



## MX: Expanding Rural Finance (P153338)

LATIN AMERICA AND CARIBBEAN | Mexico | Finance & Markets Global Practice |  
IBRD/IDA | Investment Project Financing | FY 2016 | Seq No: 1 | ARCHIVED on 11-Mar-2016 | ISR22776 |

Implementing Agencies: Financiera Nacional de Desarrollo Agropecuario, Rural, Forestal y Pesquero

### Key Dates

#### Key Project Dates

Bank Approval Date:24-Nov-2015

Effectiveness Date:--

Planned Mid Term Review Date:--

Actual Mid-Term Review Date:--

Original Closing Date:31-Dec-2020

Revised Closing Date:31-Dec-2020

### Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The project's development objective is to expand the availability of finance to the rural economy.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

### Components

Name

1. Expanding Credit for Rural MSMEs:(Cost \$375.00 M)

2. Strengthening Institutional Capacity for Sustainable Rural Finance:(Cost \$30.00 M)

### Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	--	● Satisfactory
Overall Implementation Progress (IP)	--	● Satisfactory
Overall Risk Rating	--	● Moderate

### Implementation Status and Key Decisions



This first ISR reflects the findings of the mission conducted in February 2016 related to the signing of the FND loan. An event to celebrate the signing of the Expanding Rural Finance loan was held on February 5 at the Palacio Nacional, with participation of officials from World Bank, SHCP and FND. While the project team awaits formal effectiveness of the loan, it is working with FND to prepare for various aspects of implementation, including: Component 1A: developing a pipeline of participating financial institutions with which the credit line of the project will be disbursed, Component 1B: working with FND to refine ideas for its pilot fund for innovations in rural finance, and Component 2A: developing plans related to the modernization of IT systems project.



## Risks

### Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	● Moderate	--	● Moderate
Macroeconomic	● Moderate	--	● Moderate
Sector Strategies and Policies	● Moderate	--	● Moderate
Technical Design of Project or Program	● Moderate	--	● Moderate
Institutional Capacity for Implementation and Sustainability	● Moderate	--	● Moderate
Fiduciary	● Moderate	--	● Moderate
Environment and Social	● Low	--	● Low
Stakeholders	● Moderate	--	● Moderate
Other	--	--	--
Overall	● Moderate	--	● Moderate

## Results

### Project Development Objective Indicators

#### ► Number of loans disbursed under project (cumulative) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	74800.00
Date	01-Sep-2015	--	05-Feb-2016	31-Dec-2020

#### ► Volume of total loans disbursed under project (cumulative), US\$ million (Amount(USD), Custom)

Baseline	Actual (Previous)	Actual (Current)	End Target
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Value	0.00	--	0.00	374.00
Date	01-Sep-2015	--	05-Feb-2016	31-Dec-2020

► Average non-performing loans ratio for PFIs receiving project funds (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	6.00
Date	01-Sep-2015	--	05-Feb-2016	31-Dec-2020

Overall Comments

Project is not yet signed and effective as of ISR date of Feb 22 so no results can be reported.

Intermediate Results Indicators

► Volume of Bank Support: Lines of Credit - Microfinance (Amount(USD), Core)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	187.00
Date	01-Sep-2015	--	05-Feb-2016	31-Dec-2020

► Volume of Bank Support: Lines of Credit - SME (Amount(USD), Core)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	187.00
Date	01-Sep-2015	--	05-Feb-2016	31-Dec-2020



▶ Number of final beneficiaries with loans financed with project funds (cumulative) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	41555.00
Date	01-Sep-2015	--	05-Feb-2016	31-Dec-2020

▲ Number of final microfinance beneficiaries financed with project funds (cumulative) (Number, Custom Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	24945.00

▲ Female beneficiaries as a share of total beneficiaries financed by the project. (Percentage, Custom Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	60.00

▲ Share of loan recipients from marginal municipalities financed by the project. (Percentage, Custom Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	15.00



▶ Average NPL rate for FND lending to PFIs under the project-funded credit line (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	5.00
Date	01-Sep-2015	--	05-Feb-2016	31-Dec-2020

▶ Percentage of FND branch offices using the new core banking system. (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	70.00
Date	01-Sep-2015	--	05-Feb-2016	31-Dec-2020

▶ Number of PFIs that receive capacity building from FND (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	145.00	--	0.00	725.00
Date	01-Sep-2015	--	05-Feb-2016	31-Dec-2020

▶ Submission of operational tracking data (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	--	N	Y
Date	01-Sep-2015	--	05-Feb-2016	31-Dec-2020



► Number of PFIs registered to receive client feedback on Financial Consumer Protection Agency's (CONDUSEF) website (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	107.00	--	107.00	200.00
Date	01-Sep-2015	--	05-Feb-2016	31-Dec-2020

## Overall Comments

### Data on Financial Performance

#### Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P153338	IBRD-85550	Not Effective	USD	400.00	400.00	0.00	0.00	400.00	0%

#### Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P153338	IBRD-85550	Not Effective	24-Nov-2015	--	--	31-Dec-2020	31-Dec-2020

#### Cumulative Disbursements

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## **Restructuring History**

There has been no restructuring to date.

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## **Related Project(s)**

There are no related projects.

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