081.30	3,932,978.62
16	Rural Credit	4,085,354.26	4,124,244.71	3,715,290.89	2,222,212.11	1,491,776.09	1,218,426.80
17	National Fund for Reactivation and Modernization of Agriculture and Livestock -FONAGRO-	1,686,310.94	1,672,691.62	1,499,516.13	3,501,319.09	2,109,265.43	2,241,710.30
18	Project for Rural Development of the Cuchumatán Sierra	368,871.10	390,641.81	311,527.97	269,482.68	222,387.26	186,096.69
19	Project for Rural Development for Small Producers in the Departments of Zacapa and Chiquimula	528,497.81	564,188.82	464,544.65	459,111.61	432,989.93	428,315.79
20	Productive Projects for Displaced Populations Trust Fund	0.00	20,497.58	22,400.03	22,400.03	22,400.03	130,377.98
21	Credit Rural Development Program in the Department of Totonicapán, -CREDITOTO-, Convenio ALA 94/81	83,048.29	124,412.84	119,259.25	147,180.83	175,599.43	208,800.20
21		16,716,791.81	19,214,798.97	19,956,452.42	19,866,114.61	11,279,744.81	12,866,198.61
BANRURAL Total							
22	Credit Support for the Committee for Improvement of Farmers in the North	14,221.05	14,220.98	14,222.11	14,220.98	1,567,097.40	143,623.58
23	Guatemala City Transport Trust Fund -FIDEMUNI-	204,000.00	204,000.00	204,000.00	204,000.00	204,000.00	204,000.00
24	IDB 2007 Assembly Event	0.00	0.00	0.00	0.00	125,000.00	300,000.00
25	Rehabilitation and Reconstruction Trust Fund for the Tropical Storm STAN	0.00	0.00	0.00	0.00	540,000.00	540,000.00
26	Trust Fund for Attention to Activities of Financial, Economic and Social Interest	0.00	0.00	0.00	0.00	40,000.00	0.00
27	Fund for Development of Micro and Small Enterprises	2,560.16	279.68	167.40	133.93	0.00	0.00
28	National Development Fund, FONADES	0.00	0.00	0.00	0.00	21,095.89	700,000.00
29	Trust Fund for Administration and Investment of the National Fund for Conservation of Nature -FONACON-	72,003.50	72,392.00	72,000.00	72,090.00	48,000.00	72,602.74
30	National System for Financing Preinvestment -SINAFIP-	140,526.99	107,894.40	126,300.00	94,860.00	68,280.00	71,263.33
31	Forests and Water for Concord	0.00	0.00	0.00	0.00	13,407,875.34	9,138,410.87
32	Trust Fund for Administration of the Subsidy FIDESUBSIDIO CHN	1,371,500.78	4,365,396.42	2,660,776.45	14,153,169.74	23,326,163.16	10,445,890.21
33	Trust Fund in Support of the Public Mass Transit System for Local and Extra-urban Passengers	0.00	0.00	0.00	330,000.00	360,000.00	360,000.00

Annex 11: Salaries Paid to Fiduciaries During the 2002 - 2007 Period (Continued)

- Quetzals -

No.	Trust Fund	2002	2003	2004	2005	2006	2007
34	Development Fund for Micro and Small Enterprise	2,016,577.50	1,960,205.04	1,497,298.74	2,093,581.52	2,281,202.04	2,156,548.22
35	Guatemalan Fund for the Development of Indigenous Peoples -FODIGUA-	11,876.78	34,278.20	39,911.51	48,814.13	68,889.19	55,434.69
36	Regional Agricultural Movement -MAR-	130,486.90	124,091.63	113,559.31	105,662.72	108,346.17	108,189.23
3	BANTRAB Total	2,158,941.18	2,118,574.87	1,650,769.56	2,248,058.37	2,458,437.40	2,320,172.14
37	National Trust Fund for Coparticipative Rural Education	484,234.04	690,034.53	769,455.23	858,654.44	683,412.80	828,518.41
38	National Trust Fund for Scholarships and Credit for Education-FINABECE-	0.00	6,367.95	6,123.11	6,098.03	10,859.30	51,205.32
39	Road Trust Fund	240,000.00	240,000.00	240,000.00	240,000.00	240,000.00	240,000.00
40	Trust Fund for the Environment -FOCORINA Total	91,241.03	91,475.70	101,087.34	4,770.65	5,243.79	5,213.13
4	G&T CONTINENTAL Total	815,475.09	1,027,878.18	1,116,665.70	1,109,523.12	939,515.89	1,124,936.92
41	Trust Fund for Integral Development of the Third Sector of the Economy	2,431.49	2,431.49	2,432.06	2,431.49	2,431.49	2,431.49
42	Fund for Promotion of Forestry and Rehabilitation of East and Northeast Guatemala	45,362.42	44,052.29	45,035.46	81,194.55	16,897.12	0.00
43	Global Credit Program for Establishment or Expansion of Small and Medium Industrial and Tourism Enterprises	0.00	0.00	0.00	0.00	0.00	0.00
44	Utilities	0.00	0.00	0.00	0.00	0.00	0.00
4	Trust Fund for Human Resource Training	47,793.91	46,483.78	47,467.52	83,626.04	19,328.61	2,431.49
45	Trust Fund for Human Resource Training	0.00	0.00	158.20	229.80	266.70	307.20
1	Guate Invests Trust Fund for Rural Development	0.00	0.00	0.00	601,520.55	2,625,000.00	2,625,000.00
46	Guate Invests Trust Fund for Rural Development	0.00	0.00	0.00	601,520.55	2,625,000.00	2,625,000.00
47	FOGUAVI G&T Continental Trust Fund	0.00	0.00	0.00	0.00	0.00	241,673.40
50	Financial Statements drawn up by Fiduciaries.	23,987,107.33	26,068,891.77	25,709,071.96	42,777,835.88	67,692,650.03	48,788,998.88
2	Investment Trust Fund for Mortgage Fund for Housing	493,691.48	222,760.94	507,987.80	2,588,643.08	663,915.71	736,472.83
48	Investment Trust Fund for Mortgage Fund for Housing	493,691.48	222,760.94	507,987.80	2,588,643.08	663,915.71	736,472.83
1	Fund for Institutional Support of the Peace Secretariat SEPAZ -FOSEPAZ-	147,421.80	3,151,936.92	290,693.04	333,704.04	230,870.99	0.00
49	Fund for Institutional Support of the Peace Secretariat SEPAZ -FOSEPAZ-	147,421.80	3,151,936.92	290,693.04	333,704.04	230,870.99	0.00
50	Administrative Trust Fund for the Subsidy	0.00					128,665.73
	BANRURAL Total					152,035.04	
	FINANCIERA DE OCCIDENTE Total				172,034.42		
	GENERAL TOTAL	256,181.33	228,700.74	196,515.82			
	FINANCIERA UNO Total						128,665.73
	Central Bank of Guatemala -BANCAFE- Total					152,035.04	
	AGROMERCANTIL Total		220,700.74				
	Decentralized and Autonomous TOTAL	256,181.33					
	Trust Fund for Infrastructure Works for the Municipality of Mixco -FIDEMIXCO-						384,011.41
10	Trust Fund for Infrastructure Works for the Municipality of Mixco -FIDEMIXCO-						384,011.41
	REPUBLICA Total					1,360,118.86	
					293,816.64		
				144,881.05			
			0.00				
		0.00					

1

384,011.41

1,360,118.86

293,816.64

144,881.05

0.00

0.00

FIDEVILLANUEVA-

Trust Fund for Planning and Development of the Municipality of Villa Nueva -

9

300,000.00

300,000.00

Annex 12: Interinstitutional Budgetary Transferences by June 30, 2008

- Millions of Quetzals -

No.Decr. ^{1/}	Date	Originating Institution	Amount	Recipient Institution	Amount
1-08	Mar 31	Presidency of the Republic	10.0	State Obligations through the Treasury	10.0
				Purpose: Support for the National Adoption Council	
2-08	Apr 11	Ministry of Education	12.0	Presidential Executive Coordination	6.0
				Secretariat	
				National Fund for Peace	6.0
				Purpose: Repairs on Schools	
3-08	Apr 11	Several Institutions	303.3	Several Institutions	303.3
				Purpose: Budgetary adjustment	
4-08	Apr 14	Ministry of Agriculture, Livestock and Food	2.0	Secretariat for Food and Nutritional Security	2.0
				Purpose: Program for Food and Nutritional Security	
5-08	Apr 17	Ministry of Education	25.0	Presidential Executive Coordination	25.0
				Secretariat	
				Purpose: "My Family Gets Ahead"	

Program

6-08 Jun 5 State Obligations through the Treasury 30.0 Ministry of the Interior 30.0
Purpose: Support for the International Commission Against Impunity CICIG

7-08 Jun 6 Secretariat for Food and Nutritional Security 4.8 Ministry of Economy (National Statistics Institute) 4.8
Purpose: Census for the Program

"My Family Gets Ahead"

Annex 13: Budgetary Transferences Within Institutions by June 30, 2008

- Quetzals -

Annex 13: Budgetary Transferences Within Institutions by June 30, 2008 (Continued)

- Quetzals -

Decree	Date	Concept	Institution	Amount	Sub - Total	Monthly Total
April						
030-08	Apr 03	Substitution financing source incorporate resources in favor of Fertilizer and Agricultural Supplies Project	Agriculture	27,009,840.0		
031-08	Apr 03	Transfer of financial resources from the SCEP in favor to the SESAN "Census Sweep"	Secretariats	1,800,000.0	28,809,840.0	
032-08	Apr 08	Transference from SOSEP to FONAPAZ for reconstruction of 25 schools in the city area	Secretariats	2,000,000.0		
033-08	Apr 08	Strengthen item 031 "Day-wages and their complements" diverse health areas	Health	1,598,781.0	3,598,781.0	
034-08	Apr 11	Adjust allotments expense 3 group, implementation of the 100-Day Plan	Health	29,529,315.0	29,529,315.0	
035-08	Apr 14	Major Repairs on the Cultural Center of Escuintla	Culture and Sports	300,000.0		
036-08	Apr 14	Strengthening of Multigrade Schools	Education	27,430,000.0		
037-08	Apr 14	Program in Support of Innovative Technology, geographical adjustment of -FONACYT-	Secretariats	367,000.0		
038-08	Apr 14	Substitution of financing source in favor of FOGUAVI regularize balances	Communications	1,273,516.0		
039-08	Apr 14	Subst. of specific finan. source in favor of Program for Better Quality in Social Spending	Obligations	34,000,000.0		
040-08	Apr 14	Subst. of financing source to meet commitments Loan Convention BID-1217/OC-GU	Obligations	8,665,000.0		
041-08	Apr 14	Redistribute group allotments for 0 expense between 2 activities 01	Communications	3,654,232.0		
042-08	Apr 14	Personal comp. 11 public servants charged to items 011 and 022	Economy	89,800.0		
043-08	Apr 14	Substitution of financing source in favor of DICABI and DNCAE	Finance	723,000.0		
044-08	Apr 14	Substitution of specific financing sources for Customs Union process	Economy	3,777,938.0		
045-08	Apr 14	Payment of posthumous benefits. Severance and vacation payment for retirement	Culture and Sports	181,186.0		
046-08	Apr 14	Substitution of financing source, incorporate resources payment Special Reserves Corps	Defense	60,000,000.0	143,940,913.0	
047-08	Apr 17	Subst. of finan. source, payment economic compensation for victims of the armed conflict	Secretariats	27,000,000.0	27,000,000.0	
048-08	Apr 14	Partially finance allotment and mod. salary compl. 25 public servants	Economy	117,641.0		
049-08	Apr 14	Payment of pending salaries	Education	3,161,600.0		
050-08	Apr 21	Regularize execution of diverse budgetary items, expense group 0	Interior	370,982.0		
			Education	3,968,128.0		
			Labor	30,000.0		
			Agriculture	120,104.0		
			Communications	1,317,326.0		

**Annex 13: Budgetary Transferences Within Institutions by June 30, 2008
(Continued)**

- Quetzals -

08 Minis- 0801-08 09 Decree	Date (2008)	State Cont. and National Workshop ha Payment of allowances for members of for the National Salary Commission Increase allotments for the Directorate of Civil Intelligence -DIGICI-	Institution	Amount	Sub - Total	Monthly Total
	Jun 05	Available financial provisions for joint commissions on minimum salaries	Finance Labor Interior	3,504,118.00 22,070.00 7,800,000.00		
091-08	Jun 03	Accredit resources to donation signed with Spain	Secretariats	1,160,422.65		
092-08	Jun 03	Strengthen expenditure items for effective functioning and compliance of programs and goals				
			Culture	660,330.00		
104-08	Jun 18	Payments for personal services, non-personal and acquisition of materials and supplies	Secretariats	2,415,000.00		
112-08	Jun 18	Payment of the supplies for the Project "Technological Information Unit (e-MAGA"	Public Health	1,466,373.00		
105-08	Jun 18	Payment and acquisition of goods and services in support of reestablishment	Interior	199,920,000.00		
114-08	Jun 18	Incorporate resources for payment of taxes according to the	Secretariats	570,000.00		
110-08	Jun 18	and maintenance of internal security	Secretariats	4,598,000.00		
110-08	Jun 18	Finance the start-up of the National Civil Police and Academy	Communications			
109-08	Jun 18	Reconstruction of the National Civil Police and Academy	Public Health	2,456,314.00		
109-08	Jun 18	Reconstruction of the National Civil Police and Academy	Education			
109-08	Jun 18	Reconstruction of the National Civil Police and Academy				
115-08	Jun 18	Finance the creation of positions charged to expense item 021	Public Health	696,576.00		
116-08	Jun 18	Cover expenses with resources from counterpart of European Union donation	Economy	250,000.00		
117-08	Jun 25	Payment of salaries, complements, benefits and representation expenses in the interior of the country				
		FONAPAZ: execute works in conformity with the Interinstitutional Cooperation Convention	Secretariats	15,000,000.00		
120-08	Jun 25	Finance allotment of a "One-time Monetary Bonus" for 011 and 022 staff	Economy	3,571,200.00		
121-08	Jun 25	Rehabilitation of the road network, reconstruction of road infrastructure, and mitigating and prevention measures	Communications	61,600,190.00		
122-08	Jun 25	Support diverse components of the Program for Agro-Food Productivity Conversion	Agriculture	46,225,659.00		
123-08	Jun 26	Creation of positions charged to items 021 and 022	Secretariats	1,257,000.00		
124-08	Jun 26	Transfer resources from IDB Loan 1331/OC-GU to the Tri-National Commission for the Trifinio Plan	Agriculture	6,950,000.00		
125-08	Jun 26	Finance monthly bonus charged to items 011, 021 and 031	Labor	2,239,890.00		
126-08	Jun 26	Regularize financial resources for financing staff assets	Education	160,787.00		
127-08	Jun 25	Payment of training workshops for teachers in first, second and third phase at a national level	Education	944,444.00		
128-08	Jun 25	Payment of salaries to four persons charged to expense item 029	Culture	131,768.00		
129-08	Jun 26	Payment of fees to the International Labor Organization -ILO-	Labor	243,000.00		
130-08	Jun 26	Incorporate Non-Reimbursable Technical Cooperation No.ATN/SF-8772-GU	Obligations	1,888,660.00		
131-08	Jun 26	Expenses for functioning and necessary investments during the present fiscal exercise	Secretariats	2,500,000.00		
132-08	Jun 26	Partial financing of staff assets	Education	72,704.00		
133-08	Jun 26	Regularize financial resources for financing staff assets	Education	28,870.00		
134-08	Jun 26	Reinforce expenditure of Government Policy Planning and Programming units and the National System for Public Investment SNIP	Secretariats	2,200,000.00		488,782,032.30

118-08

Jun 25

Payment of salaries, complements, bonuses, seniority rights and allowances

Culture

928,500.00

119-08

Jun 25

**Annex 14: Net Revenue from Value-Added Tax During 2005-2007 and the
First Semester of 2008**