



MINISTRY OF PUBLIC FINANCE

FOURTH REPORT
ON FISCAL POLICY
IN GUATEMALA



August, 2009

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EXECUTIVE SUMMARY

The first semester of 2009 showed a significant escalation of the global economic crisis, which has forced governments around the world to apply extraordinary measures to mitigate its effects and attempt to curtail it. The impact of this crisis is evident in frequent updates showing downward estimates by international agencies on economic world growth.

The unprecedented magnitude of the world crisis brought government leaders of 22 countries (representing 87% of world production and 67% of the population of the planet) assembled at the G-20 London Summit this past April, to the definition of financial and economic policy lines for the world's most influential economies. The accords taken at the G-20 Summit establish bases for a new financial and economic world order that would rule as of the first semester of 2009. They revalidate the leading role of anti-cyclical policies, confirm the importance of stronger financial regulation and supervision worldwide, and consider both the need for and the commitment to putting an end to fiscal paradises.

An anti-cyclical fiscal policy may mitigate the aggregate demand shift and help reduce destructive effects of cyclical fluctuations, not only in economic activities but also in living conditions of highly vulnerable groups. The magnitude and duration of an anti-cyclical fiscal policy are conditioned by the financial capacity of the government, its debt margin and the growth potential of sectors that would be stimulated by the increase in public spending.

Faced with an increasingly severe world crisis, in January 2009 the Government of Guatemala launched the National Program for Economic Emergency and Recovery (PNERE), establishing a set of policies for stimulating economic activity, protecting vulnerable groups and promoting job generation, without putting macroeconomic stability at risk. During the first months of the year, the Congress of the Republic eliminated budgetary restrictions that tended to complicate the reassignment of funds for addressing urgent and variable needs in the PNERE.

The history of macroeconomic stability and structural reform implementation in Guatemala made it feasible to draft an eighteen-month precautionary agreement with the IMF in April 2009 for nearly US\$950 million. An understanding of this nature signifies an international certification confirming the country's adequate macroeconomic performance. This Accord would support, if necessary, the transfer of additional resources to increase public spending and deal with contingencies; ensure access to international capital markets in the best possible conditions, and sustain the country risk rating to attract foreign investment.

The agreement with the IMF considers the implementation of a moderately anti-cyclical fiscal policy to compensate to some degree the decrease in private activity, while giving priority to social expenditure as a way of ensuring the minimum requirements for human development, especially in nutrition, health and basic education. The quantitative performance criteria in the IMF Accord for the first semester were fulfilled. Especially, careful management of fiscal policy, even in the context of a significant contraction in tax revenue, allowed the Central Government to set its deficit by June 30 at Q. 1,951.9 million, below the Q. 3,074.6 million limit established in the Accord.

Preliminary figures available by the first semester of 2009 show the impact of the international economic crisis on public finance in Guatemala. Net tax revenue was 7.8% less than the same period last year. This decline in fiscal income is derived from a contraction in the collection of taxes on foreign trade, which comes to 33.4% of total tax revenues to that date.

This level of collection during the first semester of 2009 generated a gap with respect to the Q. 3,507.7 million budgetary estimate, 18.6% below what was anticipated. This budgetary gap could have been partially compensated with resources provided by the reforms contained in the Fiscal Modernization Program. However, the Congress of the Republic has approved only the Solidarity Tax, pending still the Law that proposes implementing Complementary Dispositions for the Modernization of the Indirect and Customs Tax System, including the Specific Tax on the First License for Land Auto Motor Vehicles, the strengthening of the Tax Code and the modernization of the legal framework for the National Customs System.

Approximately 90% of the Treasury Bonds anticipated initially for 2009 were placed during the first semester. Due to the urgency for government actions to alleviate the effects of the crisis, the Executive Branch sent a law proposal to the Congress of the Republic to consider the emission of Q. 1,800 million in additional bonds. The Congressional Public Finance and Currency Committee, taking into account the magnitude of the international financial crisis impact on public finance, proposed to increase the amount requested to Q. 3,000 million.

By June 30, 2009, the current external financing budget was Q. 5,386.9 million and disbursements were received for an amount equivalent to Q. 4,153.1 million, issued mainly by multilateral financial agencies. The execution of public spending financed through external loans came to Q. 1,747.9 million during the first semester, equivalent to 32.4% of the total budgeted by that financial source. The percentage of execution of public spending financed through external loans was low during the first trimester of 2009, at a level close to that of the first trimester of 2008. However, as of April 2009 the execution of public spending financed through loans was galvanized, notably surpassing the rate of execution registered for the equivalent period in 2008. The balance of the external public debt at the end of the first semester of the year came to US\$ 4,784.4 million, equal to 12.6% of the GDP.

In April 2009 a reordering of the budget was carried out, approved by Government Decree in the Council of Ministers, to guide further resources for implementing the PNERE and adjusting public spending according to available revenue. In May 2009 the Norms for Austerity and Restraint were passed, for the purpose of guaranteeing careful financial management committed to the principle of fiscal discipline, congruent with the objective of contributing to macroeconomic stability while favoring social development and security.

Due to these measures for reordering and restraint in public spending, the total percentage of budgetary execution during the first semester of 2009 (38.4%) is less than the budgetary execution for the equivalent period in 2008 (40.1%). Despite this restraint, social spending has been favored and shows an interannual increase of 27.4% (0.4 percentage points of the GDP), concentrated specifically in education, health and housing. An increase was also observed in expenditure for internal security and for infrastructure.

The Ministry of Public Finance implemented a series of measures aimed at complying with the Access to Public Information Law, mainly an internet site with Access to Information, the creation of a Public Information Unit and the establishment of a One-Stop Information Window.

As for complying with budgetary execution norms, during the first semester of 2009 the Ministry of Public Finance has focused on applying an advance payments system for public spending through trust funds and conventions with NGOs. An Infrastructure Contracts Registration Module has been implemented, at which public agencies must report on financial commitments derived from contracts drawn up and publish all related legal documents. By June 30 of last year, 1,437 contracts were active and in execution at the Contract Registration Module. The use of an Undivided Account for external resources was extended to bilateral credit with cooperating countries, broadening coverage beyond the multilateral.

During the first semester of 2009 the trust funds submitted their required monthly reports, but only a quarter of them, approximately, submitted quatrimestral reports. In order to increase transparency on public funds administered by trust funds, the Ministry of Public Finance has enabled a specific Internet site with information available in a format comprehensible for the entire citizenry. In the first semester of 2009 public spending executed through trust funds increased by Q. 195.1 million with respect to what was executed in the first semester of 2008.

Total funds executed by NGOs during the same period increased to Q. 359.5 million, under two existing modes: a) contributions or direct transfers; and b) conventions and conditioned advance payments. Conversely, public spending assigned to international agencies decreased significantly with respect to what was executed the year before, from Q. 113.8 million by June 30, 2008, to Q. 15.9 million executed by June 30, 2009.

Table 1
Accumulated Net Tax Revenue
by June 2008 – 2009
-Millions of Quetzals and Percentages-

Description	by June '08	by June '09	Difference	
			Absolute	Relative
TAXES ASSOCIATED TO FOREIGN COMMERCE	6,505.4	5,107.8	-1,397.6	-21.5
Value Added Tax on Imports	5,322.1	4,114.4	-1,207.7	-22.7
Tariff Rights	1,183.3	993.4	-190.0	-16.1
INTERNAL TAXES	10,110.4	10,205.3	94.9	0.9
Income Tax	3,716.5	3,519.9	-196.6	-5.3
Property Tax	7.3	4.7	-2.6	-35.8
Commercial and Agricultural Business Tax	9.4	1.0	-8.3	-89.0
Extraordinary and Temporary Tax in Support of the Peace Accords	1,133.1	634.3	-498.9	-44.0
Solidarity Tax	-	606.3	606.3	-
Domestic Value-Added Tax	2,875.5	3,082.7	207.2	7.2
Oil Derivates	993.6	1,119.5	126.0	12.7
Fiscal Stamps	186.4	348.7	162.3	87.1
Vehicle Circulation	222.6	259.3	36.7	16.5
Beverages	225.0	213.4	-11.6	-5.2
Tobacco	168.8	173.7	4.9	2.9
Cement Distribution	56.7	52.3	-4.4	-7.7
Others	2.3	1.8	-0.5	-22.6
Royalties and Shareable Hydrocarbons	403.4	87.8	-315.6	-78.2
Departures from the Country	109.8	99.9	-9.9	-9.0
TOTAL TAX REVENUE	16,615.8	15,313.1	-1,302.8	-7.8

Source: SICOIN

Table 2
Income Tax Collection
January - June each year
-Millions of Quetzals and Percentages-

MONTH	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
January	159.9	208.2	237.0	259.6	266.8	308.5	435.1	453.6	501.2	525.3
February	82.3	92.1	103.7	124.8	128.9	228.3	259.2	306.7	394.4	414.3
March	85.9	107.6	114.6	122.8	101.9	292.4	835.0	1,177.3	1,262.3	1,081.1
April	127.6	241.5	289.5	292.2	368.6	433.4	591.0	679.0	799.8	722.0
May	423.8	403.6	438.2	465.2	542.8	701.5	243.6	313.8	371.5	378.6
June	94.4	109.3	111.9	143.3	123.6	236.6	260.4	342.4	387.4	398.7
TOTAL	973.9	1,162.4	1,294.8	1,407.9	1,532.7	2,200.7	2,624.4	3,272.8	3,716.5	3,519.9
Variation (%)		19.4	11.4	8.7	8.9	43.6	19.2	24.7	13.6	-5.3

Source: SICOIN

Table 3
Income Tax Regimes
Accumulated Collection by June of each year
- Millions of Quetzals and Percentages -

REGIME	Collection		Variation	
	2,008	2,009	Absolute	Relative
I. Optional regime (31%)	1,443.6	1,161.5	-282.1	-19.5
II. General regime (5%)	1,521.7	1,558.0	36.3	2.4
III. Dependency Relation	130.7	151.6	20.9	16.0
IV. Financial Products	160.1	183.6	23.5	14.7
V. Non-resident retentions	416.6	409.0	-7.5	-1.8
VI. Interests, default fines and penalties	43.7	56.1	12.3	28.2
TOTAL	3,716.5	3,519.9	-196.6	-5.3

Source: Formulated internally with preliminary information from SAT

Table 4
Loans with Greatest Increase in Execution

Loan	Executing agency	% Executed 2009	
		by May	by June
Project for Land Management Second Phase, in support of the Land Management Program -BIRF- ^{1/}	Cadastral Information Register	0.0%	17.8%
Electric Interconnection between Guatemala and Mexico -BID- ^{2/}	National Electrification Institute	2.6%	16.4%
Project for Maternal and Infant Health and Nutrition -BIRF-	Ministry of Public Health and Social Assistance	15.3%	22.1%
Project for Competitiveness -BIRF-	Ministry of Economy	14.7%	20.1%
Additional Financing for the Third Project for Technical Assistance for Integrated Financial Administration - BIRF-	Ministry of Public Finance	8.9%	13.6%

^{1/} BIRF= International Bank for Reconstruction and Development (World Bank)

^{2/} BID= Inter-American Development Bank

Table 5
Main Non-Executed Loans by June 2009

Loan	Executing Agency
Project in Support of the Program for Economic Development from a Rural Approach - ^{1/} BID-	Planning and Programming Secretariat / National Fund for Peace / Ministry of Economy
Project for Improvement of the ZONAPAZ Highway - ^{2/} JBIC-	Ministry of Communications, Infrastructure and Housing / Institute for Municipal Development
Support for Educational Quality and Expansion of Secondary Education - ^{3/} BIRF-	Ministry of Education
My School Progresses Program -BID	Ministry of Education

^{1/} BID= Inter-American Development Bank

^{2/} JBIC= Japan Bank for International Cooperation

^{3/} BIRF= International Bank for Reconstruction and Development (World Bank)

Table 6
Treasury Bonds of the Republic of Guatemala
Average Financial Condition of Placements by June 30 2009

Period	Nominal value (millions of Q)	% regarding the total authorized for 2009	Weighted Average Interest Rate
3 years	410.2	18.9%	7.43%
5 years	274.8	12.7%	8.41%
7 years	433.8	20.0%	8.95%
10 years	833.7	38.4%	9.27%
Total	1,952.5	89.9%	8.69%

Table 7
2009 Budget Reordering
National Program for Economic Emergency and Recovery
-Millions of Quetzals-

Description	Total	Performance	Investment
Totals	765.9	241.3	524.6
Rural Development Program (National Development Fund)	405.6		405.6
Ministry of Education	154.0	154.0	
<i>My Family Progresses Program</i>	150.0	150.0	
Forestry Incentive Program	92.0		92.0
Ministry of Economy	50.3	31.0	19.3
Ministry of Public Finance (Transparency)	28.0	28.0	
Ministry of Agriculture, Livestock and Food	16.2	15.2	1.0
Planning and Programming Secretariat (Rural Development)	10.0	10.0	
Institute for Municipal Development	6.7		6.7
Ministry of Energy and Mining	3.1	3.1	

Table 8
Budget Reordering 2009
Other High-Priority Programs
-Millions of Quetzals-

Description	Total	Performance	Investment
Totals	729.7	562.0	167.7
Secretariats and Other Departments	77.0	26.5	50.5
National Indemnification Program	50.0		50.0
National Civil Service Office	7.0	7.0	
Presidential Secretariat for Women	5.0	5.0	
Planning and Programming Secretariat (Rural Development)	5.0	4.5	0.5
Defensory of Indigenous Women	5.0	5.0	
Presidential Commission Against Racism and Discrimination of Indigenous Peoples of Guatemala	5.0	5.0	
State Obligations through the Treasury	510.7	398.5	112.2
Coordinating Instance of the Justice Sector Secretariat	45.0	45.0	
National Forest Institute	6.0	6.0	
National Disaster Reduction Agency	12.0	12.0	
Ombudsman's Office	0.5	0.5	
Immobilized Allocations	447.2	335.0	112.2
Foreign Relations	84.0	84.0	
Chancelleries	84.0	84.0	
National Defense	50.0	45.0	5.0
Ministry of Agriculture, Livestock and Food	8.0	8.0	
National Central Agriculture School	8.0	8.0	

Table 9
Debits for the Budget Reordering
-Millions of Quetzals-

Institution	Total	Debits	
		Performance	Investment
Total	1,495.6	810.0	685.6
Ministry of Public Health and Social Assistance	375.0	375.0	
Ministry of the Interior	275.0	275.0	
Ministry of Communications, Infrastructure and Housing	225.0		225.0
Ministry of Agriculture, Livestock and Food	155.6		155.6
State Obligations through the Treasury	145.0	145.0	
Ministry of Culture and Sports	75.0		75.0
Secretariats and Other Executive Branch Departments	245.0	15.0	230.0
First Lady's Secretariat for Social Work	10.0	10.0	
Social Communication Secretariat for the Presidency of the Republic	5.0	5.0	
National Fund for Peace	230.0		230.0

Table 10
Second Quadrimester (May - August)
Execution in 2008 and Financial Expenditure Fee for 2009, per Institution
-Millions of Quetzals-

Institution	2008 Execution	2009 Financial Fee	Difference
Total	13,458.3	13,362.4	-96.0
Presidency of the Republic	49.8	42.0	-7.8
Ministry of Foreign Relations	79.3	74.1	-5.2
Ministry of the Interior	699.2	954.5	255.3
Ministry of National Defense	388.4	423.9	35.5
Ministry of Public Finance	79.8	71.4	-8.5
Ministry of Education	2,116.0	2,551.9	435.9
Ministry of Public Health and Social Assistance	906.9	1,125.9	219.0
Ministry of Labor and Social Provision	81.3	157.9	76.6
Ministry of Economy	69.4	49.8	-19.7
Ministry of Agriculture, Livestock and Food	478.5	193.9	-284.7
Ministry of Communications, Infrastructure and Housing	815.7	517.0	-298.7
Ministry of Energy and Mining	12.9	14.0	1.1
Ministry of Culture and Sports	85.9	98.7	12.8
Secretariats and Other Executive Branch Departments	484.7	601.4	116.7
Ministry of Environment and Natural Resources	15.5	23.3	7.8
State Obligations through the Treasury	4,823.8	4,309.9	-513.9
Service to the Public Debt	2,257.7	2,138.8	-118.8
National Attorney General's Office	13.4	14.1	0.7

Table 11
Reallocations among budgeted institutions as of budget modifications approved in the
Government Agreements on the Budget
From January 1 to June 30, 2009
-Millions of Quetzals-

Institution	Debits	Credits	Net Effect
Net Receivers			
State Obligations through the Treasury	245.0	713.8	468.8
Ministry of Education	15.0	217.1	202.1
Ministry of Foreign Relations	0.0	84.0	84.0
Ministry of National Defense	0.0	50.0	50.0
Secretariats and Other Executive Branch Departments	449.8	499.6	49.8
Ministry of Economy	2.0	50.3	48.3
Ministry of Public Finance	0.0	28.0	28.0
Ministry of Energy and Mining	0.0	3.1	3.1
Ministry of Environment and Natural Resources	0.0	0.9	0.9
Transferred on Net Terms			
Ministry of Culture and Sports	75.0	0.0	-75.0
Ministry of Agriculture, Livestock and Food	155.6	74.2	-81.4
Ministry of Communications, Infrastructure and Housing	305.0	190.4	-114.6
Ministry of the Interior	289.0	0.0	-289.0
Ministry of Public Health and Social Assistance	375.0	0.0	-375.0
Total	1,911.4	1,911.4	0.0

NOTE: Debits and credits applied to one same entity are the result of different agreements and moments during the fiscal exercise.

Table 12**Reallocations in Secretariats and Other Executive Branch Departments as of budget modifications approved in the Government Agreements on the Budget From January 1 to June 30, 2009****-Millions of Quetzals-**

Entity	Debits	Credits	Net Effect
Net Receivers			
National Development Fund		405.6	405.6
Secretariat Peace		50.0	50.0
General Planning and Programming Secretariat for the Presidency of the Republic		17.0	17.0
National Civil Service Office		7.0	7.0
Presidential Secretariat for Women		5.0	5.0
Defensory of Indigenous Women		5.0	5.0
Presidential Commission Against Racism and Discrimination		5.0	5.0
Transferred on Net Terms			
Social Communication Secretariat for the Presidency of the Republic	5.0		-5.0
Presidential Coordinating Commission on Human Rights	6.5		-6.5
First Lady's Secretariat for Social Work	10.0		-10.0
Executive Coordination Secretariat	148.3		-148.3
National Fund for Peace	280.0	5.0	-275.0

Table 13
Intra-institutional Budget Transferences
in each Institution
January - June 2009
-Millions of Quetzals-

Institutions	Accumulated Amount
Ministry of Agriculture, Livestock and Food	180.2
Ministry of Environment and Natural Resources	14.5
Ministry of Communications, Infrastructure and Housing	494.6
Ministry of Culture and Sports	93.9
Ministry of Economy	15.2
Ministry of Education	2,594.6
Ministry of Energy and Mining	4.7
Ministry of Public Finance	30.7
Ministry of the Interior	396.4
State Obligations through the Treasury	129.6
Presidency of the Republic	0.5
National Attorney General's Office	3.6
Ministry of Foreign Relations	2.0
Ministry of Public Health and Social Assistance	179.5
Secretariats and Other Executive Branch Departments	704.1
Ministry of Labor and Social Provision	7.7
TOTAL	4,851.8

Table 14
Total Public Spending^{1/} by the Central Administration per institution
Accumulated by June 2008 – 2009
-Millions of Quetzals and Percentages -

Institution	2008		2009	
	Execution	Percentage of Execution	Execution ^{2/}	Percentage of Execution
All	17,040.9	40.1	19,105.6	38.4
Presidency of the Republic	69.1	50.3	78.6	41.2
Ministry of Foreign Relations	125.1	46.3	132.9	43.8
Ministry of the Interior	867.0	33.3	1,096.3	36.7
Ministry of National Defense	615.3	48.6	561.1	41.5
Ministry of Public Finance	90.7	37.2	92.8	38.4
Ministry of Education	2,236.7	34.7	2,778.6	35.7
Ministry of Public Health and Social Assistance	1,052.0	35.1	1,441.9	42.9
Ministry of Labor and Social Provision	95.8	26.9	227.5	63.6
Ministry of Economy	83.9	34.6	74.1	26.0
Ministry of Agriculture, Livestock and Food	382.2	30.5	165.1	22.1
Ministry of Communications, Infrastructure and Housing	1,306.5	44.2	1,762.2	39.3
Ministry of Energy and Mining	17.3	36.9	20.0	40.3
Ministry of Culture and Sports	81.0	23.9	91.9	24.9
Secretariats and Other Executive Branch Departments	502.0	23.3	1,033.1	37.0
Ministry of Environment and Natural Resources	19.6	40.0	31.5	31.8
State Obligations through the Treasury	6,620.0	45.6	6,479.5	37.1
Service to the Public Debt	2,858.1	43.1	3,015.7	44.3
National Attorney General's Office	18.4	42.9	22.7	43.1

1/ Includes amortizations on the external public debt

2/ Preliminary

Table 15
Total Public Spending^{1/} by the Central Administration by June 2008 and 2009^{2/}
- Millions of Quetzals and Percentages -

Description	2008		2009		Differences	
	Mill. of Q.	% of the GIP	Mill. of Q.	% of the GIP	Absolute	Relative
Total Spending	17,040.9	5.8	19,105.6	6.2	2,064.7	12.1
Social Spending^{3/}	4,800.8	1.6	6,115.1	2.0	1,314.3	27.4
Education, Science and Culture	1,489.9	0.5	2,093.9	0.7	604.0	40.5
Public Health and Social Assistance	3,283.6	1.1	3,907.4	1.3	623.7	19.0
Housing	27.2	0.0	113.9	0.0	86.6	318.1
Security	865.5	0.3	1,127.2	0.4	261.7	30.2
Infrastructure ^{4/}	1,272.3	0.4	1,708.2	0.6	435.9	34.3
Others	10,102.3	3.4	10,105.1	3.3	52.8	0.5

1/ Includes amortizations on the external public debt

2/ Preliminary

3/ Includes social protection programs (My Family Progresses, Solidarity Bags, Solidarity Diner, Open Schools)

4/ This item does not include what was executed in social spending and security

Table 16
Social Protection Programs
by June 30, 2009
- Millions of Quetzals and Percentages -

Institution	Current Budget	Total Execution*	% Execution
Total	801.6	270.6	33.8
Social Welfare Secretariat for the Presidency	35.0	32.9	93.8
Solidarity Bags	14.6	14.2	97.4
Solidarity Diners	4.8	4.2	87.5
Open Schools	15.6	14.5	92.5
My Family Progresses	766.6	237.7	31.0
Executive Coordination Secretariat of the Presidency	183.9	159.1	86.5
Ministry of Education –My Family Progresses Social Fund**	582.7	78.7	13.5

*Preliminary Figures

** Q200.0 million in advance payments accumulated to date

Table 17
Direct Real Investment
Accumulated Public Spending by June 2005 – 2009
-Millions of Quetzals -

Years	Total Direct Real Investment	Infrastructure built by the CIV*	Education	Health	Internal Security
2005	832.7	562.3	40.9	75.1	77.8
2006	1,009.8	737.5	66.3	48.0	14.1
2007	1,800.1	1,585.8	19.1	44.6	16.5
2008	1,390.6	1,089.3	18.8	37.2	18.9
2009	2,041.0	1,458.7	134.0	82.2	55.3

*: Ministry of Communications, Infrastructure and Housing.

Table 18
Public Spending Executed Through Public Trust Funds
by June 30 of each year
- Millions of Quetzals -

No.	Trust Fund	2006	2007	2008	2009
1	Trust Fund for Administration and Investment of the National Fund for Conservation -FONACON-	1.1	0.0	0.0	3.5
2	Road Trust Fund	179.2	369.6	629.7	550.9
3	National Fund for Reactivation and Modernization of Agriculture and Livestock -FONAGRO-	9.5	11.5	6.2	9.6
4	Program for Integral Development in Areas with Irrigation and Drainage Potential	9.5	16.5	3.1	1.8
5	National Trust Fund for Scholarships and Credit for Education -FINABECE-	0.7	0.1	0.0	
6	National Fund for Peace Trust Fund	103.1	49.5	84.8	293.0
7	Development Fund for Micro, Small and Medium Enterprises	5.0	5.3	3.0	0.0
8	Guatemalan Fund for Housing Trust Fund	152.2	137.0	15.9	78.3
9	Fund for Institutional Support of SEPАЗ -FOSEPAZ-	4.4			0.0
10	Guatemalan Fund for the Development of Indigenous Peoples -FODIGUA-	9.7	3.8	1.2	7.6
11	National Trust Fund for the Rural Co-Participative Education Fund (PRONADE)	185.8	240.8	145.1	0.0
12	Administrative Trust Fund for the National Science and Technology Fund -FONACYT-	8.2	11.3	9.5	4.9
13	National Development Fund, FONADES			14.1	79.5
14	My Family Progresses Social Fund				78.7
15	Solidarity Social Fund				
TOTAL		668.3	845.3	912.7	1,107.8

SOURCE: R00815555.rpt report / SICOIN.

Table 19

Fees Paid to Trustees During the Period from 2004 to May 31, 2009*
-Millions of Quetzals-

State Institution Trust Funds	2004	2005	2006	2007	2008	To May 31, 2009
Central Administration	24.1	40.2	63.6	43.8	37.9	13.5
Decentralized and Autonomous	1.6	2.6	4.1	3.2	4.1	1.4
TOTAL	25.7	42.8	67.7	47.0	42.0	14.9

SOURCE: Financial Statements drawn up by Trustees

Table 20

Total Public Spending Executed by NGOs by June 2009
According to the 2 Modes of Execution: a) Contributions^{1/} and b) Agreements and
Conditioned Advance Payments^{2/}
Per Central Administration Institution
-Millions of Quetzals-

Institution	Total	a) Contributions^{1/}	b) Agreements^{2/}
Ministry of Public Health and Social Assistance	134.4	62.2	72.1
Ministry of Education	2.0	2.0	
Ministry of Economy	0.1	0.1	
Ministry of Culture and Sports	0.7	0.7	
Secretariats and Other Executive Branch Departments	74.6	0.3	74.3
Ministry of Public Finance	0.3	0.3	
State Obligations through the Treasury	126.5	126.5	
Ministry of Communications, Infrastructure and Housing	9.3	9.3	
Ministry of Labor and Social Provision	7.2	7.2	
Ministry of National Defense	0.0		
Ministry of Agriculture, Livestock and Food	3.7	3.7	
Ministry of the Interior	0.7	0.7	
TOTAL	359.5	213.0	146.5

1/ Contributions transferred to NGOs, following the modality established in article 14 of the Congress of the Republic Decree No. 72-2008 (Budget 2009).

2/ Accountability of funds transferred through Agreements with NGOs, following the modality of agreements and conditioned anticipated payments established in articles 13 and 18 of the Congress of the Republic's Decree No. 72-2008 (Budget 2009). It corresponds to the real execution, that is, amounts actually received, registered in accounting, subject to supervision by the General Accounting Comptroller's Office and supported by relevant documents and reports on physical and financial advancement.

Table 21
Public Spending Executed by NGOs
Mode “a”: Agreements and Conditioned Advance Payments
First Semesters of 2008 and 2009
-Millions of Quetzals -

No. Agreements		Institution	Agreement Values		Advance Payments		Rendering Effected ¹⁷	
2008	2009		2008	2009	2008	2009	2008	2009
400	109	Total	893.0	1,364.8	318.5	305.9	129.2	146.5
	5	Ministry of the Interior		180.6		35.1		0.0
375	83	Ministry of Public Health and Social Assistance	325.0	574.5	88.4	121.2	14.0	72.1
2		Ministry of Foreign Relations	4.0		1.6		0.7	
16		Ministry of Agriculture, Livestock and Food	396.2		191.9		113.7	
1		Ministry of Economy	4.1		8.0		0.0	
	12	Ministry of Culture and Sports		93.7		19.5		0.0
6	9	Secretariats and Other Executive Branch Departments	163.7	516.0	28.6	130.1	0.8	74.3
1		Social Welfare Secretariat	50.0	193.9	20.0	36.4		32.5
3		Social Works Secretariat	24.6	63.0	5.6	8.0	0.8	5.9
1		Peace Secretariat	85.2		2.2			
1		Executive Coordination Secretariat for the Presidency	3.9	259.1	0.8	85.7		36.0

¹⁷/Corresponding to real execution, that is, amounts actually received, registered in accounting, subject to supervision by the General Accounting Comptroller's Office and supported by relevant documents and reports on physical and financial advancement.

Table 22
Rate of Execution of Public Spending by NGOs
by the First Semesters of 2008 and 2009
Mode “a”: Agreements and Conditioned Advance Payments
Rendering^{1/} as % of Advance Payments and Agreement Value
Advance Payments as % of Agreement Value
- Percentages-

Institution	Rendering ^{1/} / Advance Payments		Rendering ^{1/} / Agreement Value		Advance Payments/ Agreement Value	
	2008	2009	2008	2009	2008	2009
Total	40.6	47.9	14.5	10.7	35.7	22.4
Ministry of the Interior		0.0		0.0		19.4
Ministry of Public Health and Social Assistance	15.8	59.5	4.3	12.6	27.2	21.1
Ministry of Foreign Relations	43.8		17.5		40.0	
Ministry of Agriculture, Livestock and Food	59.2		28.7		48.4	
Ministry of Economy	0.0		0.0		195.1	
Ministry of Culture and Sports		0.0		0.0		20.8
Secretariats and Other Executive Branch Departments	2.8	57.1	0.5	14.4	17.5	25.2
Social Welfare Secretariat	0.0	89.0	0.0	16.7	40.0	18.8
Social Works Secretariat	14.3	73.8	3.3	9.4	22.8	12.7
Peace Secretariat	0.0		0.0		2.6	
Executive Coordination Secretariat for the Presidency	0.0	42.0	0.0	13.9	20.5	33.1

^{1/}Corresponding to real execution, that is, amounts actually received, registered in accounting, subject to supervision by the General Accounting Comptroller's Office and supported by relevant documents and reports on physical and financial advancement.

Table 23
**Execution of Public Spending through Agreements with International
Agencies^{1/}**
-Millions of Quetzals -

Concept	PAHO	UNDP	CIPREDA	IICA	OIM	CATIE	FLACSO	Total
Expenditure by June 2008	0.0	0.0	20.7	92.4	0.7	0.0	0.0	113.8
Expenditure by June 2009	0.0	0.0	5.7	0.0	1.6	0.0	8.6	15.9

^{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; FLACSO = Latin American Faculty of Social Sciences.

Annex 1: Contents of the Complementing Provisions for the Modernization of the Indirect Tax and Customs Systems

Specific Tax on the First License for Auto-motor Land Vehicles (IPRIMA)

In this respect it should be stated that as of 2004, Guatemala incorporated Article VII of the GATT into its norms for customs valuation, which in the case of vehicle imports weakened tariff rights collection. As of that year, a large number of vehicle imports have been supported by invoice values significantly below their market values. This comparative advantage in paying fewer taxes was more generalized in the case of used vehicle imports, since invoices on new vehicles always declare the market value.

In the past five years, Tariff Rights on used vehicle imports have been steadily dropping off, in view of which the SAT began studies in 2006 on the viability and convenience in replacing the Tariff Rights on Vehicle Imports with an internal tax. The IPRIMA is the outcome of these efforts and studies. The tax categories proposed by the IPRIMA, in general, are equivalent to tariff rates presently in use. Therefore, the application of the IPRIMA in substitution of import tariffs will allow vehicle importers to pay taxes according to market value, as they did before 2004.

Provisions Applicable to the National Customs System

It is intended to supplement provisions in the Central American Customs Uniform Code and its Regulations, especially with respect to electronic auctions of merchandise held by the tributary administration, establish the obligation of paying taxes on the import of products considered sensitive in arrival customs, and define customs penalties.

Reforms to the Value-Added Tax Law (IVA)

Due to the fact that a large number of home owners are not Value-Added Tax contributors in a legal sense, when they decide to sell their property it is impossible for them to recover the VAT (IVA) they paid when they acquired the home they are putting up for sale, and so this tax loses its purpose undergoing a cascade effect. This problem becomes a disincentive for paying correct taxes in the purchase and sale of homes, often declaring an incorrect value for the priorities.

The law proposal corrects this situation creating a VAT treatment specific for purchase and sale of homes. In the case of a resale, the application of a fiscal stamp is proposed at a lower rate than the VAT, while measures are proposed to assure the registration of correct values. Similarly, the proposal establishes an electronic control mechanism for exempt entities, which will allow adequate control over this type of purchase by contributors.

Strengthening Tributary Administration

It is intended to strengthen bancarization measures approved in 2006, thus enabling control and supervision through electronic media of the VAT credits and deductible expenses and costs from Income Taxes.

Reforms to the Tax Law on Land, Maritime and Airborne Vehicle Circulation

It is intended to review tax rates with the purpose of increasing collection gradually, observing the evolution of the economic crisis and its recovery process.

Reforms to the Tax Code

The proposed reforms generate a greater legal certainty on the penalization framework and mechanisms for administrative procedures in taxation matters.

Annex 2: Complete List of External Loans that are Financing the Budget for 2009

	Loans	Executing Unit	Current Budget (Millions Q)	Executed by June	
				Millions Q	%
1	First Programmatic Loan for Fiscal Policy and Institutional Development (BIRF)	Budget Support	1,544.00	991.46	64.2%
2	Program for Strengthening Public Finance (BID)	Budget Support	1,150.85	525.31	45.6%
3	Program for Investment in Human Capital (BID)	Budget Support	569.91	42.61	7.5%
4	My School Progresses Program (BID)	MINEDUC	231.60	0	0.0%
5	Rural Roads and Main Highways, Second Phase (BIRF)	CIV / INFOM	157.49	5.09	3.2%
6	Electric Interconnection between Guatemala and Mexico (BID)	INDE	155.29	25.47	16.4%
7	Project for Improvement of the ZONAPAZ Highway (JBIC)	CIV / INFOM	113.53	0	0.0%
8	Support for Educational Quality and Expansion of Secondary Education (BIRF)	MINEDUC	100.57	0	0.0%
9	Program for Strengthening the Hospital Network (BID)	MSPAS	92.64	1.10	1.2%
10	Project for Maternal and Infant Health and Nutrition (BIRF)	MSPAS	85.80	18.94	22.1%
11	Project for Investment in Infrastructure, Machinery and Equipment for USAC, Stage II (BCIE)	USAC	82.40	0.40	0.5%
12	National Program for Rural Development, First Phase: the Western Region (FIDA)	MAGA / PRORURAL	80.00	5.43	6.8%
13	Program for Supplying Clean Water and Basic Rural Sanitation (BID)	INFOM	79.52	7.60	9.6%
14	Program Support for Development of Chimaltenango, Sololá and Totonicapán Departments (BCIE)	FONAPAZ	73.61	9.15	12.4%
15	Program for Tourism and Opportunity Highways (BCIE)	CIV	72.57	6.74	9.3%
16	Project for Land Management Second Phase, in support of the Land Management Program (BIRF)	RIC	65.00	11.55	17.8%
17	Program in Support of the Rural Electrification Plan (BID)	INDE	63.69	0	0.0%
18	Sector Program for Reforming Public Finance Management (BID)	Budget Support	61.03	37.03	60.7%
19	Additional Financing for the Third Project for Technical Assistance for Integrated Financial Administration (BIRF)	MINFIN / CGC	52.33	7.10	13.6%
20	Project in Support of the Program for Economic Development from a Rural Approach (BID)	SEGEPLAN / FONAPAZ / MINECO	50.43	0	0.0%
21	Program for Reforming Public Finance Management Phase II (BID)	Budget Support	50.00	10.00	20.0%
22	Program in Support of the Penal Justice Sector (BID)	ICMSJ	42.93	0	0.0%
23	Project for Competitiveness (BIRF)	MINECO	40.35	8.10	20.1%
24	Program for Development of the Municipal Sector (BID)	INFOM	33.91	5.98	17.6%
25	Program for Environmental Recovery of the Lake Amatitlán Basin (BID)	AMSA	31.60	0.34	1.1%
26	Project in Support of the Program for Economic Development from a Rural Approach (BIRF)	SEGEPLAN / FONAPAZ / MINECO / FONDETEL (CIV)	31.24	0.11	0.3%
27	Program for Modernization of the Ministry of Public Finance (BID)	MINFIN	30.84	0	0.0%

Loans		Executing Unit	Current Budget (Millions Q)	Executed by June	
				Millions Q	%
28	National Program for Rural Development in the Central, Northeast and Southeast Regions (FIDA)	MAGA / PRORURAL	25.00	1.93	7.7%
29	Program for Development of Petén for Conservation of the Mayan Biosphere Reserve (BID)	MARN	24.19	5.62	23.2%
30	Project for Expanding, Improving and Modernizing Equipment for the Seismological, Meteorological and Hydrological Observation Network for Preventing Natural Disasters (BCIE)	INSIVUMEH / CIV	24.19	0.21	0.9%
31	Program for Rural Development for the Northwest Region of the Verapaces (FIDA)	FONAPAZ	21.99	1.38	6.3%
32	Third Loan for Development and Wide-Base Growth Policy (BIRF)	Budget Support	19.91	8.67	43.6%
33	National Program for Rural Development in the Central, Northeast and Southeast Regions (OPEP)	MAGA / PRORURAL	18.00	0	0.0%
34	Program for Fighting Urban Poverty (BID)	SCEP	17.93	0.45	2.5%
35	Program in Support of Productive Agro-nutrition Conversion (BID)	MAGA	17.48	0.12	0.7%
36	Program for Integral Development in Areas with Irrigation and Drainage Potential (BCIE)	MAGA	13.34	1.04	7.8%
37	Program for Improvement of Health Services, Second Stage -PMSS II- (BID)	MSPAS	10.00	5.78	57.8%
38	Program for Basic Infrastructure in Education (BCIE)	CIV	9.84	0	0.0%
39	Program for Environmental Recovery of the Lake Amatitlán Basin (OPEP)	AMSA	8.58	0	0.0%
40	Program for Technical Assistance to the Finance Sector (BIRF)	BANGUAT/SB	7.80	0.91	11.6%
41	Clean Water and Sanitation for Flores and San Benito (KfW)	INFOM	6.55	0	0.0%
42	Program in Support of Foreign Commerce, Phase II (BID)	MINECO	5.00	0	0.0%
43	Integrated System for Financial Administration III (BIRF)	MINFIN	3.15	1.26	40.2%
44	Equipment for UT J Protierra and the National Geographic Institute in Support of Cadastral Establishment in Guatemala (UBS)	RIC	3.14	0	0.0%
45	Tri-national Program for Sustainable Development of the High Lempa River Basin (BID)	MAGA	2.97	0.54	18.2%
46	Social and Economic Infrastructure (OPEP)	FONAPAZ	1.94	0	0.0%
47	Program for Rural Development of the Verapaces (OPEP)	FONAPAZ	1.93	0	0.0%
48	Program for Productive Infrastructure PRODEFRO- (BCIE)	FONAPAZ	0.48	0.48	100.0%
49	Program for Prevention of Violence	N/A	0.30	0	0.0%
50	Program for Primary Rural Education PRONADE III (KfW)	MINEDUC	0.10	0	0.0%
TOTAL BY JUNE 30 2009			5,386.92	1,747.89	32.4%

**Annex 3: Comparison between
the Approved Budget (Dto.72-2008)
and the Reforms made to it (Dto.7-2009)**

Article No.	Approved Decree 72-2008	Reform Decree 7-2009	Differences
59	<p>Special Allocations. Within the Expense Budget for Fiscal Year 2009, a series of special allocations is authorized by the present Decree.</p>	<p>Special Allocations. Within the Expense Budget for Fiscal Year 2009, a series of special allocations is authorized by the present Decree.</p>	Special allocations are reduced.
60	<p>Prohibition: Special allocations contemplated for the agencies in Article 59 and those contained specifically in this Decree, may neither diminish any quantity nor transfer for any other purpose.</p>	<p>Prohibition: Special allocations contemplated for the agencies indicated in the previous article, may neither diminish nor transfer for any other purpose.</p>	Elimination of the Megalock “the prohibition from diminishing and transferring funds to any agency”.
Article No.	Approved Decree 72-2008	Reform Decree 7-2009	Differences
65	<p>Transferences. Budgetary funds assigned to the Ministry of Communications, Infrastructure and Housing and its agencies, Ministry of Culture and Sports, National Fund for Peace -FONAPAZ-, and Departmental Development Councils, contained in this Decree, as well as works and projects that are part of the physical investment program, Capital Transferences and Financial Investment for the fiscal year two thousand nine, may not for any reason diminish, transfer, or change their final objective. The presidents of Departmental Development Councils must immediately apply for the established allocations from the Ministry of Public Finance, which in turn is obligated to assign them within the fifteen calendar days following the requisition.</p>	<p>Transferences. Budgetary funds assigned to Departmental Councils contained in this Decree, may not for any motive diminish or transfer. The presidents of Departmental Development Councils must immediately apply for the established allocations from the Ministry of Public Finance, which in turn is obligated to assign them within the fifteen calendar days following the requisition, in conformity with advances in project execution and the Organic Budget Law.</p>	Elimination from Decree 72-2008 of the prohibition from diminishing or transferring funds from agencies such as the Ministry of Communications, Infrastructure and Housing and its agencies, Ministry of Culture and Sports, National Fund for Peace -FONAPAZ-, as well as the works and projects that are part of the physical investment program, Capital Transferences and Financial Investment for the fiscal year two thousand nine.

Article No.	Approved Decree 72-2008	Reform Decree 7-2009	Differences
66	<p>Budgetary Reorientation: The Executive Branch is authorized to carry out, by conduit of the Ministry of Public Finance, the reprogramming of financial sources which are part of the General State Revenues and Expenses Budget for Fiscal Year 2009, so that planned programs and projects can be executed in a manner congruent with projected revenues, excepting what has been prohibited by the present Decree, which may not be transferred, diminished or distorted, as established.</p>	<p>Budgetary Reorientation: The Executive Branch is authorized to carry out, by conduit of the Ministry of Public Finance, the reprogramming of financial sources which are part of the General State Revenues and Expenses Budget for Fiscal Year 2009, so that planned programs and projects can be executed in a manner congruent with projected revenues.</p>	<p>Elimination of the phrase referring to prohibitions from previous articles.</p>
Article No.	Approved Decree 72-2008	Reform Decree 7-2009	Differences
72	<p>Counterparties. Allocations or budgetary ceilings established in the present General State Revenues and Expenses Budget for Fiscal Year 2009, assigned to external donations and their established national counterparties, may only be altered by the Congress of the Republic.</p>	<p>Reports on donations: The Executive Branch, by means of the Planning and Programming Secretariat of the Presidency -SEGEPLAN- and the Ministry of Public Finance, is required to report to the Congress of the Republic on donations received and the purpose to which they are destined, within the ten days following their approval.</p>	<p>Elimination of the prohibition against altering allocations derived from external donations and the corresponding national counterparties.</p>

Annex 4: Financial Situation of the Central Administration by the First Semester of 2007, 2008 and 2009

-Millions of Quetzals-

Concept	2007	2008	2009*
Total Revenue	15,795.0	17,483.8	16,204.7
Ordinary Revenue	15,787.9	17,478.4	16,193.4
Tax Revenue	15,063.3	16,615.8	15,313.1
Direct Taxes	4,275.9	4,866.3	4,766.2
Income Tax	3,272.8	3,716.5	3,519.9
Property Tax and others	4.8	7.3	4.7
Tax on Mercantile Enterprises	5.4	9.4	1.0
Temporary Tax to Support Peace Accords IETAAP	992.9	1,133.1	634.3
Solidarity Tax			606.3
Indirect Taxes	10,787.5	11,749.5	10,546.9
Value-Added Tax	7,263.6	8,197.6	7,197.1
Domestic	2,779.1	2,875.5	3,082.7
Imports	4,484.4	5,322.1	4,114.4
Tariff Rights	1,248.4	1,183.3	993.4
Oil	1,038.2	993.6	1,119.5
Fiscal Stamps	207.8	186.4	348.7
Vehicles	206.4	222.6	259.3
Royalties	225.9	403.4	87.8
Departures from the Country	99.8	109.8	99.9
Specific Taxes	385.6	393.8	387.1
Liquor and Beverages	213.8	225.0	213.4
Tobacco	171.8	168.8	173.7
Cement Distribution	55.5	56.7	52.3
Others	56.2	2.3	1.8
Non-Tax Revenues and Transferences	724.6	862.5	880.4
Contributions to Social Security	260.1	300.3	331.7
Donations	96.3	210.3	243.6
Others	368.2	351.9	305.1
Capital Revenue	7.0	5.4	11.3

* Preliminary figures according to SAT report by June 30, 2009

**Financial Situation of the Central Administration by the First
Semester of 2007, 2008 and 2009 (continued)**

-Millions of Quetzals-

(Continued)

Concept	2007	2008	2009*
Total Expenses	16,426.5	16,139.1	18,159.9
Ordinary Expenses	11,173.1	11,752.5	13,424.6
Payments	3,740.2	4,139.6	4,813.3
Goods and Services	1,385.1	1,755.3	2,328.3
Taxes paid by State agencies	17.5	5.1	5.1
Discounts and Bonuses	18.2	29.2	14.2
Social Security Benefits	895.2	1,018.2	1,273.3
Interest	1,699.2	1,956.3	2,070.0
Internal debt	856.7	1,030.6	1,133.2
External debt	842.5	925.7	936.8
Loans	455.9	591.7	583.1
Bonds	386.6	334.0	353.7
Land Rental	0.0	0.1	0.1
Rights on Intangible Goods	1.2	5.1	4.6
Transferences	3,416.4	2,843.6	2,915.8
Rest of the public sector	2,275.0	2,404.3	2,194.7
Private sector	881.7	399.7	686.2
External sector	259.7	39.6	34.9
Capital Expenses	5,253.4	4,386.6	4,735.2
Real Direct Investment	1,800.1	1,390.6	2,041.0
Financial Investment	33.3	11.7	11.4
Transferences	3,420.0	2,984.3	2,682.9
Rest of the public sector	2,794.9	2,899.4	2,594.1
Private and external sectors	625.1	84.9	88.8
Current Account Balance	4,614.8	5,725.9	2,768.8
Primary Balance	1,067.6	3,301.0	114.8
Budgetary Balance	-631.5	1,344.7	-1,955.2
Total Financing	631.5	-1,344.7	1,955.2
Net External Financing	2,260.8	857.9	3,207.4
Loans	2,260.8	857.9	3,207.4
Disbursements	2,975.9	1,759.7	4,153.1
Amortizations	715.1	901.8	945.7
Eurobonds	0.0	0.0	0.0
Net Internal Financing	-1,629.3	-2,202.6	-1,252.2
Net Negotiation	1,979.2	907.0	1,560.0
Bond Negotiation	3,050.8	1,274.4	1,952.5
Amortizations	1,071.7	367.3	392.4
Cash Variation (+) decrease (-) increase	-3,608.5	-3,109.6	-2,812.2

* Preliminary figures according to SAT report by June 30, 2009

**Annex 5: Government Decree No. 104-2009, Implementation
of the National Program for Economic Emergency and
Recovery**

INSTITUTION	Value in Millions of Quetzals	
	DEBIT	CREDIT
Total:	765.9	765.9
Ministry of Public Finance		28.0
Ministry of Education		154.0
Ministry of Public Health and Social Assistance	110.5	
Ministry of Economy		50.3
Ministry of Agriculture, Livestock and Food	55.6	16.2
Ministry of Communications, Infrastructure and Housing	225.0	
Ministry of Energy and Mining		3.1
Ministry of Culture and Sports	19.5	
Secretariats and Other Executive Branch Departments	245.0	415.6
State Obligations through the Treasury	110.3	98.7

**Annex 6: Government Decree No. 104-2009 Budgetary
Modification in Support of Other High-Priority Government
Expenses**

INSTITUTION	Value in Millions of Quetzals	
	DEBIT	CREDIT
Total:	729.7	729.7
Ministry of Foreign Relations		84.0
Ministry of the Interior	275.0	
Ministry of National Defense		50.0
Ministry of Public Health and Social Assistance	264.5	
Ministry of Agriculture, Livestock and Food	100.0	8.0
Ministry of Culture and Sports	55.5	
Secretariats and Other Executive Branch Departments		77.0
State Obligations through the Treasury	34.7	510.7

**Annex 7: Budgeted and Executed Expenditure by Institution,
by June 30, 2009**
- Millions of Quetzals -

Institution	Current Budget	Executed by June 30	Balance still Outstanding	% Executed
Total	49,723.1	19,105.6	30,617.5	38.4
Presidency of the Republic	191.0	78.6	112.4	41.2
Ministry of Foreign Relations	303.5	132.9	170.6	43.8
Ministry of the Interior	2,986.3	1,096.3	1,890.0	36.7
Ministry of National Defense	1,351.3	561.1	790.2	41.5
Ministry of Public Finance	241.3	92.8	148.5	38.4
Ministry of Education	7,790.3	2,778.6	5,011.7	35.7
Ministry of Public Health and Social Assistance	3,362.7	1,441.9	1,920.8	42.9
Ministry of Labor and Social Provision	357.7	227.5	130.2	63.6
Ministry of Economy	285.0	74.1	210.8	26.0
Ministry of Agriculture, Livestock and Food	746.2	165.1	581.0	22.1
Ministry of Communications, Infrastructure and Housing	4,479.3	1,762.2	2,717.0	39.3
Ministry of Energy and Mining	49.7	20.0	29.7	40.3
Ministry of Culture and Sports	368.8	91.9	276.8	24.9
Secretariats and Other Executive Branch Departments	2,791.8	1,033.1	1,758.7	37.0
Ministry of Environment and Natural Resources	99.1	31.5	67.5	31.8
State Obligations through the Treasury	17,454.5	6,479.5	10,975.0	37.1
Service to the Public Debt	6,812.0	3,015.7	3,796.3	44.3
National Attorney General's Office	52.8	22.7	30.0	43.1

Annex 8: Public Spending Executed by Institution, by June 30 of 2007, 2008 and 2009

- Millions of Quetzals and Percentages-

Institution	2007	2008	2009	Variations (%)	
				2008/2007	2009/2008
Total	17,141.6	17,040.9	19,105.6	-0.6	12.1
Presidency of the Republic	63.1	69.1	78.6	9.5	13.8
Ministry of Foreign Relations	110.7	125.1	132.9	13.0	6.3
Ministry of the Interior	731.9	867.0	1,096.3	18.5	26.5
Ministry of National Defense	478.7	615.3	561.1	28.5	-8.8
Ministry of Public Finance	94.8	90.7	92.8	-4.4	2.3
Ministry of Education	2,091.2	2,236.7	2,778.6	7.0	24.2
Ministry of Public Health and Social Assistance	1,174.8	1,052.0	1,441.9	-10.5	37.1
Ministry of Labor and Social Provision	35.3	95.8	227.5	171.8	137.4
Ministry of Economy	87.9	83.9	74.1	-4.5	-11.6
Ministry of Agriculture, Livestock and Food	717.9	382.2	165.1	-46.8	-56.8
Ministry of Communications, Infrastructure and Housing	1,997.7	1,306.5	1,762.2	-34.6	34.9
Ministry of Energy and Mining	15.5	17.3	20.0	11.6	15.3
Ministry of Culture and Sports	110.6	81.0	91.9	-26.8	13.5
Secretariats and Other Executive Branch Departments	776.6	502.0	1,033.1	-35.4	105.8
Ministry of Environment and Natural Resources	20.5	19.6	31.5	-4.3	61.0
State Obligations through the Treasury	6,128.8	6,620.0	6,479.5	8.0	-2.1
Service to the Public Debt	2,414.3	2,858.1	3,015.7	18.4	5.5
National Attorney General's Office	19.0	18.4	22.7	-2.8	23.2

Annex 9: Public Spending Executed by Secretariats and other Departments of the Executive Branch, by June 30 of 2007, 2008 and 2009

-Millions of Quetzals and Percentages-

Institution	2007	2008	2009	Relative Variations	
				2008/2007	2009/2008
Total	776.6	502.0	1,033.1	-35.4	105.8
General Secretariat of the Presidency of the Republic	3.7	3.6	4.5	-3.8	25.7
Presidential Coordinating Commission on Human Rights	12.2	15.0	9.9	23.3	-34.3
Private Secretariat of the Presidency of the Republic	1.7	2.2	2.5	26.7	11.2
Executive Coordination Secretariat of the Presidency of the Republic	412.9	146.1	237.8	-64.6	62.8
National Fund for Peace	49.5	84.8	293.0	71.4	245.4
Guatemalan Fund for the Development of Indigenous Peoples	3.8	3.9	7.6	3.7	92.2
Social Communication Secretariat for the Presidency of the Republic	24.7	10.9	41.2	-55.9	278.8
Social Welfare Secretariat for the Presidency of the Republic.	22.8	42.8	94.4	88.2	120.5
Peace Secretariat	65.8	44.3	61.4	-32.7	38.6
National Civil Service Office	10.5	10.4	10.9	-1.5	5.3
National Council of Protected Areas	16.7	15.2	17.8	-9.0	16.9
Authority for the Rescue of Lake Amatitlán	15.6	9.9	8.9	-36.8	-9.6
Planning and Programming Secretariat of the Presidency of the Republic	25.0	21.4	27.8	-14.7	30.4
National Youth Council	4.1	1.7	1.8	-58.6	5.4
Executive Secretariat Commission Against Drug Addiction and Illicit Traffic in Drugs	1.6	1.9	1.9	24.3	-0.5
National Secretariat for Science and Technology	14.5	14.2	10.9	-1.9	-23.1
First Lady's Secretariat for Social Work	48.6	34.7	69.8	-28.6	101.0
Secretariat for Strategic Analysis	7.4	6.5	9.4	-13.0	44.9
Presidential Secretariat for Women	5.4	3.9	8.0	-26.4	102.2
Secretariat for Agricultural Affairs of the Presidency of the Republic	21.6	14.2	18.1	-34.2	27.4
Presidential Commission Against Racism and Discrimination of Indigenous Peoples	3.8	3.5	3.5	-6.3	0.4
Secretariat for Food and Nutritional Security of the Presidency of the Republic	4.6	7.5	7.1	62.1	-5.2
Authority for the Sustainable Management of the Lake Atitlán Basin and its Surroundings		0.6	1.1		71.9
Presidential Commission for Reform, Modernization and Strengthening of the State and its Institutions		0.4			
Defensory of Indigenous Women		2.3	4.2		83.0
National Development Fund			79.5		

Annex 10: Trust Funds that have submitted their Quatrimestral Reports by June 30, 2009

In conformance with Article 45 of Decree 72-2008, Budgetary Law for Revenues and Expenses of the State for Fiscal Year 2009

No.	Name of the Trust Fund	Date of submission
1	Administrative Trust Fund for the National Science and Technology Fund -FONACYT-	22/05/2009
2	National Fund for Peace Trust Fund	29/05/2009
3	Global Credit Program for Small and Microenterprise	01/06/2009
4	Improvement for Small Coffee Growers	02/06/2009
5	Financial Support for Guatemalan Coffee Producers Trust Fund	02/06/2009
6	Productive Projects for Displaced Populations Trust Fund	02/06/2009
7	Guatemala City Transport Trust Fund -FIDEMUNI-	29/05/2009
8	National Development Fund, FONADES	01/06/2009
9	Trust Fund for Administration and Investment of the National Fund for Conservation -FONACON-	02/06/2009
10	Trust Fund for Administration of the Subsidy FIDESUBSIDIO CHN	29/05/2009
11	Guatemalan Fund for the Development of Indigenous Peoples - FODIGUA-	01/06/2009
12	Road Trust Fund	01/06/2009
13	Trust Fund for Human Resource Training	02/06/2009
14	FOGUAVI G&T Continental Trust Fund	29/05/2009
15	Investment Trust Fund for Mortgage Fund for Housing	29/05/2009

TOTAL: 15 TRUST FUNDS

Annex 11: Trust Funds that have not submitted their Quatrimstral Reports by June 30, 2009

In conformance with Article 45 of Decree 72-2008, Budgetary Law for Revenues and Expenses of the State for Fiscal Year 2009

No.	Name of the Trust Fund
1	Extraordinary Specific Fund for Reconstruction -FEER-
2	Fiduciary Fund for Banking Capitalization
4	Portfolio Administration
5	Credit for Farming and Livestock Development -CREDESA-
6	Credit for Productive Development DICOR II -CREDEPRODI-
7	Integral Development of Rural Communities -DICOR-
8	Development Fund for Micro and Small Enterprise
9	Project for the Sustainable Rural Development of Ecologically Fragile Areas in the Trifinio Region, Guatemalan Area -PRODERT-
10	My Family Progresses Social Fund
11	National Fund for Reactivation and Modernization of Agriculture and Livestock - FONAGRO-
12	Credit Rural Development Program in the Department of Totonicapán, - CREDITOTO-, ALA Convention 94/81
13	Solidarity Social Fund
16	Fund for Development of Micro and Small Enterprises
17	National System for Financing Preinvestment -SINAFIP-
18	Forests and Water for Concord
19	Trust Fund in Support of the Public Mass Transit System for Local and Extra-urban Passengers
20	Development Fund for Micro, Small and Medium Enterprises
21	National Trust Fund for Coparticipative Rural Education
22	National Trust Fund for Scholarships and Credit for Education -FINABECE-
23	Trust Fund for Integral Development of the Third Sector of the Economy
24	Fund for Promotion of Forestry and Reforestation of East and Northeast Guatemala
25	Guate Invests Trust Fund for Rural Development
26	Trust Fund for Administration and Payment of Puerto Barrios, Izabal Municipal Electric Company / INDE
27	Administrative Trust Fund for INDE-ORZUNIL
28	Administrative Trust Fund for INDE-SECACAO
29	Administrative and Investment Trust Fund for GUATEL
30	Administrative Trust Fund for Cruise Passenger Terminal in Port Quetzal
31	Trust Fund for Planning and Development of the Municipality of Villa Nueva - FIDEVILLANUEVA-

No.	Name of the Trust Fund
32	Trust Fund for Infrastructure Works for the Municipality of Mixco -FIDEMIXCO-
33	Santa Catarina Pinula Trust Fund for Flow Administration
34	Iztapa Municipality Trust Fund
35	Trust Fund for Urban and Rural Strengthening in the Municipality of Santa Catarina Pinula -FIFORTADESANTACATARINA-
36	Trust Fund for Support of Urban and Rural Planning in the Municipality of Santa Catarina Pinula -FIDESANTACATARINA-
37	Trust Fund for Administration and Compliance INDE-PASABIEN
38	Trust Fund for Administration and Payment of Puerto Barrios, Izabal Municipal Electric Company / INDE
39	Trust Fund for Administration and Investment of GUATEL Pensioners' Fund
40	Program for Integral Development in Areas with Irrigation and Drainage Potential
41	Rural Credit
42	National Fund for Reactivation and Modernization of Agriculture and Livestock - FONAGRO-
43	Project for Rural Development of the Cuchumatán Sierra

TOTAL: 43 TRUST FUNDS

Annex 12: Acronyms and Abbreviations

AG	Government Decree
AMSA	Authority for the Sustainable Management of Lake Amatitlán and its Basin
BANGUAT	Bank of Guatemala
BCIE	Central American Bank for Economic Integration
BID	Inter-American Development Bank
BIRF	International Bank for Reconstruction and Development
CATIE	Tropical Agronomy Center for Investigation and Teaching
CEPAL	Economic Commission for Latin America and the Caribbean
CHN	National Mortgage Credit Bank
CIPREDA	International Cooperation Center for Agricultural Development Pre-Investment
CIV	Ministry of Communications, Infrastructure and Housing
CODISRA	Presidential Commission Against Racism and Discrimination of Indigenous Peoples
CONRED	Guatemalan National Disaster Reduction Agency
COVIAL	Consultative Board for Road Maintenance
DGC	General Highway Administration
Dto	Decree
ENCA	National Central Agriculture School
FIDA	International Fund for Agricultural Development
FIDESUBSIDIO	Administrative Trust Fund for the Subsidy
FINABECE	National Trust Fund for Scholarships and Credit for Education
FMI	International Monetary Fund
FODIGUA	Guatemalan Fund for the Development of Indigenous Peoples
FONACON	National Conservation Fund
FONACYT	National Science and Technology Fund
FONADES	National Development Fund
FONAGRO	National Fund for Reactivation and Modernization of Agriculture and Livestock
IETAAP	Temporary and Extraordinary Tax in Support of the Peace Accords
ISO	Solidarity Tax
FONAPAZ	National Fund for Peace
FONDETEL	Rural Telephony Development Fund
FOSEPAZ	Fund for Institutional Support of the Peace Secretariat
GATT	General Agreement on Tariffs and Trade
GUATECOMPRAS	Guatemalan Public Sector Procurement and Contracting Information System
ICMSJ	Coordinating Instance for the Modernization of the Justice Sector
IICA	Inter-American Institute of Cooperation for Agriculture
INAB	National Forest Institute
INDE	National Electrification Institute
INFOM	Institute for Municipal Development
INSIVUMEH	National Institute of Seismology, Volcanology, Meteorology and Hydrology
IPRIMA	First License Tax

ISR	Income Tax
IVA	Value-Added Tax
JBIC	Japan Bank for International Cooperation
KfW	Development Loan Corporation, German bank
LAIP	Public Information Access Law
MAGA	Ministry of Agriculture, Livestock and Food
MARN	Ministry of Environment and Natural Resources
MEM	Ministry of Energy and Mining
Mill.	Millions
MINECO	Ministry of Economy
MINEDUC	Ministry of Education
MINFIN	Ministry of Public Finance
MSPAS	Ministry of Public Health and Social Assistance
N/A	Not available
No.	Number
OIM	International Organization for Migration
ONG	Non-governmental Organization
ONSEC	National Civil Service Office
OPEP	Organization of the Petroleum Exporting Countries
OPS	Pan-American Health Organization
PIB	Gross Domestic Product
PINFOR	Forestry Incentive Program
PNERE	National Program for Economic Emergency and Recovery
PNUD	United Nations Development Program
PRODESFRO	Program for Sustainable Development in Border Towns
PRORURAL	Program for Rural Development
RIC	Cadastral Information Register
SAIP	Public Information Access System
SAT	Superintendency of Taxation Administration
SB	Bank Superintendency
SCEP	Executive Coordination Secretariat for the Presidency
SEGEPLAN	Planning and Programming Secretariat for the Presidency
SEPAZ	Peace Secretariat
SEPREM	Presidential Secretariat for Women
SICOIN	Integrated Accounting System
UBS	Union Bank of Switzerland
USAC	San Carlos University of Guatemala