

ADMINISTRATION AGREEMENT

between

THE INTER-AMERICAN DEVELOPMENT BANK

And

THE GOVERNMENT OF SWITZERLAND

represented by the Swiss Agency for Development and Cooperation

regarding

a

Project Specific Grant

for the

**“Program of Support for the Implementation of the Comprehensive Civic
Coexistence and Public Safety Policy”**

HO-L1063 HO-X1021

THIS ADMINISTRATION AGREEMENT is entered into between the Inter-American Development Bank (the “Bank”) and the Government of Switzerland, represented by Swiss Agency for Development and Cooperation (“Switzerland”) (together referred to as the “Parties”).

WHEREAS, the Bank has designed, approved and signed loan number 2745/BL-HO (the “Loan”), in connection with the Project titled “Program of Support for the Implementation of the Comprehensive Civic Coexistence and Public Safety Policy” (the “Project”, project number HO-L1063), with the Republic of Honduras, as further described in the attached Project Document (the “Project Document”), Annex A;

WHEREAS, Switzerland wishes to support the execution of the Project by providing additional grant resources in the form of a project specific grant to be administered by the Bank; and

WHEREAS, the Bank is prepared to receive and administer the contribution funds to be made available by Switzerland.

NOW, THEREFORE, the Parties hereby agree as follows:

1. Switzerland will make available to the Bank a grant contribution in the amount of US\$ 6,600,000 (six million six hundred thousand Dollars) (the “Contribution”) to be administered by the Bank to co-finance the Project.
2. The Contribution will be solely for the purposes indicated in the Project Document, as may be modified in a revised project document, identified as HO-X1021 (the “Amended Project Document”), to be approved by the Bank pursuant to paragraph 11 below. Any other material deviations from the objectives and activities of the Project described in the Project Document or in the Amended Project Document will require Switzerland’s written approval.
3. a) Switzerland shall transfer the Contribution to the Bank according to the following payment schedule:

<u>Date:</u>	<u>Amount:</u>
Upon signature of this Administration Agreement by the Parties:	US\$2,200,000 (two million two hundred thousand Dollars)
No later than December 15, 2013:	US\$2,200,000 (two million two hundred thousand Dollars)
No later than December 15, 2014:	US\$2,200,000 (two million two hundred thousand Dollars)

- b) Switzerland will deposit the Contribution installments, upon the Bank's written request, into the account #04404221 "Inter-American Development Bank - Cofinancing Account" opened by the Bank at Deutsche Bank America Trust, New York (swift #BKTRUS33XXX) (the "Account"). The Account is denominated in U.S. dollars ("Dollars") and includes resources provided as grant funds by other donors for other Bank projects.
4. The Bank will administer the Contribution in accordance with the provisions of this Administration Agreement and the Bank's applicable policies and procedures. The Bank will exercise the same care in the discharge of its functions, as described in this Administration Agreement, as it exercises with respect to the administration and management of resources from other donors and will have no further liability to Switzerland in respect thereof.
 5. The Contribution will be accounted for separately from the Bank's assets, and will be administered together with other contributions received by the Bank. The Bank may freely exchange the Contribution funds into other currencies as may facilitate their administration and disbursement. The Bank will not be responsible for foreign exchange risk in the receipt, conversion or administration of Contribution funds. Further, the Bank may at its discretion invest and reinvest the resources of the Contribution pending their disbursement in connection with the Project. The Contribution will be administered in the Account in Dollars without distinction from other donors' contributions. Any reporting on the use of the Contribution will be made in Dollars.
 6. To assist in the defrayment of the administrative costs in relation to the Contribution, the Bank will charge and retain:
 - a) a fee equal to five percent (5%) of the total amount of the Contribution at the time first installment of the Contribution is deposited by Switzerland into the Account; and
 - b) any investment income generated by the Contribution pending its disbursement towards the Project.
 7. The Bank's procurement policies and procedures will be applicable to the procurement of goods and services, as well as the contracting of consulting services, carried out with the Contribution, as required by the different components of the Project. Further, Switzerland accepts that:
 - a) the resources of the Contribution will be completely untied;
 - b) the consultancy services, goods and/or works financed with the Contribution may be provided and executed by companies, specialized institutions or individuals from any Bank member country.

8. Switzerland will not be responsible for the activities of any person or third-party engaged by the Bank as a result of this Administration Agreement, nor will Switzerland be liable for any costs incurred by the Bank in terminating the engagement of any such person.
9. The Bank will provide an annual update report (“Annual Update”) on the Project at least one month before requesting Switzerland the second and subsequent disbursements of the Contribution contemplated above in paragraph 3.a). Promptly following the completion of the Project, the Bank will also submit to Switzerland a final Project report. Switzerland may also request a copy of the audited financial statements of the Project. In addition, Switzerland may request an “agreed upon procedures” report issued by the Bank’s external auditor on the use of the Contribution resources. The cost of such auditor’s report will be borne by Switzerland and will not be deducted from the Contribution. Switzerland will reimburse the Bank for the cost of this report promptly after receiving a written request from the Bank. The Bank will not provide audited financial statements for the Account.
10. The Annual Update shall cover the overall results and progress achieved by the Project and also show specifically the progress related to the parts supported by the Swiss contribution. In addition to the Annual Update, the Bank shall provide copies of the “Progress Monitoring Reports” and other relevant reports, analysis or studies produced by the Project as part of its ordinary activities.
11. The Bank shall invite Switzerland to participate in Project Supervision missions as well in the Project mid-term review mission. The Bank shall also request the Government of Honduras, to invite Switzerland to the meetings of the “Comisión Ejecutiva del Programa”. Subject to the approval of the Government of Honduras, Switzerland may participate in those missions and meetings either through its own staff or by designating a competent consultant.
12. The Bank shall endeavor to maximize opportunities to highlight the Swiss Contribution to the Project (e.g. in documentation, public information, including the Swiss logo), and invite Switzerland to participate in key events related to the Project.
13. Switzerland shall be responsible for its own costs with respect to any participation in meetings, missions or events.
14. As soon as possible upon completion of the Project, the Bank will return to Switzerland any remaining uncommitted Contribution funds, unless otherwise agreed to in writing by the Parties.
15. Switzerland further acknowledges that the Bank’s commitment to use the Contribution for the Project as contemplated herein will be subject to the Bank’s formalization of all internal approvals necessary for the Project and agreements with the Republic of Honduras. Such internal approvals by the Bank include the approval of an Amended Project Document, substantially in the form attached hereto as Annex B. In case such approvals are not obtained or if agreements with the Republic of Honduras are not executed, then the Bank will return to Switzerland any disbursement of the Contribution (including the fee

mentioned in paragraph 6.a) above) promptly upon final internal approvals being denied or unsuccessful conclusion of the negotiations of any agreements. Switzerland accepts that the final version of the Amended Project Document may vary from the attached Annex B, in which case the approved version will prevail, and no amendment to this Agreement will be required.

16. The offices responsible for coordination of all matters and receiving any notice or request in writing in connection with this Administration Agreement or the Project are as follows:

a) For the Bank:

- i. All communications pertaining to donor relations and resource mobilization will be directed to:

Inter-American Development Bank
1300 New York Avenue, NW
Washington, D.C. 20577
UNITED STATES OF AMERICA
Attention: Manager, Office of Outreach and Partnerships (ORP)
Tel.: +1 (202) 623-1583
Fax: +1 (202) 623-2543
E-mail: partnerships@iadb.org

- ii. Day-to-day communications regarding the implementation of this Administration Arrangement will be directed to:

Inter-American Development Bank
1300 New York Avenue, NW
Washington, D.C. 20577
UNITED STATES OF AMERICA
Attention: Chief, Grants and Co-financing Management Unit
Office of Outreach and Partnerships (ORP/GCM)
Tel.: +1 (202) 623-2018
Fax: +1 (202) 623-3171
E-mail: orp-gcm@iadb.org

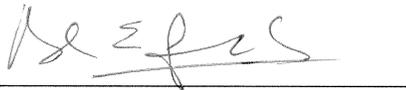
b) For Switzerland:

Oficina de Cooperación Suiza
Colonia Palmira, Avenida República de México. Casa No. 2402
Tegucigalpa, Honduras
Attention: Jürg Benz
Director of Cooperation
Tel.: + (504) 2221 2109
Fax: + (504) 2236 9289
E-mail: juerg.benz@sdc.net

17. This Administration Agreement will come into force on the date of its signature by each of the Parties and remain valid till all Parties have fulfilled their obligations arising from it, no later than December 31, 2015.
18. The Parties may amend any provision of this Administration Agreement in writing.
19. Subject to their respective policies and procedures with respect to the disclosure of information, the Parties may make this Administration Agreement publicly available.
20. Nothing in this Administration Agreement may be construed as creating an agency relationship between the Parties.
21. The Parties will seek to settle amicably any disputes that may arise from or relate to this Administration Agreement.

IN WITNESS WHEREOF, the Parties, each acting through its duly authorized representative, have signed this Administration Agreement in two (2) original counterparts in the English language as of the dates indicated below.

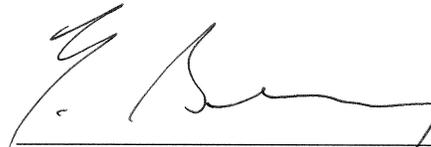
**INTER-AMERICAN
DEVELOPMENT BANK**



Bernardo Guillamon
Manager
Office of Outreach and Partnerships

Date: NOV 30, 2012

GOVERNMENT OF SWITZERLAND



Jürg Benz
Director of Cooperation

Date: NOV. 30, 2012

ANNEX A

PROJECT DOCUMENT

HO-L1063

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

HONDURAS

**PROGRAM OF SUPPORT FOR THE IMPLEMENTATION OF THE
COMPREHENSIVE CIVIC COEXISTENCE AND PUBLIC SAFETY
POLICY**

(HO-L1063)

LOAN PROPOSAL

This document was prepared by the project team consisting of: María José Jarquín (IFD/ICS), Project Team Leader; Karelía Villa (IFD/ICS), Project Team Co-leader; Andrés Restrepo (IFD/ICS); Mauricio García (ICS/CNI); Raimundo Arroio (IFD/ICS); Lina Marmolejo (IFD/ICS); Juan Carlos Pérez-Segnini (LEG/SGO); Juan Carlos Martell (PDP/CHO); Nalda Morales (PDP/CHO); Ángela Fúnez (EXR/RGL); Bibiana Taboada (SPD/SDV); César Rodríguez (SPD/SDV); Xiomara Hernández (CID/CHO); and Nathalie Hoffman (IFD/ICS). The following contributed comments on the document: Teodoro Ariel Zaltsman (IFD/IFD); Joan Helen Serra Hoffman, Arnaldo Posadas, and Joel Korn, (IFD/ICS); and Jean Eric Theinhardt (IFD/CES).

This document is being released to the public and distributed to the Bank's Board of Executive Directors simultaneously. The Board may or may not approve the document, or may approve it with modifications. If the document is subsequently updated, the updated document will be made publicly available in accordance with the Bank's Access to Information Policy.

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Annex II	Results Matrix
Annex III	Fiduciary Agreements and Requirements

ELECTRONIC LINKS	
REQUIRED	
1.	Annual work plan (AWP) (for the first disbursement and the first 18 months of implementation) http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=36749789
2.	Monitoring and evaluation arrangements http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=36749812
3.	Detailed procurement plan http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=36749833
4.	Safeguard screening form http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=36749860
5.	Environmental and Social Management Report http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=36849324
OPTIONAL	
1.	Program economic evaluation http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=36750013
2.	Analysis of citizen security sector interventions http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=36750089
3.	Program execution plan http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=36749993
4.	Institutional Capacity Assessment System Report and proposed execution arrangements http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=36750108
5.	Technical note for the security sector in Honduras (Hugo Frühlig, February 2012) http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=36750121
6.	Analysis of the criminal investigation process and criminal prosecution in Honduras (Felipe Muñoz, February 2012) http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=36750138
7.	Diagnostic study for the analysis of the main limitations on the criminal prosecution process (Miguel Cáliz, February 2012) http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=36750207
8.	Safer cities program, final report (Andrés Restrepo and Marcelo Álvarez, March 2012) http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=36750233
9.	Strategic analysis of the public safety policy and the discussion of the National Police Force institutional framework, including the National Crime Investigation Office (DNIC) (Javiera Blanco, February 2012) http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=36750275

ELECTRONIC LINKS

10. Analysis of communication and strategic lines (A. Fúnez, February 2012)
<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=36750306>
11. Theoretical framework and empirical evidence
<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=36783622>
12. Comprehensive Civic Coexistence and Public Safety Policy for Honduras 2011-2022
<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=36815962>
13. Memorandum of Understanding between the Bank and the Governments of Mexico and Colombia
<http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=36815832>

ABBREVIATIONS

AMOHN	Asociación de Municipios de Honduras [Association of Municipios of Honduras]
AWP	Annual work plan
CONASIN	National Domestic Security Council
CPC	Subsecretaría de Convivencia y Participación Comunitaria [Undersecretariat of Community Coexistence and Participation]
CRSP	Comisión de Reforma de la Seguridad Pública [Public Safety Reform Commission]
DIECP	Dirección de Investigación y Evaluación de la Carrera Policial [Police Performance Investigation and Evaluation Office]
DNIC	Dirección Nacional de Investigación Criminal [National Crime Investigation Office]
ESMR	Environmental and Social Management Report
GCI-9	Ninth General Increase in the Resources of the Bank
ICAS	Institutional Capacity Assessment System
ITP	Instituto Técnico Policial [Institute of Police Technology]
MOU	Memorandum of understanding
PCU	Program coordination unit
PMR	Progress Monitoring Report
SEFIN	Department of Finance
SIAFI	Sistema de Administración Financiera Integrada [Integrated Financial Management System]
TSP	Population security rate
UNAH	National Autonomous University of Honduras
UNODC	United Nations Office on Drugs and Crime
UNDP	United Nations Development Programme

I. DESCRIPTION AND RESULTS MONITORING

A. Background, problems addressed, and rationale

- 1.1 Honduras faces the worst security situation in Latin America and the Caribbean and is located in one of the most violent subregions. The situation is aggravated by the rapid growth of organized crime, particularly drug trafficking.¹ The crime rate in the country is the highest in the world, overwhelming the capacity of security sector institutions to prevent it and prosecute it effectively and efficiently. The Honduran government is taking steps to help reverse this negative situation.
- 1.2 The country's murder rate per 100,000 people is the highest in the world,² representing the crime with the greatest social impact. Since 2004, the murder rate has increased from 32 to 86.5 in 2011,³ and is higher in municipios such as La Ceiba (181.5), San Pedro Sula (166.4), and Juticalpa (123.8).⁴ It is worth noting that: (i) most murders take place in urban areas (74.1%); (ii) 34% were perpetrated by hit men;⁵ (iii) the victims are mainly men between the ages of 25 and 29 years, whose murder rate was 329 in 2010; (iv) between 2005-2010 murders of women increased by 120%; (v) in 51% of the cases, preliminary police information does not shed light on motives;⁶ and (vi) 83% of murders are not solved.⁷
- 1.3 There has also been an increase in other types of crimes: between 2007 and 2011 robberies grew by 24% and sexual crimes by 31%. The victims of sexual violence are mostly between the ages of 10 and 19 (74%).⁸ According to the 2009 Human Development Report (HDR) for Honduras, the types of violence that affect the juvenile population most are fights and brawls (31.1%), followed by physical abuse and mistreatment (16.3%), and rape (10.3%). This situation has affected the levels of individual and family victimization, for a combined figure of 32% in 2010⁹ and citizen perception—39.6% of Hondurans believe that insecurity is the country's main problem, and 90% think it increased or remained unchanged compared to the previous year.¹⁰

¹ About 88% of the cocaine destined for the United States travels along the Central America/Mexican corridor. UNODC, 2007. *Crime and Development in Central America. Caught in the Crossfire.*

² Murder rate: world average of 6.9 per 100,000 people in 2010 and 36.9 in Central America. UNODC, 2011.

³ Violence Observatory of the National Autonomous University of Honduras (UNAH), April 2012.

⁴ Idem.

⁵ Muñoz, Felipe, 2012. "Análisis del proceso de investigación criminal y ejercicio de la acción penal en Honduras" and Frühling, Hugo, 2012. Technical note for the security sector in Honduras.

⁶ Violence Observatory. Bulletins 2008-2011.

⁷ Ungar, Mark, 2011. *"Policing Democracy. Overcoming Obstacles to Citizen Security in Latin America."*

⁸ In approximately 32% of cases the perpetrator is known. Violence Observatory, 2011.

⁹ Latinobarómetro, 2010. The Latin American average is 19.3% according to the Latin American Public Opinion Project (LAPOP, 2010).

¹⁰ Universidad Centroamericana José Simeón Cañas, 2012. Perception poll.

- 1.4 This complex situation is compounded by the institutional crisis in the security sector, mainly in the National Police Force, which translates into low credibility and public trust, leading to citizen demand for a sweeping process of security reform. In the country, 68% of the population surveyed believe that the police are involved in crime; 73% have little or no trust in the police; and just 10% said they had “a great deal of” trust in the National Police Force.¹¹
- 1.5 There is consensus that the problem of violence has multiple causes, although how they are linked and the reasons for the growth of the phenomenon are difficult to determine.¹² According to the United Nations Office on Drugs and Crime (UNODC),¹³ murder and other forms of violence are associated with the following risk factors: (i) low human development levels;¹⁴ (ii) rule of law—impunity has reached levels in the last four years where, on average, just four of every 100 crimes reported were prosecuted;¹⁵ (iii) availability of firearms—84% of murders in Honduras were committed with firearms compared to a world average of 42%;¹⁶ and (iv) presence of illegal drug trafficking and other forms of transnational organized crime. Honduras has become a first port of entry, receiving 79% of the drugs carried by air from South America to North America.¹⁷ Other studies support this analysis.¹⁸
- 1.6 To address this problem, the Honduran government has undertaken a major institutional and legislative modernization: It revived the National Domestic Security Council (CONASIN);¹⁹ created and established the Comisión de Reforma de la Seguridad Pública [Public Safety Reform Commission] (CRSP) and the Subsecretaría de Convivencia y Participación Comunitaria [Undersecretariat of Community Coexistence and Participation] (CPC); it enacted laws on topics such as cleaning up the police force, the population security rate (TSP), wiretaps, and

¹¹ Universidad Centroamericana José Simeón Cañas, 2012. Perception poll.

¹² Establishing causal relationships would require refined analytical models and more complete statistical data. At present, the epidemiological model is used for the analysis of the impact of the main risk factors (UNDP. Human Development Report. Central America 2009-2010).

¹³ UNODC, 2011.

¹⁴ Including education, health, and per capita GDP. According to the Human Development Index, in 2011, Honduras was ranked 121 out of 187 countries.

¹⁵ The sector is poorly staffed in Honduras, which makes it difficult to assert an institutional presence in the country. Honduras has the lowest number of police, prosecutors, and judges per 100,000 population (Estado de la Región, 2011).

¹⁶ Violence Observatory, 2011 and UNODC, 2011.

¹⁷ Report by the State Department to the United States Congress. *El Heraldo*, March 2012.

¹⁸ World Bank, 2011. “Informe Estratégico sobre violencia, criminalidad y seguridad ciudadana en Honduras.” Organization of American States, 2012. “Un examen del sistema nacional de seguridad ciudadana de Honduras.”

¹⁹ The advisory body on public policy formulation on security, including participation by civil society, the Minister of the Department of Security, Secretary of the Interior, Attorney General, Supreme Court, Human Rights Commissioner, Honduran Private Enterprise Council, Trade and Agricultural Unions, women’s organizations, AMOHN, and the Human Rights Defense Committee.

extradition; and began a restructuring of the National Police Force for which it created the Police Performance Investigation and Evaluation Office (DIECP) and has promoted citizen oversight of the reorganization and modernization of the police force (see paragraph 3.7).

- 1.7 **Problems to be addressed.** Despite the many efforts promoted by the Honduran government to move toward a more transparent, participatory security and justice system (see optional electronic link 2), the State continues to have major difficulties in preventing new crimes and in investigating and prosecuting crimes committed.²⁰ This poor effectiveness is explained, among other causes, by: (i) the Department of Security, as the lead agency in security, responsible for defining policies and overseeing their compliance and the National Police Force, as the enforcement arm, have weaknesses that restrict their work; (ii) the municipal authorities lack the backing of a national policy that provides strategic guidance and institutional capacity for executing prevention programs; and (iii) criminal investigation lacks a systemic approach to aggregate the different responsible parties (National Police Force, Public Prosecutor, and the Judiciary) as well as personnel and specialized tools.²¹
- 1.8 Honduras requires actions aimed at reducing risk factors and preventing crime, with specific, targeted programs.²² It also requires leadership and better knowledge by institutions on how to prevent crime and violence,²³ on the part of the police, for example, because of their work with the community in the analysis and implementation of crime prevention strategies;²⁴ the municipalities because they

²⁰ Crime prevention and prosecution represent a continuum, since both can help provide a deterrent for future violent behavior (Sherman, 1998).

²¹ One of the main risk factors for crime is impunity, which stems from an overloaded, slow, and inefficient investigation system (“El control de la violencia,” Rodrigo Guerrero Velazco. IDB, 2000). In addition, the advantages of improving criminal investigation, judging from empirical evidence in the United States, are: (i) a reduction in opportunity costs affecting the innocent, through quality evidence; (ii) facilitation of accountability, based on the identification of groups and individuals responsible; (iii) monitoring of police actions; and (iv) conclusions based on the scientific method (Mears, Daniel and Sarah Bacon, 2009).

²² Targeted prevention is defined as addressing a limited number of risk factors for violence. Promising experiments have been carried out using this approach in the Municipality of Bogotá from 1995-2003 (Martín, Gerardo and Miguel Ceballos, 2004. “Bogotá: Anatomía de una Transformación”) and the Municipality of Medellín 2000-2007 (Laboratorio Medellín, Catálogo de diez prácticas vivas. IDB, UN-Habitat; ACI, 2011).

²³ Evidence shows that crime prevention improves as a result of better training in understanding the causes and patterns of crime (Reiss, 1992).

²⁴ Community policing is a prevention strategy that promotes greater public trust of the police, better information on risk factors, and higher quality of judicial investigation. It has been applied with good results in the United States, Europe, and Latin America (Goldstein, 1990, 1998; Bayley, 1994; Sherman, 1998; Chinchilla and Rico).

have a specific geographic space and delimited population for their actions;²⁵ families, schools, and communities because they play an oversight role with respect to the at-risk population. Moreover, to prosecute crime and strengthen the deterrent effect,²⁶ the country needs to improve the effectiveness of criminal investigation.

1.9 **The inefficiency of the Department of Security/National Police Force institutional and operational management²⁷** is linked to:

- a. Limited institutional capacity due to the inadequacy of: (i) the Department of Security's management tools (i.e. lack of manuals on organization, responsibilities, and standard operating procedures); (ii) automated information systems for personnel management; (iii) basic regulations (i.e. National Police Force Organization Act); (iv) consolidation of the recently-created CPC; (v) capacity to receive and management reports of crimes; and (vi) communication for accountability, dissemination of success stories, image strengthening, and effective crisis management.
- b. Limited relations between the police and the community, due to (i) poor treatment of citizens;²⁸ (ii) lack of training to engage with the population and obtain its cooperation;²⁹ and (iii) perception of police corruption. This has a negative impact on community relations.³⁰
- c. Poor education, training, and management of the National Police Force. Beyond the quantitative problem with the force,³¹ deficient parameters have been identified in its training and management due to a lack of: (i) an adequate

²⁵ Situational prevention carried out in territorially-delimited physical spaces has become a central line in criminology (Felson and Clarke, 1998). The real risk of insecurity takes place in a territory with given geographic and explicit population determinants (Beck, Ulrich, 1998. *Risk Society: Towards A New Modernity*, London, Sage).

²⁶ Becker, G. *Crime and Punishment: an Economic Approach*, links the technical and judicial approach to prevention (capacity to detect, prosecute, judge, and punish crimes) to a reduction in crime.

²⁷ See optional electronic links 4, 5, 6, 7, 9, and 10.

²⁸ Some studies support the hypothesis that the less respectful police are toward citizens, the less people will be inclined to obey the law (Sherman, 1998).

²⁹ One of the keys in the fight against crime is information given to the police by the public (victims and witnesses) to identify suspects. Some studies have found that working alone, the police detect only between 5% and 10% of crimes committed (Morgan and Newburn, 1997).

³⁰ Some common elements in promising police reforms—Chile (1990, 2003); Colombia (1993, 2003), and Brazil (2007)—have been: (i) advancement of human resources by improving the provision of benefits; (ii) introduction of mechanisms to improve transparency and prevent corruption; (iii) police specialization; and (iv) a community policing approach.

³¹ Honduras has 14,087 police officers or 174 per 100,000 people, which is lower than the rate recommended by the United Nations (400) and the rate in all of Central America except for Guatemala (156). The rates in Central America are: Nicaragua 180, Costa Rica 285, Dominican Republic 296, El Salvador 301, Belize 397, and Panama 512.

training model;³² (ii) quality criteria for recruitment and selection;³³ (iii) demand-based human resource planning;³⁴ (iv) qualified teaching staff;³⁵ (v) criteria for territorial postings and human resource specialization;³⁶ (vi) mechanisms to promote constructive relations with the community;³⁷ and (vii) infrastructure and equipment for training and operations, which affects police commitment and morale.³⁸

d. Poor effectiveness in evaluation, disciplinary control, and accountability. Between 1999 and 2011, 5,591 disciplinary complaints were filed against the National Police Force, but just 2,034 were investigated and closed. Of these, 63% were deemed unfounded, and the rest remain under investigation. It was in this context that the DIECP was established, which lacks: (i) staff qualified to perform disciplinary investigations and administer trust tests; (ii) standard operating procedures; and (iii) basic equipment for trust tests and investigations.

1.10 **Low effectiveness in prosecuting crimes.**³⁹ The average rate in the last four years was 4.2%⁴⁰ and the greatest holdup or bottleneck is in the criminal investigation process. Of all the crimes reported and referred to the National Police Force in 2010 (56,089), just 21.7% had complete investigation reports. Criminal investigation is

³² The training period at the ITP, where 84% of police officers are trained, ranges from three to six months (the remaining 16% of the force is trained at the Universidad Nacional de Policía de Honduras), which contrasts with the basic academic training received by the Carabineros in Chile (two years), and the Colombian police (one year).

³³ The current selection criteria for entry-level police candidates only require having completed nine years of schooling. No knowledge, physical, or medical tests are required and no background checks are conducted (Costa, Gino 2012).

³⁴ The number of police graduating from the ITP in recent years has been irregular, basically depending on the available budget. In 2008, 2,040 police graduated; in 2009 the number was 318; and in 2010 it was 506, when the optimum considered in the model ratio of police per citizen (Mertz, 2000) would be an average of 1,000 basic-level police graduates per year over the next six years, to attain a rate of 250 police per 100,000 people (like in Chile, Canada, and the United States). The police education system only receives 2.5% of the total National Police Force budget.

³⁵ There is no selection process at the ITP and no training for teachers. Just 5 of 30 instructors are civilian professionals.

³⁶ The number of police assigned to vulnerable zones is inadequate. For example, Atlántida, where the murder rate is 104.3 per 100,000 people, has just 100 police per 100,000 inhabitants, while Francisco Morazán, where the murder rate is 62, has three times the number of police, with a rate of 244 per 100,000 inhabitants (Security and Defense Network of Latin America (RESDAL), 2011). Some of the police who specialize in criminal investigation are assigned to other tasks, including as many as 30% who work at administrative duties.

³⁷ Only 2% of the National Police Force has received some kind of training in community policing.

³⁸ The ITP, where most of the police force is trained, is suffering from particularly critical conditions.

³⁹ Prosecution of a crime is defined as a situation in which a reported crime is investigated, the accused are identified and, if the offense is confirmed, are duly tried.

⁴⁰ In 2007 the rate was 3.9%, in 2008 it was 4.1%, in 2009 it was 4.1%, and in 2010 it was 4.6% according to data from the Office of the Public Prosecutor.

conducted by the National Police Force through the National Crime Investigation Office (DNIC), under the technical and legal direction of the Office of the Public Prosecutor.⁴¹ The problems in this area are partly explained by absent or limited: (i) specialized training;⁴² (ii) definition of roles and responsibilities, particularly given the multiple stakeholders involved in the process;⁴³ (iii) common procedures and standardized formats;⁴⁴ (iv) common understanding of the investigation process; (v) bodies and mechanisms for interagency coordination; (vi) systems for the compiling, management, and use of operational and statistical information⁴⁵ by the National Police Force, the Office of the Public Prosecutor, and the Judiciary;⁴⁶ and (vii) facilities and equipment for the scientific investigation of crimes.

- 1.11 **Insufficient capacity to manage and target violence prevention.** The national and local authorities face major limitations in leading and managing crime prevention. Just 10% of the country's municipios have undertaken their own experiments, but they are uncoordinated and have no strategic focus, given the absence of a unified national policy, and just 9.6% of international cooperation funds for the security sector are used for prevention programs on the local level.⁴⁷ The recently-created Programa de Municipios Más Seguros [Safer Cities Program], led by the Department of Security, seeks to respond to these challenges. However it is in the start-up phase and still needs: (i) clearly-defined mandates and responsibilities; (ii) rules for coordination between local authorities and the National Police Force; (iii) strategies and models for the social prevention of

⁴¹ Crimes reported and confirmed are investigated by the DNIC as the arm of the Office of the Public Prosecutor, the body responsible for litigating the case in the courts, which carry out the judicial process and determine whether a trial and sentencing are warranted.

⁴² Only 8% of the National Police Force working in the DNIC has any training in criminal investigation.

⁴³ Although this responsibility is restricted to the DNIC and the Office of the Public Prosecutor, the preventive police are occasionally involved, because they were the first to arrive on the scene of the crime, because they were present when the crime was committed, or because of the absence of DNIC personnel in the area. They even carry out criminal investigation activities.

⁴⁴ While the Office of the Public Prosecutor has a plethora of rules, guidelines, and protocols, the National Police Force (DNIC) does not, and therefore the activities of the two institutions (National Police Force and the Office of the Public Prosecutor) are not standardized.

⁴⁵ This means that key statistics are imprecise. The National Police Force reported 8,968 violent deaths in 2010 and the Violence Observatory reported 8,944, while for murders, the Observatory reported 6,239 in 2010, the Office of the Public Prosecutor reported 6,244, and the National Police Force 6,481.

⁴⁶ Several information systems exist that have similar objectives but are not shared: (i) the Digital Interagency Case File System (SEDI) - National Police Force, Office of the Public Prosecutor, and the Supreme Court; (ii) the National Automated System for the Receipt and Investigation of Cases; (iii) Regional System of Standardized Indicators; and (iv) the Electronic Center for Judicial Documentation and Information (CEDIJ).

⁴⁷ Own analysis based on data from WOLA/IDB Mapping Study of International Cooperation for Citizen Security in Central America, June 2011, and the Honduras G-16 Donor Coordination Group matrix.

violence; (iv) human (civilian and police) and financial resources for local security management;⁴⁸ and (v) monitoring and evaluation mechanisms.

- 1.12 To address these problems, the Honduran government has implemented policies, laws, plans, and actions that range from the preventive aspect to imprisonment and rehabilitation.⁴⁹ However, these efforts require firmer support if the growing deterioration in security is to be checked.
- 1.13 **Rationale.** The Government of Honduras has asked the Bank for support in building the capacity of the State in the area of public safety. As part of Bank action in the sector (document GN-2535), selective and targeted support will be provided for: (i) the Department of Security/National Police Force to exercise leadership in the sector and improve human resource training, professionalization, and management in order to help improve the institution's effectiveness, thereby enhancing its credibility; (ii) the National Police Force and the Office of the Public Prosecutor to boost their criminal investigation capacity; and (iii) the beneficiary municipios to improve their work in the area of civic coexistence and coordinate a systemic supply of programs for the social prevention of violence.⁵⁰
- 1.14 The program is consistent with the following Bank frameworks: (i) GCI-9 regional development goals of contributing to reducing poverty and the murder rate, lending to small and vulnerable countries, and benefitting cities with security programs; (ii) the Sector Strategy on Institutions for Growth and Social Welfare (document GN-2587-2); (iii) Operational Guidelines for Program Design and Execution in the Area of Civic Coexistence and Public Safety (document GN-2535); and (iv) the IDB Country Strategy with Honduras (2011-2014).
- 1.15 It is aligned with the three pillars of Honduras' Comprehensive Civic Coexistence and Public Safety Policy 2011-2022 and is part of the efforts aimed at comprehensive public safety reform, prioritized in the functions and mandates of the recently-created Public Safety Reform Commission. It is consistent with the Central American Regional Security Strategy, contributing to the components on combating crime, violence prevention, and institutional strengthening, and with seven of the eight projects prioritized for the region.
- 1.16 **Program intervention strategy.** Leadership of public safety policies requires strong institutions, and therefore the program will support the Department of Security in modernizing policy management and staffing with trained civilian personnel. Implementation of these policies requires a transparent, efficient police force, and therefore the program will strengthen the police training system, in particular the Instituto Técnico Policial [Institute of Police Technology] (ITP), which trains nearly 90% of the force, while strengthening the evaluation system and

⁴⁸ Of 14,087 police, just 300 have been trained in the community policing philosophy, when this should be part of the training curriculum for all police. Community police stations are located in old, unsuitable buildings.

⁴⁹ See optional electronic link 2. Analysis of citizen security sector interventions.

⁵⁰ See evidence of the effectiveness of interventions of this kind in paragraph 1.8.

disciplinary control to assess performance. Demand for better crime investigation requires a systemic vision of the process, so the program's support will not be restricted to the National Police Force, but will also extend to the other entities involved, such as the Office of the Public Prosecutor and the Judiciary, promoting their coordination and improving capacity and facilities for the operations of existing personnel.

- 1.17 Local governments have comparative advantages for addressing insecurity and violence, such as knowledge of the territory and communities, and the capacity to target programs.⁵¹ It is therefore imperative to provide municipal administrations with their own capacity and strengthen vertical coordination (between the national government, through the Department of Security/Undersecretariat of Community Coexistence and Participation, and local governments) and horizontal coordination (with interagency participation by sector institutions) to manage security in the territory. This operation will support strengthening the institutional framework on the national level; capacity-building on the local level; and comprehensive crime prevention programs in three municipios that are beneficiaries of the Safer Cities Program⁵² established in late 2011 based on promising earlier experiences in the country (citizen security program in the Sula Valley and Puerto Cortés) and the region (Colombia). This will spur investments for other municipios by the World Bank,⁵³ the United Nations Development Programme (UNDP), and the United States Agency for International Development (USAID).
- 1.18 For the conceptual design and program management arrangements, consideration was given to lessons identified in the project completion report for the Peace and Citizen Coexistence Project for the Municipalities of the Sula Valley (operation HO-0205), and from the supervision of the Program to Support Modernization of Justice Administration, Stage II (operation HO-0210), as well as: (i) the need for central policy leadership and territorial coordination of stakeholders; (ii) the commitment by the Honduran government to gradually absorb the personnel trained and qualified; (iii) strategic management to ensure that the program is consistent with national policies; (iv) the program execution unit, with highly qualified personnel and strategic support for execution with specific assistance; and (v) joint responsibilities in program execution among the different beneficiaries.

⁵¹ Bauman, Zygmunt, 2003, *Community: Seeking Safety in an Insecure World*. Cambridge, Polity.

⁵² The program's general objective is to improve civic coexistence and public safety in all Honduran municipios, by strengthening teamwork and improving coordination between the national government, the institutions responsible for security and justice, and the municipal administrations. See optional electronic link 8.

⁵³ Donation of about US\$5 million and a loan of US\$10 million, both in preparation.

- 1.19 **Objectives and components.** The program's general objective is to contribute to crime prevention and prosecution⁵⁴ by improving: (i) the effectiveness of the institutional and operational management of the Department of Security/National Police Force; (ii) criminal investigation capacity; and (iii) management on the subnational level of civic coexistence and public safety in the beneficiary municipios. To that end, the program has been designed with the following components and activities.⁵⁵
- 1.20 **Component I. Institutional strengthening of the Department of Security/National Police Force (US\$31.9 million).** To enhance the effectiveness of the Department of Security/National Police Force, the program will finance: (i) the establishment of a strategic planning system based on the review and improvement of the organizational structure, definition of employee profiles and job descriptions, preparation of manuals on organization, responsibilities, and procedures, and design and implementation of a human resource management system for the Department of Security (including a master plan of needs and a master plan for career paths for the National Police Force); (ii) the regulation of the National Police Force Organization Act and procedural manuals; (iii) the professionalization and basic training of 3,000 new police, who will enter the National Police Force under an improved recruitment system with more rigorous selection criteria, through the ITP. Support will also be provided to update the curriculum of the police training system (including training in community policing) and to adapt existing infrastructure and equipment in the educational facilities; (iv) the establishment of systems for police performance evaluation and disciplinary conduct in the DIECP, based on a system for oversight, recognition, and sanctions, establishment and dissemination of codes of conduct, and equipment and infrastructure for a police performance evaluation center; (v) implementation of a national system for receiving complaints; and (vi) design and implementation of a communication policy for the Department of Security/National Police Force.
- 1.21 **Component II. Strengthening the criminal investigation system (US\$13.3 million).** To make a systemic contribution to crime prosecution,⁵⁶ the program will finance: (i) specialized training in criminal and forensic investigation techniques for all system stakeholders; (ii) technical assistance for the establishment and regulation of an interagency technical committee, review and definition of roles and work methods, updating and authorization of protocols between the Department of Security and the Office of the Public Prosecutor, and analysis of

⁵⁴ The program will monitor the two offenses prioritized by the country because they are the most frequent: (i) crimes against life and bodily integrity (murders); and (ii) crimes against property, i.e. taking an object or property belonging to someone else through the use of violence of any kind against persons and/or objects (robbery). Book Two of the current Criminal Code (Decree 144-83).

⁵⁵ The activities financed by this program are consistent with the activities included in Operational Guidelines for Program Design and Execution in the Area of Civic Coexistence and Public Safety (document GN-2535).

⁵⁶ Includes the National Police Force (DNIC), the Office of the Public Prosecutor, and the Judiciary.

legal aspects for investigative activities; (iii) an integrated information platform to improve the exchange of reliable, standardized data among the different institutions involved in criminal investigation processes; (iv) establishment of a crime analysis center; and (v) expansion of existing infrastructure and basic equipment for the National Police Force's criminal investigation laboratory (DNIC).

- 1.22 **Component III. Strengthening of community security (US\$12.9 million).** To help improve the management of civic coexistence and public safety in at least three of the 10 municipios prioritized by the Honduran government under the Safer Cities Program,⁵⁷ to be selected based on the murder rate, human development index, and priority in the Plan de Nación y Visión de País [National Plan and Country Vision],⁵⁸ the program will finance: (i) the establishment of a specialized area in the CPC to support local management of security and certification of municipios;⁵⁹ (ii) training for local stakeholders in violence prevention;⁶⁰ (iii) participative preparation of local security plans; (iv) establishment of local violence observatories for the study and management of crime statistics; (v) integrated social and legal assistance centers, including personnel, infrastructure, and equipment;⁶¹ (vi) construction and equipping of stations⁶² for the community policing,⁶³ including training, infrastructure, and equipment;⁶⁴ and (vii) crime prevention and rehabilitation programs for young addicts, domestic violence, and situation prevention (see optional electronic link 8).

⁵⁷ San Pedro Sula, Distrito Central, La Ceiba, Choloma, El Progreso, Juticalpa, Comayagua, Tocoa, Villanueva, and Olanchito.

⁵⁸ The criteria will be spelled out in the Operating Regulations. The population of these municipios averages 300,000, which suggests that there will be significant demand for violence prevention services to be implemented under the program.

⁵⁹ Certification by the Department of Security of the municipal authorities requires that a local committee be established and that a security plan be approved by an open town meeting.

⁶⁰ Consists of training for mayors, nongovernmental organizations, the private sector, and national authorities with a local presence in basic citizen security, methodologies for planning, monitoring, and evaluation, analysis of criminological information, methodology for working with the community.

⁶¹ Consists of providing immediate social and legal services to crime victims in a single physical space. Internal validation for interventions of this kind indicates that in Tegucigalpa such facilities have reduced the number of criminal complaints reaching the national system by 30%. This experience has also been promising in places such as Chihuahua, Mexico; and the Casas de Justicia [Justice Houses] project in Bogotá, Colombia.

⁶² Basic police organization unit in a departmental or municipal jurisdiction, strategically located and specially designed to serve the community.

⁶³ The community policing model refers to strategies promoting cooperation between the public and security institutions. It includes: (i) crime prevention with a community approach; (ii) reorientation of patrols to stress nonemergency services; (iii) increase in public accountability; (iv) decentralization of police command. Jerome Skilnick and David Bayley (1988) *Theme and Variation in Community Policing*.

⁶⁴ In accordance with document GN-2535, lethal equipment may not be charged to the Bank loan.

B. Key results indicators and evaluation

- 1.23 **Outcomes.** In terms of impact, the program is expected to contribute to the reduction of victimization rates, murders, and robberies, and to the increase in the percentage of cases reported that are prosecuted, in accordance with the national targets in the government plan and the national plan. The program's expected outcomes (Annex II) are linked to an improvement in: (i) the effectiveness of the National Police Force; (ii) the effectiveness of the resolution of disciplinary cases inside the National Police Force; and (iii) local citizen security in the beneficiary municipios.
- 1.24 **Economic evaluation.** An economic analysis was performed of the main program interventions, and the potential benefits were estimated based on existing literature adapted to parameters adjusted for the country. For this analysis, the deterrent effect and crime investigation were considered under the assumptions that savings could be generated in the criminal justice system, in the judicial system, in public spending on health care for crime victims, on public and private spending on security, in property stolen or damaged by criminals, in losses of property value due to crime, and in losses due to death or disability after a violent act. The cost-benefit analysis of the program estimates that if the established targets are met, the benefit will be approximately US\$9.79 for each dollar invested. To determine the total amount of these benefits, the economic analysis will be replicated on an ex post basis as part of the monitoring and evaluation plan.
- 1.25 **Financial evaluation.** An evaluation was conducted to determine the fiscal impact that this program will have on the Department of Security's budget. It is estimated, in general terms, that the program will represent 4.1% of the annual budget allocated to the Department of Security. To ensure its sustainability, the Honduran government has agreed to make budget allocations to incorporate civilian and police personnel trained under this program into the public service. This will be reflected in the loan contract. Moreover, the Honduran government will have the income from the TSP, the purpose of which is to finance the security and justice programs.

II. FINANCING STRUCTURE AND RISKS

A. Costs and financing

- 2.1 The total cost of the program is US\$63.8 million; with US\$59.8 million financed by the Bank as follows: US\$41.86 million from the Ordinary Capital and US\$17.94 million from the Fund for Special Operations. The local counterpart will be US\$4 million. The budget consolidated by component is presented in Table II-1 and in the itemized budget.

Table II-1

	IDB (US\$ 000)	Local contribution	TOTAL	%
Component 1. Institutional strengthening of the Department of Security	30,100	1,804	31,904	50
Component 2. Strengthening of the criminal investigation system	12,865	428	13,293	21
Component 3. Strengthening of community security	11,513	1,400	12,913	20
Program management ⁶⁵	5,322	367	5,689	9
TOTAL	59,800	4,000	63,800	100

B. Environmental and social risks

2.2 The program plans to finance the following works: (i) rehabilitation and expansion of ITP facilities; (ii) expansion of the DNIC crime investigation laboratory; (iii) construction of three police stations; and (iv) construction of three integrated social and legal service centers. The Environmental and Social Management Report (ESMR) determined that this program will have minor, localized, short-term environmental impacts, given that the works to be financed will comply with the requirements set forth in the General Environment Act, Legislative Decree 104-93, and the Regulations of the National Environmental Evaluation System, Presidential Directive 189-2009, which are in line with the Bank's policies on social and environmental protection and health and safety risks. The program's environmental and social review, in compliance with the Bank's Environment and Safeguards Compliance Policy (Operational Policy OP-703), concluded that the program should be classified in as a Category "B" operation. For works (iii) and (iv), whose location has not yet been decided, the executing agency will inform the Bank about the status of the land prior to construction and whether any involuntary resettlements will be required. If so, the executing agency will have to prepare an involuntary resettlement plan for the Bank's no objection.

C. Key program and fiduciary risks

2.3 Since this program includes policy-support activities, it entails a reputational risk for the Bank, which, in the case of Honduras, is explained by the shortcomings in internal and external control and accountability mechanisms in the National Police Force. In such cases, the Operational Guidelines for Program Design and Execution in the Area of Civic Coexistence and Public Safety (document GN-2535) establish that risk mitigation measures should be defined, including the strengthening of citizen control and of internal affairs bodies.

2.4 **Safeguards for work with the National Police Force.** Pursuant to the Operational Guidelines for Program Design and Execution in the Area of Civic Coexistence and Public Safety, the following safeguards have been defined: (i) citizen control

⁶⁵ Including the staff of the PCU, monitoring and evaluation activities, impact evaluation, and audits.

mechanisms to be exercised in the framework of the program executive council and the social oversight referred to in paragraph 3.7; (ii) strengthening of the entity responsible for police disciplinary affairs, through the strengthening of the DIECP, as noted in component I, to supervise, take actions, and contribute to the transparency of police management; and (iii) close coordination with countries in the region through South-South cooperation mechanisms such as the Memorandum of Understanding (MOU) signed with the Governments of Mexico and Colombia,⁶⁶ specifically with regard to strengthening: (i) the institutional capacity of the police force for crime prevention; and (ii) trust in the institutions responsible for citizen security, promoting transparency inside police institutions.

- 2.5 In addition, in dialogue with the executing agency, the team identified and qualified the following program execution risks as “high”: (i) weakening of the commitment of the borrower and/or executing agency; (ii) opposition to the program by internal and/or external groups who fear their interests will be affected; and (iii) reputational risk for the National Police Force, given the poor image and credibility of the security sector at present. To mitigate these risks, the program calls for: (i) the establishment of a program executive council, involving key internal stakeholders from the Department of Security and the National Police Force and external stakeholders, such as the Office of the Public Prosecutor, among others to be mentioned later; (ii) broad social dissemination under the program execution arrangements, of operating plans, and progress in execution; and (iii) formulation and implementation of an internal and interagency communication strategy for the Department of Security and the National Police Force to promote the transparency and accountability of police work and to explain and publicize progress and key milestones, which will involve civil society, international donors, agents of change, and key stakeholders, from an early stage.
- 2.6 It was also determined that the program risk associated with financial management and procurement is “medium,” given the generally weak operating capacity and lack of knowledge of Bank policies in the various institutional units. These risks are particularly evident with regard to the executing agency’s capacity for procurement planning and execution. To mitigate these risks, the program will contract and train personnel in administrative and financial management, procurement, planning, and monitoring, to support the beneficiary entities (see paragraph 3.3). This staff will be selected on the basis of terms of reference and a standard evaluation matrix agreed on by the government and the Bank for all operations in the country. In addition, a nonreimbursable technical-assistance operation is being prepared to support establishment of the PCU and move forward with certain activities to prepare for program execution.

⁶⁶ MOU between the Bank and the Governments of Mexico and Colombia on Cooperation and Violence Prevention (document SC-206) of 10 February 2012.

III. IMPLEMENTATION AND MANAGEMENT PLAN

A. Borrower and executing agency

- 3.1 The borrower will be the Government of Honduras, through the Department of Finance (SEFIN). The executing agency will be the Department of Security, through a project coordination unit (PCU) with administrative and operational autonomy, reporting to the minister.
- 3.2 To ensure overall operation and management of the program, the PCU will be responsible for administration and supervision of program implementation and execution of related activities, for which it will perform the following functions: (i) act as liaison with the Bank and administer program finances, including disbursement requests and justification of expenditures; (ii) coordinate, execute, and manage general and technical program administration; (iii) assist the beneficiary institutions with planning, procurement, contracts, preparing terms of reference, and technical specifications; (iv) consolidate the annual work plan (AWP), the procurement plan, and conduct procurement and contracting for the entire program, in coordination with the respective beneficiaries; (v) prepare semiannual status reports; (vi) perform monitoring and evaluation; (vii) prepare, process, and make payments; (viii) maintain a suitable accounting and financial system; and (ix) prepare the program's financial statements. The PCU will also be responsible for official disclosure of information on program activities and progress, through the following functions: (i) circulating the semiannual status reports and other monitoring and evaluation instruments; (ii) periodically publishing and informing civil society about achievements and progress; (iii) receiving and replying to requests for information about the program; and (iv) taking part in opportunities for coordination with international donors in the sector.
- 3.3 The PCU will be made up of a general coordinator and supporting consultants to be contracted with program funds: (i) three technical specialists, one for each component, who will assist in its execution and act as liaison with the line staff designated by the senior administrators of each beneficiary institution; and (ii) specialists in strategic communication, planning and monitoring, procurement and contracting, and finance and accounting. Consultants will also be contracted to provide support for the PCU in specific areas, as required.
- 3.4 To execute the activities in the different components, the beneficiaries⁶⁷ will be responsible for: (i) acting as liaison with the PCU; (ii) preparing the AWP and procurement plan for applicable activities, and consulting with the PCU for the consolidated planning of the entire program; (iii) preparing terms of reference and technical specifications; (iv) evaluating consulting outputs and receiving goods and services contracted by the PCU based on the program's AWP and procurement

⁶⁷ (i) The Department of Security, including both undersecretariats and the National Police Force; (ii) Office of the Public Prosecutor; (iii) DIECP; and (iv) the beneficiary municipios.

plan; and (v) reporting progress and difficulties to the PCU and the program executive council. The Department of Security will sign execution agreements with beneficiaries outside its direct control, establishing the requirement to appoint a person to take charge of such execution, the commitments of the parties, and reporting mechanisms. At a minimum, the Department of Security will sign execution agreements with: (i) DIECP; (ii) the Office of the Public Prosecutor; and (iii) each of the beneficiary municipalities.

- 3.5 To provide strategic guidelines for program execution, a program executive council will be established, with the following functions: (i) to provide strategic guidance for the program; (ii) to provide direction for the program based on national security policy; (iii) to approve the Operating Regulations, AWP, and procurement plan, and monitor them, based on the semiannual program status reports; (iv) to supervise general program execution based on the midterm evaluation report, the final evaluation report, and the auditors' reports; and (v) to identify, study, approve, and propose any significant changes to the program and submit them for the Bank's no objection.
- 3.6 The program executive council will be made up of: (i) the Minister of Security,⁶⁸ who will be its chair; (ii) the Attorney General of the Republic; (iii) the Secretary of SEFIN; and (iv) one representative from the CRSF⁶⁹ during the life of the commission. The PCU coordinator will act as secretary. The decisions of the program executive council will be made by consensus of its members. In addition, the two Undersecretaries of Security, the Director General of the National Police Force, and the Director of the DIECP will take part in the meetings of the program executive council to report on the progress and monitoring of program execution. Staff of the Department of Security and other government agencies as well as members of civil society named by the minister may also take part in the program executive council meetings. The Minister of Security will call meetings of the council at least once every six months or as necessary.
- 3.7 **Social oversight.** The Department of Security will take advantage of the opportunity for consultation and advisory support provided by the CONASIN, and the opportunity for discussion offered by civil society consultative group in Honduras, to channel civil society participation into program monitoring, while continuously explaining and publicizing its achievements and progress.
- 3.8 **Operating Regulations.** These regulations will contain details on the mechanisms, procedures, and instruments to be used in executing each program component.

⁶⁸ The National Police Force and the DIECP are attached to the Department of Security. The Department of Security is responsible for the management and administration of the National Police Force. The DIECP is a decentralized entity of the Department of Security.

⁶⁹ This Commission is the highest authority responsible for designing, planning, and certifying the comprehensive public safety reform process, which includes the National Police and the Office of the Public Prosecutor, among others (Decree 4-2012).

- 3.9 **Special conditions:** Prior to the first disbursement, the beneficiary will meet the following conditions: (i) **establishment of a program coordination unit (PCU) and selection of the general coordinator and specialists in procurement, contracting and finance, and strategic communication;** (ii) **establishment of the program executive council, including appointment of all its members;** (iii) **approval of the program Operating Regulations and the AWP for the first year of program execution;** and (iv) **startup of the UEPEX module in the Integrated Financial Management System (SIAFI) for program financial reports.**
- 3.10 Prior to the start of certain activities, the executing agency will meet the following conditions: (i) signature of execution agreements between the Department of Security and beneficiary entities prior to the start of the activities to be carried out by each beneficiary; (ii) completion of the accreditation of the ITP by the formal education system, prior to disbursement of funds to upgrade/expand the existing infrastructure; (iii) definition by the DIECP of the procedures and protocols for the police screening tests, as established in Article 18-A of Legislative Decree 5-2012, prior to financing infrastructure and equipment for the Trustworthiness Monitoring Center; and (iv) approval of an Environmental and Social Management Plan (ESMP).
- 3.11 **Fiduciary agreements and requirements.** The fiduciary agreements and requirements (Annex III) reflect the financial management and procurement guidelines to be applied for program execution. With support from administrative staff of the Department of Security, the PCU will use SIAFI for program execution and SIAFI's UEPEX module for the program's financial reports.
- 3.12 **Procurement.** Program procurement and contracting will be carried out in accordance with the Bank's procurement policies (documents GN-2349-9 and GN-2350-9) and the provisions of the procurement plan.
- 3.13 **Disbursement period, retroactive financing, and partial eligibility.** Disbursements will be made over five years. Retroactive financing may be recognized from the Bank loan and expenses may be recognized from the counterpart when incurred after 13 January 2012 (approval date of the project profile and in accordance with Bank policies), up to the amounts of US\$300,000 and US\$100,000, respectively. Once the loan contract is signed and the borrower has met the general conditions precedent to the first disbursement, the Bank may declare partial eligibility and disburse up to the equivalent of US\$1 million from the loan proceeds to establish the PCU and comply with the special conditions precedent to the first disbursement.
- 3.14 **External audits.** During execution, the program's audited financial statements will be submitted annually, in accordance with Bank policies. The external audits will be conducted by an independent firm of auditors acceptable to the Bank and will be funded with the loan proceeds.

B. Summary of program monitoring and evaluation arrangements

- 3.15 **Monitoring by the executing agency and the Bank.** The executing agency will use the following documents for physical and financial program monitoring: (i) the Results Matrix; (ii) the program execution plan; (iii) the itemized budget; (iv) the program risk management matrix; (v) the program disbursement plan; and (vi) the project monitoring report (PMR). In consultation with the Bank, it will carry out a midterm and a final evaluation at the times determined in the monitoring and evaluation plan.⁷⁰ The specialist in planning and monitoring will prepare semiannual progress reports for review by the Bank, which will conduct administration missions and inspection visits based on those reports and the PMRs, containing the estimated disbursement times and times for compliance with the physical targets and outcomes, as well as a performance evaluation mechanism.
- 3.16 **Evaluation.** The executing agency, in consultation with the Bank and with its technical advisory support, will conduct impact evaluations⁷¹ in accordance with the monitoring and evaluation plan, proposing specific methods for evaluating program components, considering data availability and the implementation process. The proposed studies are based on retrospective (before/after) methodologies and quasi-experimental techniques, such as double differences and statistical pairing.

⁷⁰ See required electronic link 2.

⁷¹ This evaluation plan is based on the evaluation proposal presented in the program economic evaluation (see paragraph 1.23 and optional electronic link 1).

Development Effectiveness Matrix			
Summary			
I. Strategic Alignment			
1. IDB Strategic Development Objectives		Aligned	
Lending Program	The operation contributes to the lending program for: (i) small and vulnerable countries, (ii) poverty reduction and equity enhancement, and (iii) regional cooperation and integration.		
Regional Development Goals	The operation contributes to the regional development goals of: (i) reducing the extreme poverty rate, and (ii) reducing homicides per 100,000 inhabitants.		
Bank Output Contribution (as defined in Results Framework of IDB-9)	The operation contributes to the following Bank outputs: (i) cities benefited with citizen security projects.		
2. Country Strategy Development Objectives		Aligned	
Country Strategy Results Matrix	GN-2645		
Country Program Results Matrix	GN-2661-4	The operation is included in the 2012 Country Program Document.	
Relevance of this project to country development challenges (if not aligned to country strategy or country program)		Citizen Security represents a dialogue area within the 2011-2014 Country Strategy.	
II. Development Outcomes - Evaluability		Highly Evaluable	Weight
		8.3	10
3. Evidence-based Assessment & Solution		6.4	25%
4. Ex ante Economic Analysis		10.0	25%
5. Monitoring and Evaluation		6.8	25%
6. Risks & Mitigation Monitoring Matrix		10.0	25%
Overall risks rate = magnitude of risks*likelihood		Medium	
Environmental & social risk classification		B	
III. IDB's Role - Additionality			
The project relies on the use of country systems (VPC/PDP criteria)	Yes	The operation uses the following country systems: (i) budget, (ii) treasury, and (iii) accounting and reporting.	
The project uses another country system different from the ones above for implementing the program			
The IDB's involvement promotes improvements of the intended beneficiaries and/or public sector entity in the following dimensions:			
Gender Equality			
Labor			
Environment			
Additional (to project preparation) technical assistance was provided to the public sector entity prior to approval to increase the likelihood of success of the project	Yes	Technical cooperation HO-T1169 was used to support operation design.	
The ex-post impact evaluation of the project will produce evidence to close knowledge gaps in the sector that were identified in the project document and/or in the evaluation plan.	Yes	The evaluation plan proposes impact evaluations to measure the effectiveness of the interventions that will be carried out by the project.	

The operation is an investment loan to the Government of the Republic of Honduras for \$63.8 million, financed with funds from the Bank's Ordinary Capital and the Fund for Special Operations. The project aims to contribute to the prevention and resolution of crime in the country.

The loan proposal presents an adequate description of the general situation of insecurity in Honduras. It analyzes the evolution of relevant indicators as the homicide and robbery rates over time and in different municipalities within the country, as well as compared to the rest of the region. The document identifies some risk factors related to the problem and develops a sound analysis of the government's current limitations to resolve them. However, there is no analysis of their relative importance so as to enable a clear prioritization of the issues to be solved. The proposal lacks solid empirical evidence on the effectiveness of the specific interventions proposed.

The results matrix follows a solid vertical logic. Impacts, outcomes and outputs are clearly defined and the proposed indicators are SMART. However, some outcome indicators have not yet established baselines. The monitoring mechanisms are properly planned and budgeted. The project evaluation plan is based on quasi-experimental and retrospective designs that will allow measuring the effectiveness of proposed interventions, and help bridge the gap of knowledge in this area in the region. An ex-ante cost-benefit analysis of the project was conducted based on reasonable assumptions.

The risk matrix identifies and describes project risks. It proposes mitigation measures and includes indicators to measure their implementation and progress.

RESULTS MATRIX

Project objective. The program's general objective is to contribute to crime prevention and prosecution¹ by improving: (i) the effectiveness of the institutional and operational management of the Department of Security/National Police Force; (ii) criminal investigation capacity; and (iii) management on the subnational level of civic coexistence and public safety in the beneficiary municipios.

EXPECTED IMPACT²

Indicator	Unit of measure	Baseline		Target		Source/Means of verification	Comments
		Value	Year	Value	Year		
EXPECTED IMPACT: Better crime prevention and prosecution							
1. Murders per 100,000 inhabitants	Rate	86	2011	42	2017	Source: Violence Observatory (UNAH) Means: Information bulletins	The target is defined by the Ley de Visión de País y Plan de Nación [National Plan and Country Vision Law]
2. Robberies per 100,000 inhabitants ³	Rate	267	2010	240	2017	Source: System of standardized indicators on civic coexistence and public safety	
3. Victimization	%	32	2010	29	2017	Source: Latinobarómetro 2010 (baseline) Means: Latinobarómetro and national and local survey on victimization and perception of public safety ⁴	Question used by Latinobarómetro: Have your or a family member been assaulted, attacked, or the victim of a crime in the last 12 months?

¹ The program will monitor the two offenses prioritized by the country because they are the most frequent: (i) crimes against life and bodily integrity (murders); and (ii) crimes against property, i.e. taking an object or property belonging to someone else through the use of violence of any kind against persons and/or objects (robbery). Book Two of the current Criminal Code (Decree 144-83).

² The expected impact depends on many factors and efforts. This program is only one such effort.

³ The difference between robbery and theft should be made clear. Robbery: The act of taking an object or property belonging to someone else through the use of violence of any kind against persons and/or objects. Theft: Taking property belonging to someone else without exercising violence or force against objects or persons.

⁴ The objective is to obtain representative information on the national level and in the three beneficiary municipios that can be used to estimate the crime rate affecting households and family members, the victims, and the victimization context. Information is also sought on the perception of public safety and the performance of and experience with the institutions in charge of public safety and justice. As noted in the monitoring and evaluation plan, the survey will be conducted in the first half of year 1 of the program (to update the baseline) and the first half of year 5.

Indicator	Unit of measure	Baseline		Target		Source/Mean of verification	Comments
		Value	Year	Value	Year		
							Question in the national and local survey: Has anyone who lives or used to live in this household been the victim of some sort of crime? Answer: Percentage of people surveyed who answered "yes."
4. Number of cases in which crimes are prosecuted ⁵	%	18.5	2010	25	2017	Source: Records of the Office of the Public Prosecutor and DNIC	Definition of the indicator: Total crimes prosecuted in court ⁶ /total crimes reported and referred for criminal investigation to the DNIC = 10,372/56,089 for 2010.

EXPECTED OUTCOMES

Indicator	Unit of measure	Baseline		Targets			Source/Mean of verification	Comments
		Value	Year	Value	Year	End of project		
EXPECTED OUTCOME 1: Better effectiveness of the National Police Force								
1.1 Competence test grades of ITP graduates	Grade	N/A	2013	=> 65%	4	=> 70%	Source: Police Education System Means: Evaluation report of the competence test ⁷	A competence test will be designed for groups who have completed secondary school to be administered upon entry into and graduation from the ITP.

⁵ Crimes prosecuted in court refers to cases in which the public prosecutor has sufficient information and evidence and presents an indictment to the competent court against one or more persons accused of having committed a crime or crimes.

⁶ The baseline for the program, which will be determined during the first six months of execution, will provide more details on this indicator giving the specific number of cases investigated by the DNIC that are prosecuted in court. The information currently reported lumps together court cases arising from investigations by the DNIC and that of the Office of the Public Prosecutor itself.

⁷ This test will be conducted as part of the exercise to update the baseline in the second half of year 1 and will be repeated in the second half of year 5 of execution, as noted in the program's monitoring and evaluation plan.

Indicator	Unit of measure	Baseline		Targets			Source/Mean of verification	Comments
		Value	Year	Value	Year	End of project		
								The test will be administered to a group trained under the existing curriculum and one trained under the improved curriculum. Based on this exercise the average grade of each group will be calculated.
1.2 Citizen trust in the National Police Force	%	N/A	2012			Increase of three percentage points	Source: National survey on victimization and perception of public safety Means: Survey report	Question in the national and local survey: How much do you trust the National Police Force? Answer. The percentage of those surveyed who say they have “a lot” or “some” trust will be monitored.
EXPECTED OUTCOME 2: Better effectiveness in investigating disciplinary cases in the National Police Force								
2.1 Complaints about police conduct investigated by the DIECP	Ratio	25.6	2010	40	3	= > 60	Data from the former Internal Affairs Office of the National Police Force and the DIECP	Definition of the indicator: Complaints investigated/ complaints received = 214/836 in 2010
EXPECTED OUTCOME 3: Better effectiveness of criminal investigation								
3.1 Murders with complete reports by the DNIC referred to the Office of the Public Prosecutor	Ratio	21	2010	45	4	= > 60	Source: Office of the Public Prosecutor Means: Report on the records of the Office of the Public Prosecutor Baseline: Report by consultant Felipe Muñoz	Definition of the indicator: Cases that have a criminal investigation report issued by the DNIC/referred by the Office of the Public Prosecutor to the DNIC for criminal investigations (%)

Indicator	Unit of measure	Baseline		Targets			Source/Mean of verification	Comments
		Value	Year	Value	Year	End of project		
EXPECTED OUTCOME 4: Increased citizen security on the local level in the beneficiary municipios								
4.1 Comparative victimization	Ratio	N/A	2012	0.05 point reduction in the ratio	4	0.1 point reduction in the ratio	National and local survey on victimization and perception of public safety to be used to obtain the percentage of individuals who have been victims of a crime of some kind.	<p>Definition of the indicator: Victimization in beneficiary municipios/victimization on the national level. The ratio is expected to fall, in other words, the numerator will be reduced proportionally rather than a potential reduction in the denominator; or, the denominator will grow faster than the numerator. This would provide evidence that there is a reduction the beneficiary municipios compared to the national situation.</p> <p>To illustrate this indicator, we will consider two relevant cases and take a baseline of 41/38 (=1.078947). By year 4 we assume that this ratio will be 38/37 (=1.027027). This would mean that the reduction was 0.05 (municipal victimization fell more than national victimization). But it may happen that victimization increases (whatever the reason). In that case, the situation in year 4 could be 42/41 (=1.02439). The reduction in</p>

Indicator	Unit of measure	Baseline		Targets			Source/Mean of verification	Comments
		Value	Year	Value	Year	End of project		
								the ratio here is also 0.05 (municipal victimization grew more slowly than it grew nationally).
4.2 Comparative citizen trust in the National Police Force	Ratio	N/A	2012	0.5 point reduction in the ratio	4	1 point reduction in the ratio	National and local survey on victimization and perception of public safety to be used to obtain the percentage of individuals answer “a lot” or “some” trust in the National Police Force nationally and in the beneficiary municipios.	Definition of the indicator: Citizen trust in the National Police Force in the beneficiary municipios/citizen trust in the National Police Force nationally. Similar to the previous indicator, it is expected that this ratio will fall. In other words, the numerator will fall proportionally rather than a potential reduction in the denominator or, the denominator may grow faster than the numerator. This would provide evidence that there is a reduction in the beneficiary municipios compared to the national situation.
4.3 Reports of domestic violence ⁸ in beneficiary municipios	Number	N/A	2011	+10% over the baseline	4	+15% over the baseline	Source: National Police Force Statistics Department	Definition of the indicator: Number of complaints per municipio.

⁸ All actions or omissions that lead to violence against family members/ex partner, excluding sexual offenses.

OUTPUTS

Outputs/milestones	Total estimated cost per output (US\$)	Unit of measure	Baseline 2010	Year 1	Year 2	Year 3	Year 4	Year 5	Target, end of project	Source/Mean of verification
On the general program level: GCI-9 targets										
Cities benefitting from citizen security projects	N/A	Cities	0	0	0	0	0	1	1	- Cities are defined as metropolitan areas with over 500,000 inhabitants, which may cover several jurisdictions.
Component 1: Institutional strengthening of the Department of Security										
1.1 Strategic mid-term and long-term plans implemented	951,430	Plan	0	0	1	0	0	0	1	- Ministerial resolution approving the strategic plan - Semiannual progress reports
1.2 Information technology unit operating	566,000	Unit	0	0	1	0	0	0	1	- Ministerial decision creating the unit - Budget items to create the positions needed to staff the unit - Report on operation of the information technology unit - Training certification of the unit's new staff
1.3 Human resources organizational and information systems implemented	2,900,000	System	0	0	0	0	1	0	1	- Master records for Department of Security civilian and police agents - Ministerial resolution approving manuals of human resource system processes and the manuals themselves

Outputs/milestones	Total estimated cost per output (US\$)	Unit of measure	Baseline 2010	Year 1	Year 2	Year 3	Year 4	Year 5	Target, end of project	Source/Mean of verification
										- System reports with a complete database
Master plan of requirements for police and civilian personnel drawn up		Document	0	0	1	0	0	0	1	- Document containing master plan of requirements for police and civilian personnel of the Department of Security
Human resource information system developed and implemented		Information system	0	0	0	1	0	0	1	- Acceptance certificate of the system - Training certificates obtained by system users - Acceptance certificate of equipment
Police officers with updated records		Police officers	0	0	0	0	677	846	1,523	- Semiannual human resource reports on the number of records updated and digitized up to that time
Police personnel—entry level, noncommissioned and auxiliary, with updated records		Police personnel	0				3,973	5,297	9270	- Semiannual human resource reports on the number of records updated and digitized up to that time
1.4 New curriculum for basic training (ITP) designed	450,000	Curriculum	0	1	0	0	0	0	1	- Curriculum - Certificate of accreditation from the Department of Education
1.5 ITP graduates	15,787,102	Students	0	0	0	1,000	1,000	1,000	3,000	- Design of works - Works supervision reports - Property inventory

Outputs/milestones	Total estimated cost per output (US\$)	Unit of measure	Baseline 2010	Year 1	Year 2	Year 3	Year 4	Year 5	Target, end of project	Source/Mean of verification
										<ul style="list-style-type: none"> - Acceptance certificate of works - Acceptance certificate of equipment - Enrollment list - Graduate list - Budget items for the creation of positions
Design awarded and contracted		Bid	0	1	0	0	0	0	1	- Contract signed in the first half of year 1
Works design completed		Designs	0	1	0	0	0	0	1	- Designs of works in the second half of year 2
Bidding and award of the construction/upgrading of works					1					- First quarter of year 2
Infrastructure works completed		Works	0	0	1	0	0	0	1	- Acceptance certificate of works in the third-fourth quarter of year 2
1.6 Officials of the criminal investigation system trained/updated in criminal investigation	2,823,598	Officials	0	0	375	750	750	750	2,625	- List of participants
1.7 Police reports evaluated	6,558,060	Reports	0	0	500	1,000	1,000	1,000	3,500	- Document containing DIECP reports
1.8 System for the receipt of complaints and office operating	992,740	System	0	0	0	1	0	0	1	- System reports
1.9 Annual communication plan implemented	875,312	Annual plan	0	0	1	0	0	0	1	<ul style="list-style-type: none"> - Plan - Articles and guidelines

Outputs/milestones	Total estimated cost per output (US\$)	Unit of measure	Baseline 2010	Year 1	Year 2	Year 3	Year 4	Year 5	Target, end of project	Source/Mean of verification
										<ul style="list-style-type: none"> - Journals and other media - Progress report on the plan
Component 2: Strengthening the criminal investigation system										
2.1 Criminal investigation system operating	1,298,480	System	0	0	0	1	0	0	1	<ul style="list-style-type: none"> - Reports on the activities of the interagency technical committee - Midterm evaluation report
2.2 Crime analysis center operating	928,540	Center	0	0	0	1	0	0	1	<ul style="list-style-type: none"> - Semiannual report on center activities - Budget items to create positions
2.3 New curriculum for specialized training designed	250,000	Curriculum	0	0	0	1	0	0	1	<ul style="list-style-type: none"> - Resolution on the Police Education System approving the curriculum - Works designed
2.4 Police education system infrastructure upgraded	1,515,000	Infrastructure	0	0	0.30	0.70	0	0	1	<ul style="list-style-type: none"> - Works supervision reports - Acceptance certificate of the works
2.5 Equipment delivered for the police education system	399,925	Equipment	0			1				<ul style="list-style-type: none"> - Acceptance certificate of equipment
2.6 Officials trained under the new curriculum	1,246,000	Officials	0	150	300	300	300	300	1,350	<ul style="list-style-type: none"> - List of graduates of specialized criminal investigation courses
2.7 Integrated criminal information platform operating	3,157,280	Information system	0	0	0	1	0	0	1	<ul style="list-style-type: none"> - Reports with consolidated information on system stakeholders

Outputs/milestones	Total estimated cost per output (US\$)	Unit of measure	Baseline 2010	Year 1	Year 2	Year 3	Year 4	Year 5	Target, end of project	Source/Mean of verification
2.8 DNIC's crime investigation laboratory equipped	3,900,000	Laboratory	0	1	0	0	0	0	1	- Design of the expansion - Works supervision reports - Acceptance certificate
Review of construction and final design of the works contracted		Review	0	1	0	0	0	0	1	- Contract signed and under way in the first quarter of year 1
Bidding and award of the works contract		Bid	0	1	0	0	0	0	1	- First quarter of year 1
Bidding and award of equipment contract		Bid	0	1	0	0	0	0	1	- Second quarter of year 1
Infrastructure works completed		Works	0	1	0	0	0	0	1	- Acceptance certificate of the works in the third-fourth quarter of year 1
Acceptance certificate of the equipment		Record	0	1	0	0	0	0	1	- Acceptance certificate of the equipment in the third-fourth quarter of year 1
2.9 Infrastructure upgraded for the DNIC	597,688	Infrastruc-ture	0	1	0	0	0	0	1	- Acceptance certificate of the works
Component 3: Strengthening of community security in beneficiary municipios										
3.1 Municipios with certified local plans for civic coexistence and public safety	1,133,715	Municipios	0	0	25	50	100	123	298	- Local civic coexistence and public safety plans - Certificate issued by the Department of Security

Outputs/milestones	Total estimated cost per output (US\$)	Unit of measure	Baseline 2010	Year 1	Year 2	Year 3	Year 4	Year 5	Target, end of project	Source/Mean of verification
3.2 Integrated centers for victim assistance operating	6,618,693	Centers	0	0	1	2	0	0	3	- Operations manuals for the centers - Report on complaints received and assistance provided in the locality
Integrated centers for victim assistance designed		Centers	0	1	2	0	0	0	3	- Acceptance certificate of the designs
Integrated centers for victim assistance built		Centers	0	0	1	2	0	0	3	- Acceptance certificate of the works
3.3 Local violence observatory operating	1,229,613	Observatory	0	0	1	2	0	0	3	- Reports on local violence
3.4 Community police station operating	1,807,404	Station	0	0	1	2	0	0	3	- Report on police station activities
3.5 Police trained in “community policing” philosophy	1,523,560	Police	0	1,200	1,800	1,800	1,800	240	6,840	- Attendance list and report evaluating the training
3.6 Priority actions in local citizen security plans implemented	600,000	Actions	0	0	2	3	4	3	12	- Report evaluating the actions
Total estimated cost of outputs	58,110,140									
Contingencies	1,219,000									
Project management⁹	4,470,860									
Total estimated cost of the program	63,800,000									

⁹ Includes monitoring and evaluation and auditing costs. The specific outputs under this item are: (i) midterm and final evaluations; (ii) annual and final audit reports; (iii) program impact evaluation; and (iv) at least two instruments for building the baseline, such as the national and local survey on victimization and perception of public safety, and the competence test.

FIDUCIARY AGREEMENTS AND REQUIREMENTS

Country:	Honduras
Project number:	HO-L1063
Name:	Program of Support for the Implementation of the Comprehensive Civic Coexistence and Public Safety Policy
Executing agency:	Department of the Secretary of State for Security (Department of Security)
Fiduciary team:	Nalda Morales (Financial Management FMP/CHO) Juan Carlos Martell (Procurement FMP/CHO)

I. EXECUTIVE SUMMARY

The institutional capacity assessment of the executing agency was performed using the Institutional Capacity Assessment System (ICAS) and the Project Risk Management methodology, and both analyses concurred on a **medium risk** level. The latter analysis highlighted other risks, particularly a reputational risk that should be given special consideration by the project team.

The most recent diagnostic assessments of the Honduran **public financial management systems** indicate significant progress, mainly in implementing the Integrated Financial Management System (SIAFI) the unified treasury account (CUT), decentralization of the treasury function, and the use of SIAFI/UEPEX module for project financial management. A “goods” subsystem is also available for control of common-use assets procured by the government. The government’s audit and internal control subsystem, like the external control subsystem, is not used in executing the Bank’s portfolio. Those functions are performed by external auditors.

With regard to the government procurement system, the country presents strengths identified in the 2010 MAPS/OECD analysis, particularly a legal framework that reflects most international best practices. However, challenges exist in attaining standards that would permit the Bank to use the country system in IDB-financed operations. The Bank will support the initiatives arising from the strategic plan for modernization of government procurement financed by other international donors, particularly the World Bank.

II. FIDUCIARY CONTEXT OF THE EXECUTING AGENCY

The Department of Security's use of SIAFI has been limited to drawing up its annual budget. By legislative decree,¹ budget execution does not appear in the system, and expenditures are periodically regularized. Although it has internal audit units, they have limited resources and staff and are in the process of implementing the guidelines of their regulator ONADICI.² External control, which is the responsibility of the Tribunal Superior de Cuentas [Senior State Auditing Office] that only has the capacity to audit 50% of the central government's budget, is in a similar situation.³ Experience in financial management, procurement, and monitoring projects with the IDB is new in the executing agency, which entails a capacity risk that needs to be mitigated. To do so, a program coordination unit (PCU) will be established in the Department of Security, for administration and supervision of program implementation and execution of the program's projects and activities.

The country's financial parameters (document CP-2507-8 of 30 August 2005) allow 100% financing of the project, including taxes considered reasonable.

The Department of Finance (SEFIN) will guarantee that the PCU will enjoy the envisaged authority and capacities at all times, for purposes of ensuring autonomous, efficient program management. Its main functions will be: (i) financial administration of program funds in SIAFI; (ii) signature of disbursement requests; (iii) procurement and contracting processes for goods and services; and (iv) preparation of status reports. The PCU will also have the capacity to formalize and sign contracts arising from program implementation. The PCU will be composed of specialists in administrative and financial management, procurement, and project planning and monitoring, who will work in coordination with, but independently from, the administrative management of the Department of Security.

SEFIN should collaborate with the Department of Security in fulfillment of the conditions precedent and in the contracting of consultants to make up the PCU, and the project should have an official to support the PCU in monitoring all processes related to financial administration, the use of SIAFI, and other internal SEFIN procedures. This official may be paid with resources from the Bank loan.

¹ General Budget Provisions 2012, Art. 181: "Based on the provisions of the Transparency and Access to Public Information Act, classified information is information regarding the budgets allocated to the Office of the President and the National Defense and Security Council, with respect to expenditures on State security or when international negotiations, the country's monetary stability, or its governance are involved."

² Oficina Nacional de Desarrollo Integral del Control Interno [National Office for Comprehensive Development of Internal Control] (ONADICI), Consultant Edison E. Estrella R., Informe de Resultados de la Evaluación del Subsistema de Auditoría Interna (SSAI), conforme la Guía del Banco Interamericano de Desarrollo (BID) [Report on the findings of the evaluation of the Internal Audit Subsystem according to IDB guidelines], December 2011.

³ Informe del Desempeño de la Gestión de las Finanzas Públicas [Report on public financial management performance], 2011.

III. FIDUCIARY RISK EVALUATION AND MITIGATION MEASURES

As mentioned above, the fiduciary team determined that the total program risk associated with financial management and procurement is MEDIUM. The conclusion is mainly based on operating capacity and lack of knowledge of Bank policies in the respective institutional units. As for procurement, the risk will be mitigated by contracting a procurement specialist following IDB procedures, who will be part of the PCU. In addition, workshops will be held for existing and contracted Department of Security personnel on Bank procedures, and a monitoring system will be implemented to cover planning of the procurement required for the project through use of the Procurement Plan Execution System (SEPA).

The fiduciary risk will be mitigated through training in the financial management of projects, the use of SIAFI and the UEPEX goods and reporting module, strengthening the internal control function, evaluation of internal control and financial audits, updating the institutional capacity and risk management analysis, and ex post reviews to be performed by external audit firms acceptable to the Bank, contracted with loan proceeds.

IV. CONSIDERATIONS FOR THE SPECIAL CONDITIONS OF THE CONTRACTS

- a. Procurement will be governed by the policies set forth in Bank documents GN-2349-9 and GN-2350-9.
- b. SEPA will be used for procurement planning and management.
- c. The exchange rate will be the official buying rate at the time of payment.
- d. An audit will be required annually and preliminary reports will be due by 30 June of each year.
- e. The SIAFI and UEPEX module and the national goods module will be used.

Conditions precedent to the first disbursement:

- a. Having established the PCU and contracted its core staff.
- b. Having granted access to the SIAFI and UEPEX to PCU staff.
- c. Delegation of the power to sign disbursement requests to the project's general coordinator.
- d. The Operating Regulations and the Fiduciary Administration Manual agreed upon with the Bank.

V. AGREEMENTS AND REQUIREMENTS FOR PROCUREMENT EXECUTION

The fiduciary agreements and requirements for procurement establish the provisions to be applied for execution of all procurements planned in the project.

1. Procurement execution

The Department of Security, through the PCU, will be responsible for the selection, tendering, contracting, supervision, and receipt of program procurement, which will be

carried out in accordance with the Bank's procurement policies set forth in documents GN-2349-9 and GN-2350-9 and the procurement plan for the operation, which establishes: (i) the contracts for works, goods, and consulting services required for the program; (ii) the proposed methods for procurement of goods and selecting consultants; and (iii) the procedures applied by the Bank for examining each of the procurement processes. For procurement planning, the executing agency will be required to update the procurement plan annually, or as required by the program, using SEPA for planning and for reporting progress. All changes to the procurement plan must be submitted to the Bank for approval. The Department of Security will agree on a procurement plan with the Bank for the first 18 months of execution. Project procurement will be reviewed in accordance with the procurement plan.

- a. **Procurement of works, goods, and nonconsulting services:** Works, goods, and nonconsulting services⁴ arising under the program and subject to international competitive bidding (ICB) will be procured using the Bank's standard bidding documents (SBDs). Bidding processes subject to national competitive bidding (NCB) will be executed using national bidding documents acceptable to the Bank, published on the web site of the Oficina Normativa de Contratación y Adquisiciones del Estado [Government Procurement Regulation Office] (ONCAE) www.honducompras.hn. The program's sector specialist is responsible for reviewing the technical specifications for procurement when selection processes are being prepared. No direct contracting or prequalification of bidders has been planned.
- b. **Selection and contracting of consultants:** Consulting service contracts arising under the program will be executed using the standard request for proposals (SRFP) issued by or agreed upon with the Bank. The program's sector specialist is responsible for reviewing the terms of reference for consulting service contracts.
 - Selection of individual consultants: As determined by the executing agency, individual consultants may be contracted through local or international notices in order to establish a short list of qualified individuals.
 - Training: The identified training will be performed by individual consultants or consulting firms contracted for that purpose, following the policy for contracting consultants.
- c. **Recurring expenses:** These costs are operating and maintenance expenses during the life of the program and will be financed by the project under the procurement plan and modifications thereto, following procedures agreed upon with the Bank. Recurring expenses also include the cost of consultants hired to assist the executing agency during program execution. However, operating expenses do not include salaries for public sector officials.
- d. **Advance procurement/retroactive financing:** The Bank may recognize expenses incurred under the program by the executing agency of up to US\$300,000 from the loan, including: study of the legal foundation and proposal for implementing the

⁴ Policy for the procurement of goods and works financed by the Inter-American Development Bank (document GN-2349-9), paragraph 1.1: Nonconsulting services are treated as goods.

Trustworthiness Monitoring Center, technical assistance for the creation and strengthening of the National Citizen Security Council, minimum team (consultants) and equipment for coordination of the security policy on the local level, and establishment of the executing unit (core specialists and equipment). These expenses are advance contracts that will be recognized retroactively, provided they are incurred up to 18 months prior to the date on which the operation is approved by Bank's Board of Executive Directors and after approval of the project profile for the operation (12 December 2011), in accordance with the Bank's procurement policies.

- e. **National preference:** National preference will not be included in procurement processes for goods planned for this operation.
- f. **Other:** The program Operating Regulations will contain details on the mechanism and tools for program execution and on fiduciary procedures. They will also establish procedures for the contracting of nonconsulting services to perform specialized services.

2. Table of thresholds (US\$ thousands)

International competitive bidding	Works		International competitive bidding	Goods ⁵		Consulting	
	National competitive bidding	Shopping		National competitive bidding	Shopping	International publicity	Shortlist 100% national
Over US\$1.5 million	Between US\$150,000 and US\$1.5 million	Under US\$150,000	Over US\$150,000	Between US\$25,000 and US\$150,000	Under US\$25,000	US\$200,000 and over	Under US\$200,000

3. Major procurement processes

The executing agency will be responsible for preparing the procurement plan,^{6,7} and the procurement specialist will provide assistance in ensuring that the processes conform to the Bank's procurement policies through the issuance of the required opinion for consideration by the Project Team Leader. The main procurement processes are shown below.

⁵ Includes nonconsulting services.

⁶ Policy for the procurement of goods and works financed by the Inter-American Development Bank (document GN-2349-9), paragraph 1.16 and the Policy for the selection and contracting of consulting services (document GN-2350-9), paragraph 1.23: The borrower shall prepare and, before loan negotiations, furnish to the Bank for its approval a procurement plan for an initial period of at least 18 months.

⁷ See the Guide for the Preparation and Application of the Procurement Plan (p. 18).

MAJOR PROCUREMENT PROCESSES

Activity	Type of bidding	Estimated date	Estimated amount (US\$)
Goods			
Renovation and modernization of equipment for the ITP	ICB		1,619,300.00
Provision of basic inputs for laboratories in the DNIC, forensic medicine, and the police automated fingerprint identification system (AFIS)	ICB		300,000.00
Visual inspection kits	ICB		150,000.00
Works			
Expansion and upgrading of ITP infrastructure	ICB		7,604,742.00
Remodeling and construction of infrastructure for the Police Education System	ICB		1,515,000.00
Classroom construction (estimated capacity of 30 students each)	LCB		837,800.00
Firms⁸			
Preparation of a five-year strategic plan for the Department of Security including in particular, the work of the undersecretariats, the International Cooperation Office, and information management areas. With a system for monitoring plan implementation indicators.	QCBS		700,000.00
Preparation of: (1) proposed regulations for the Honduran National Police Force Organization Act; (2) organization manual, responsibilities and procedures (substantive) of the Department of Security (does not include the police); (3) macrostructure and positions in the Department of Security, including an updated organization chart; (4) training and support in implementation.	QCBS		180,000.00
Technical assistance for implementing the improvement proposal, including: (1) process manuals; (2) software for the civil service police career modules; (3) police census; (4) system implementation; (5) training; and (6) data upload.	QCBS		2,500,000.00

* To consult the 18-month procurement plan, click [here](#).

4. Procurement supervision

According to the fiduciary risk analysis in procurement, ex post reviews will be used. The ex post reviews will take place every six months in accordance with the project supervision plan. The ex post review reports will include at least one physical inspection visit⁹ selected from among the procurement processes subject to ex post review.

⁸ In the case of consulting services, the short list may comprise firms of different nationalities. See the Policy for the selection and contracting of consulting services (document [GN-2350-9](#)), paragraph 2.6.

⁹ Inspection verifies that procurements have actually been made, leaving verification of their quality and compliance with specifications to the sector specialist.

Ex post review thresholds		
Works	Goods	Consulting services
Beginning at the start of the operation, execution of contracts under US\$600,000 will be subject to ex post review.	Beginning at the start of the operation, execution of contracts under US\$60,000 will be subject to ex post review.	Beginning at the start of the operation, execution of contracts under US\$80,000 will be subject to ex post review. Individual consulting contracts under US\$30,000 will be subject to ex post review.
All single-source selection of consulting services to be performed by firms or individuals and procurement of nonconsulting services, goods, or works will be subject to ex ante review by the Bank, regardless of the contract amount.		

5. Special provisions

- a. **Measures to reduce the likelihood of corruption:** The provisions of documents GN-2349-9 and GN-2350-9 relating to prohibited practices (lists of ineligible companies and individuals maintained by multilateral agencies) will be applied.
- b. **Other special procedures:** At its discretion, the Bank may change the procurement supervision method, based on experience in execution and updated to the institutional capacity, or the fiduciary visits conducted.

6. Records and files

The PCU will maintain the files and original supporting documents for procurement processes and all vouchers for payments made with project funds, and will report them using the established procedures.

FINANCIAL MANAGEMENT

1. Programming and budget

The SIAFI operates in real time. The budget is executed and project payments are managed in a deconcentrated manner, through the administrative management offices assigned to the projects in addition to the administrative management offices of the executing agency. Budget reprogramming and increases are approved by SEFIN.

2. Accounting and information systems

The accounting subsystem is used by central government institutions. The rendering of project accounts is done by the UEPEX module, with data from SIAFI's budget, treasury, and accounting subsystems.

3. Disbursements and cash flow

The treasury subsystem meets Bank standards, which makes it an appropriate means of managing income and disbursements and adequate and reliable for administering project funds.¹⁰ The Department of Security will open a special account for the project in the Central

¹⁰ Informe de Aplicación de la GUS, Calderón, Elizabeth, December 2011.

Bank of Honduras. The funds will be handled in the unified treasury account (CUT) and payments will be made through operating accounts in U.S. dollars or local currency.

4. Internal control and audits, external control and reports

These functions are in development; evaluating the internal control system will be the responsibility of the firm of external auditors acceptable to the Bank. The external audit will be conducted by an audit firm with eligibility level I or II.

Under the new Access to Information Policy, effective 1 January 2011, the Bank will publicly disclose the project's annual audited financial statements. For disclosure purposes, the audited financial statements should include the cash flow statement, the cumulative investment statement, explanatory notes, and the auditors' opinion. The estimated cost of the audit is US\$80,000.

5. Agreements and requirements

The rules to be used in this operation are the Financial Management Policy for IDB-financed Projects (document OP-273-2), the Financial Management Operational Guidelines (document OP-274-2), guidelines for financial reports and audits, document AF-200, and model terms of reference for Bank financial audits, as amended.

6. Financial supervision plan

The Bank will supervise implementation of the SIAFI, the UEPEX module, and the national goods module, and will review the auditors' reports and the implementation of action plans to address any findings. It will also supervise implementation and monitoring of the actions to mitigate identified risks through on-site reviews at the offices of the executing and coexecuting agencies. It will also perform desk reviews. The supervision will be performed by the fiduciary specialist in financial management with support from the audit firm.

7. Execution arrangements

A PCU will be established in the Department of Security, with technical, operational, and administrative autonomy, and a project executive council will be created, chaired by the Minister of Security with participation by the departmental areas involved in the program, the Public Safety Reform Commission, the Department of Finance, and the coordinator of the PCU as secretary. The National Domestic Security Council (CONASIN) will also participate as a body for consultation, advisory support, and promotion of the program.

8. Other agreements and financial management requirements

Actions to mitigate the financial risks identified will be monitored, and the necessary strengthening activities will be proposed to reach a reasonable level of assurance regarding the adequate and efficient use of resources. Modifications to the fiduciary arrangements will be made as necessary. It is considered important to suggest implementation of the SIAFI in the Department of Security, as well as the payment of the payroll for police personnel incorporated during program execution, upon prior consultation with the Institute for Access to Public Information.

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE-___/12

Honduras. Loan ___/BL-HO to the Republic of Honduras
Program of Support for the Implementation of the
Comprehensive Civic Coexistence
and Public Safety Policy

The Board of Executive Directors

RESOLVES:

That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such contract or contracts as may be necessary with the Republic of Honduras, as Borrower, for the purpose of granting it a financing to cooperate in the execution of a program to support the implementation of the comprehensive civic coexistence and public safety policy. Such financing will be for the amount of up to US\$41,860,000 from the resources of the Single Currency Facility of the Bank's Ordinary Capital, corresponds to a parallel loan within the framework of the multilateral debt relief and concessional finance reform of the Bank, and will be subject to the Financial Terms and Conditions and the Special Contractual Conditions of the Project Summary of the Loan Proposal.

(Adopted on _____, 2012)

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE-___/12

Honduras. Loan ___/BL-HO to the Republic of Honduras
Program of Support for the Implementation of the
Comprehensive Civic Coexistence
and Public Safety Policy

The Board of Executive Directors

RESOLVES:

That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such contract or contracts as may be necessary with the Republic of Honduras, as Borrower, for the purpose of granting it a financing to cooperate in the execution of a program to support the implementation of the comprehensive civic coexistence and public safety policy. Such financing will be for the amount of up to US\$17,940,000 from the resources of the Bank's Fund for Special Operations, corresponds to a parallel loan within the framework of the multilateral debt relief and concessional finance reform of the Bank, and will be subject to the Financial Terms and Conditions and the Special Contractual Conditions of the Project Summary of the Loan Proposal.

(Adopted on ___, 2012)

DOCUMENTO DEL BANCO INTERAMERICANO DE DESARROLLO

HONDURAS

**PROGRAMA DE APOYO A LA IMPLEMENTACIÓN DE LA POLÍTICA
INTEGRAL DE CONVIVENCIA Y SEGURIDAD CIUDADANA**

(HO-L1063) (PRÉSTAMO 2745/BL-HO)

ENMIENDA A LA PROPUESTA DE PRÉSTAMO 2745/BL-HO

(HO-X1021)

Este documento fue preparado por el equipo de proyecto integrado por: César Rivera (ICS/CHO) Jefe de Equipo; Karelia Villa (IFD/ICS), Co-Jefe de Equipo; Andrés Restrepo (IFD/ICS); Juan Carlos Pérez-Segnini (LEG/SGO); Alonso Chaverri-Suarez (LEG/CLA); Juan Carlos Martell (PDP/CHO); Nalda Morales (PDP/CHO); Bibiana Taboada (SPD/SDV); César Rodríguez (SPD/SDV); Xiomara Hernández (CID/CHO); y Melissa González (IFD/ICS).

El presente documento se divulga al público de forma simultánea a su distribución al Directorio Ejecutivo del Banco. El Directorio Ejecutivo podrá aprobar o no el documento o aprobarlo con modificaciones. Si posteriormente fuera objeto de actualizaciones, el documento actualizado se pondrá a disposición del público de acuerdo con la Política de Acceso a Información del Banco.

ANNEX B

AMENDED PROJECT DOCUMENT

HO-X1021

HONDURAS
PROGRAMA DE APOYO A LA IMPLEMENTACIÓN DE LA POLÍTICA INTEGRAL DE CONVIVENCIA Y
SEGURIDAD CIUDADANA
(HO-L1063) (PRÉSTAMO 2745/BL-HO)
ENMIENDA A LA PROPUESTA DE PRÉSTAMO 2745/BL-HO
(HO-X1021)

Agencia ejecutora:	Secretaría de Seguridad (SS)
Monto de la donación:	US\$6.6 millones
Fuente:	Agencia Suiza para el Desarrollo y la Cooperación (“COSUDE”)

I. ANTECEDENTES

- 1.1 El Programa de Apoyo a la Implementación de la Política Integral de Convivencia y Seguridad Ciudadana (HO-L1063) (en adelante el “Programa”) fue aprobado por el Directorio Ejecutivo del Banco el 21 de junio de 2012. El contrato de Préstamo del Programa (2745/BL-HO) fue suscrito entre el BID y el Gobierno de la República de Honduras el 23 de junio de 2012 y fue ratificado por el Congreso Nacional de la República de Honduras el pasado 20 de julio. Dicho contrato fue publicado en La Gaceta, Diario Oficial, el 17 de agosto del presente año. El Organismo Ejecutor de este Programa es la Secretaría de Seguridad (SS) a través de una Unidad Coordinadora del Programa.
- 1.2 Con posterioridad a la aprobación del Directorio Ejecutivo, la Agencia Suiza para el Desarrollo y la Cooperación (COSUDE) anunció su interés y disposición a co-financiar las actividades de este Programa, hasta por un monto de seis millones seiscientos mil dólares americanos, sujeto a que dichos recursos fuesen administrados por el Banco. En tal sentido, el presente documento se presenta a efectos de solicitar la autorización del Directorio Ejecutivo para administrar dichos recursos y señalar la manera en que los mismos serán incorporados al Programa.
- 1.3 El Programa tiene como objetivo general, “contribuir a la prevención y resolución del delito”. Se espera alcanzar este objetivo mediante el desarrollo de acciones específicas orientadas a mejorar: i) la efectividad de la gestión institucional y operativa de la Secretaría de Seguridad y la Policía Nacional; ii) la capacidad de investigación del delito; y iii) la gestión a nivel territorial de la convivencia y la seguridad ciudadana en los municipios beneficiados. El gobierno hondureño, a través del organismo ejecutor, está poniendo en marcha un conjunto de medidas institucionales con el propósito de atender adecuadamente los retos derivados de la ejecución de que supone el desarrollo de esta operación.
- 1.4 El Programa consiste en tres componentes: i) fortalecimiento institucional de la Secretaría de Seguridad/Policía Nacional para incrementar la efectividad en el manejo y gestión de la seguridad a nivel nacional incluyendo la formación y profesionalización de la Policía Nacional a través del Instituto Técnico Policial (ITP); ii) fortalecimiento del Sistema de Investigación Criminal, a fin de contribuir a la resolución del delito ejecutado por parte de la Policía Nacional; y iii) fortalecimiento de la seguridad

comunitaria para mejorar la gestión de la convivencia y la seguridad, en tres de los diez municipios priorizados por el Gobierno de Honduras mediante el Programa “Municipios Más Seguros”

II. ANÁLISIS

- 2.1. La cooperación suiza co-financiará las actividades del Programa hasta por un monto de seis millones seiscientos mil dólares americanos. En principio, este aporte financiero estará concentrado en los componentes I y III del Programa, de conformidad al siguiente detalle y sería todo recursos nuevos (no sustituiría recursos de contrapartida en el presupuesto original):
- 2.3. En el **componente I** (Fortalecimiento Institucional de la Secretaría de Seguridad) se apoyarán dos líneas de trabajo, específicamente las siguientes: i) *plan estratégico de mediano y largo plazo* (cuadro de costos 1.1); y ii) *estudiantes graduados del ITP* (cuadro de costos 1.5); Los montos previstos son: US\$270.000 y US\$4.000.000 respectivamente (ver cuadro de presupuesto). Existe un interés creciente de garantizar que la Secretaría de Seguridad, al final del Programa, cuente con los recursos técnicos e institucionales necesarios para ejercer su función de rectoría de las políticas públicas de seguridad. Se pretende darle más soporte a las líneas identificadas por el Programa, especialmente las que están vinculadas con las actividades de planificación, formación y profesionalización del recurso humano.
- 2.4. El aporte de la cooperación suiza estará destinado a la formación de más estudiantes a policías, dado que Honduras es el país de Centroamérica con la menor fuerza policial (en términos de número de efectivos). El Programa ya destina cierta cantidad de recursos para ese propósito, realizando un esfuerzo para mejorar el proceso de formación policial. Sin embargo se ha estimado la importancia de utilizar los recursos de la aportación suiza para formar a 1,000 aspirantes a policías adicionales, dada la necesidad de contar con un mayor número de fuerza pública mejor y más preparada.
- 2.5. En el **componente III** (Fortalecimiento de la seguridad comunitaria) se apoyará las siguientes líneas de trabajo: i) *Municipios Certificados* (US\$228.224, cuadro de costos 3.1); ii) *Centros Integrales de Atención Víctimas* (US\$1.310. 976, cuadro de costos 3.2); y iii) *Observatorios Locales de la Violencia* (US\$460.800, cuadro de costos 3.3), con un monto total de US\$2.000.000. (Ver cuadro de presupuesto). Este apoyo financiero se destinará en la implementación de los programas de prevención social de la violencia en los tres municipios beneficiados, específicamente para: i) apoyar a la Subsecretaría de Convivencia y Participación Comunitaria (SS/CPC) en su gestión local de seguridad y la certificación de municipios; ii) centros integrados de atención social y judicial para víctimas de violencia, en lo que respecta al personal técnico profesional para operar en los tres municipios; y iii) apoyo técnico para el análisis y manejo de estadísticas criminales para los observatorios locales de la violencia.
- 2.6. En este sentido, el alcance del Programa cambia únicamente en cuanto a la entrega de un mayor número de productos como resultado de la contribución por parte de COSUDE. Los cambios en las actividades mencionadas han sido reflejados apropiadamente en la versión actualizada de la Matriz de Resultados del Programa ajustada (ver [IDBDOCS-#37274267](#)).

- 2.7. Los recursos de la contribución del Gobierno de Suiza, a través de la Agencia Suiza para el Desarrollo y la Cooperación (“COSUDE”) para este Programa serán provistos a través de una contribución no reembolsable para un proyecto específico (*Project Specific Grant*, “PSG”). El Banco administra un PSG de acuerdo a lo establecido en el documento SC-114¹. Según lo ahí dispuesto, el compromiso de COSUDE se ha establecido en un acuerdo administrativo entre el Banco y COSUDE. Dicho acuerdo establece que el uso de la contribución suiza para este Programa está sujeto a la formalización de todas las aprobaciones internas necesarias del Banco y a la suscripción de los respectivos acuerdos con la República de Honduras. Las aprobaciones internas incluyen la aprobación de la presente propuesta por parte del Directorio Ejecutivo. En caso de que dichas aprobaciones no sean obtenidas, o si no se suscriben los acuerdos necesarios con la República de Honduras, el Banco reintegrará a COSUDE cualquier desembolso recibido por el Banco de la contribución.
- 2.8 A continuación se presenta el presupuesto detallado con los rubros que serán fortalecidos por la contribución del Gobierno de Suiza:

Componente/actividad/categoría de inversión	Total (US\$)	Financiamiento BID	Fondos Gob. de Honduras	Fondos Gob. de Suiza
Total Programa	70,400,000	59,800,000	4,000,000	6,600,000
Componente I: Fortalecimiento Institucional de la Secretaría de Seguridad	36,174,240	30,099,939.70	1,804,302	4,270,000
1.1 Plan estratégico de mediano y largo plazo implementado	1,221,430	951,430.00	-	270,000
1.2 Unidad de Tecnología de Información operando	566,000	515,600.00	50,400	
1.3 Sistema Organizacional e informático de RRHH implementado	2,900,000	2,900,000.00	-	
1.4 Nueva currícula para formación básica (ITP) diseñada	450,000	450,000.00	-	
1.5 Estudiantes Graduados en el ITP	19,787,102	15,350,234.00	436,869	4,000,000
Funcionamiento del ITP	8,737,368	6,116,158.00	436,869	2,184,342.00
Funcionamiento ITP para 1000 policías durante 11 meses: 100 tutores, alimentación y Becas				
Tercer año	4,368,684	2,184,342.00		2,184,342.00
Cuarto año	2,184,342	2,184,342.00	-	
Quinto año	2,184,342	1,747,474.00	436,869	
Ampliación y mejoras del ITP	11,049,734	9,234,076.00	-	1,815,658.00
Obras: Ampliación y mejoras de la infraestructura del ITP	9,420,400	7,604,742.38	-	1,815,658.00
1.6 Funcionarios del sistema de investigación criminal entrenados /actualizado en Investigación Criminal	2,823,597	2,652,597.30	171,000	
1.7 Informes de policías evaluados	6,558,060	5,758,514.40	799,546	
1.8 Sistema de recepción de denuncias y despacho operando	992,740	992,740.00	-	
1.9 % de avance en Plan de comunicación implementado	875,311	528,824.00	346,487	
Componente II: Fortalecimiento del sistema de investigación criminal	13,292,913	12,864,512.53	428,400	

¹ “Report on COFABS, Ad-Hocs and CLFGS and a Proposal to Unify Them as Project Specific Grants (PSG)”.

Componente/actividad/categoría de inversión	Total (US\$)	Financiamiento BID	Fondos Gob. de Honduras	Fondos Gob. de Suiza
Componente III. Fortalecimiento de la Seguridad	14,912,986	11,512,687.77	1,400,298	2,000,000
3.1 Municipios certificados	1,361,939	1,036,515.00	97,200	228,224
Unidad rectora de la gestión de la seguridad ciudadana a nivel local operando (Sub-secretaría de Convivencia y participación Comunitaria, derivado del Plan Estratégico)	1,191,224	865,800.00	97,200	
Dotación del equipo humano mínimo necesario para la coordinación de la política de seguridad a nivel local (Financiamiento que gradualmente es absorbido por el GOH: Año 2=20%, Año 3 = 40%, Año 4 = 100%)	1,161,224	835,800.00	97,200	
Primer año	390,224	162,000.00		228,224.00
Segundo año	162,000	129,600.00	32,400	
Tercer año	162,000	97,200.00	64,800	
3.2 Centros Integrados de Atención a Víctimas funcionando	7,929,669	5,453,835.50	1,164,858	1,310,976
Infraestructura	763,522	763,522.20	-	
Equipamiento del Centro Integrado y Oficina Municipal	191,240	191,239.62	-	
Servicios de No Consultoría	2,319,264	695,001.60	313,286	1,310,976
Coordinador de implementación (50% Municipio - 50% programa)	144,000	72,000.00	72,000	
Personal Año 1: 3 psicólogos, 4 médicos, 2 trabajador social, 4 abogados, 2 personal administrativo	528,816	201,072.00		327,744
Personal Año 2: 3 psicólogos, 4 médicos, 2 trabajador social, 4 abogados, 2 personal administrativo	528,816	160,857.60	40,214	327,744
Personal Año 3: 3 psicólogos, 4 médicos, 2 trabajador social, 4 abogados, 2 personal administrativo	528,816	120,643.20	80,429	327,744
Personal Año 4: 3 psicólogos, 4 médicos, 2 trabajador social, 4 abogados, 2 personal administrativo	528,816	80,428.80	120,643	327,744
Talleres de socialización y capacitación	30,000	30,000.00		
Impresiones de material de capacitación / divulgación local	30,000	30,000.00		
3.3 Observatorio Local de la Violencia funcionando	1,690,413	1,091,373.46	138,240	460,800
Asistencia Técnica	150,000	150,000.00	-	
Equipamiento	6,271	6,271.15	-	
Servicios de No Consultoría	614,400	107,520	46,080	460,800

Componente/actividad/categoría de inversión	Total (US\$)	Financiamiento BID	Fondos Gob. de Honduras	Fondos Gob. de Suiza
Personal Año 1: 2 Analista + 2 digitalizadores	153,600	38,400.00		115,200
Personal Año 2: 2 Analista + 2 digitalizadores	153,600	30,720.00	7,680	115,200
Personal Año 3: 2 Analista + 2 digitalizadores	153,600	23,040.00	15,360	115,200
Personal Año 4: 2 Analista + 2 digitalizadores	153,600	15,360.00	23,040	115,200
3.4 Posta de Policía Comunitaria Funcionando	1,807,403	1,807,402.81	-	
3.5 Policías en filosofía comunitaria capacitados	1,523,561	1,523,561.00	-	
3.6 Acciones priorizadas dentro de los planes municipales	600,000	600,000.00		
Unidad Ejecutora	3,190,860	3,140,860.00	50,000	
Especialistas UE	2,154,000	2,154,000.00	-	
Equipamiento UE	118,324	118,324.00		
Funcionamiento UE	200,000	150,000.00	50,000	
Equipo Técnico Especializado	718,536	718,536.00		
Comisión de Administración de la contribución	330,000			330,000
Monitoreo y Evaluación	1,280,000	1,280,000.00		
Imprevistos	1,219,000	902,000.00	317,000	
Total Programa	70,400,000	59,800,000	4,000,000	6,600,000

III. RECOMENDACIÓN

- 3.1 En vista de que los recursos de la contribución del Gobierno de Suiza no estaban previstos en la formulación original del Programa aprobada por el Directorio Ejecutivo, y teniendo en cuenta que dichos recursos van a ser administrados por el Banco a través de un PSG, se recomienda complementar las Resoluciones que aprobaron el Programa (Resoluciones DE-70/12 y DE-71/12) con el texto del Proyecto de Resolución adjunto, en virtud del cual se autoriza al Presidente del Banco, o al representante que él designe, para que en nombre y representación del Banco: i) tome las medidas pertinentes para que el Banco administre una contribución no reembolsable otorgada por el Gobierno de Suiza, hasta por la suma de US\$6.600.000, de conformidad con lo establecido en este documento; ii) suscriba los acuerdos que sean necesarios con el Gobierno de Honduras como Beneficiario, para otorgarle un financiamiento no reembolsable con cargo a la contribución otorgada por el Gobierno de Suiza para la ejecución del Programa, según se describe en este documento; y iii) adopte las demás medidas necesarias para la ejecución del Programa con cargo a los recursos de la contribución no reembolsable otorgada por el Gobierno de Suiza y administrada por el Banco.
- 3.2 Esta recomendación se presenta para su aprobación por procedimiento corto de conformidad con lo dispuesto en el Reglamento del Directorio Ejecutivo del Banco Interamericano de Desarrollo (documento DR-398-11), que permite presentar por dicho procedimiento: “iv. Las modificaciones de las resoluciones y de los contratos correspondientes a: préstamos de inversión y sectoriales, de cooperaciones técnicas y pequeños proyectos, siempre y cuando la autoridad para aprobar dichas modificaciones no haya sido delegada en el Presidente”.