

Implementation Status & Results
Honduras
Honduras Water and Sanitation Sector Modernization Project (P103881)

Operation Name: Honduras Water and Sanitation Sector Modernization Project (P103881) Project Stage: Implementation Seq.No: 11 Status: ARCHIVED Archive Date: 19-Jul-2011

Country: Honduras Approval FY: 2007
 Product Line: IBRD/IDA Region: LATIN AMERICA AND CARIBBEAN Lending Instrument: Specific Investment Loan
 Implementing Agency(ies):

Key Dates

Board Approval Date	21-Jun-2007	Original Closing Date	31-Dec-2013	Planned Mid Term Review Date	31-May-2011	Last Archived ISR Date	19-Jul-2011
Effectiveness Date	22-Feb-2008	Revised Closing Date	31-Dec-2013	Actual Mid Term Review Date	31-May-2011		

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The project development objectives are: (a) to improve the sustainability, efficiency, and reliability of the Recipient's WSS services in eligible municipalities; and (b) to improve the performance of the Recipient's national WSS sector institutions in the exercise of their respective roles in conformity with the WSS Sector Framework Law.

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

Yes No

Component(s)

Component Name	Component Cost
Component 1: Support to medium-size municipalities to create autonomous service providers and invest in efficiency, rehabilitation,	21.20
Component 2: Tegucigalpa Non-Revenue Water Reduction	4.50
Component 3: Institutional strengthening of national and regional sector institutions	7.20
Component 4: Project management	1.60

Overall Ratings

	Previous Rating	Current Rating
Progress towards achievement of PDO	Satisfactory	Moderately Satisfactory
Overall Implementation Progress (IP)	Moderately Satisfactory	Moderately Satisfactory
Overall Risk Rating		

Implementation Status Overview

The Project's progress towards the PDO continues to be on track and it will be important to continue focusing on the financial sustainability and governance of municipal utilities. More than 83% of Project funds have been committed and disbursements are increasing according to projections. Up to date, US\$ 9.6M have been disbursed. All Project funds have been

committed except from US\$ 4.5M, which will be soon contracted.

Danli was successfully transferred to a new municipal utility in August 2011. The Project is currently supporting six municipalities and is providing technical assistance for the creation of an aggregated water utility (Mancomunidad) around Villanueva. Significant works have started in Siguatepeque, Comayagua, Choloma and Puerto Cortes. Besides, technical assistance for the municipalities continues moving forward; the baseline study, water balances and Rapid Action Plans for short term investments have been finalized.

The execution of the performance-based contract for Tegucigalpa Non-Revenue Water Reduction has started and the first phase is more than 60% into implementation. The consultant finished its first report and the optimized plan for the works is expected to be ready for February 2012.

Under the Institutional Strengthening component, the Project will finance a review of the tariff-setting regulatory framework. ERSAPS continues working on benchmarking activities for the utilities, while CONASA is preparing the Financial Policy for the WSS sector and is in the process of contracting the study for the Water and Sanitation Plan, both of which will be funded by PROMOSAS. SANAA presented its proposed pilot plan for the center-occidental part of the country during the mission, which will be adjusted to ensure its financial sustainability. Finally, several consultancies are being implemented as part of the TA for the transfer in Tegucigalpa.

Locations

Country	First Administrative Division	Location	Planned	Actual
Honduras	Departamento de Francisco Morazan	Tegucigalpa		

Results

Project Development Objective Indicators

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
Number of other water service providers that the project is supporting	<input checked="" type="checkbox"/>	Number	Value	0.00	6.00	
			Date	18-May-2007	31-Dec-2011	30-Oct-2013
			Comments			
CONASA issues the new financial policy of the sector.	<input type="checkbox"/>	Text	Value	No	No	Yes
			Date	18-May-2007	31-Dec-2011	30-Oct-2013
			Comments		The Financing Policy's preparation is being procured.	
At least 50% of the SANAA systems financed under the Project are transferred to the municipalities.	<input type="checkbox"/>	Percentage	Value	0.00	60.00	50.00
			Date	18-May-2007	31-Dec-2011	30-Oct-2013
			Comments			
At least 5 of the WSS utilities increase their service continuity rating by one category defined by ERSAP#s performance indicators (note: definition on the Category A, B, C, and D on service continuit	<input type="checkbox"/>	Number	Value	0.00	1.00	5.00
			Date	31-Dec-2009	31-Dec-2011	30-Oct-2013
			Comments			

6 of the WSS utilities reach cost recovery (ratio total revenue / total operative cost equal to one).	<input type="checkbox"/>	Number	Value	4.00	5.00	6.00
			Date	31-Dec-2006	31-Dec-2011	30-Oct-2013
			Comments	Baseline's date ranges from 2008 to 2009.		

Intermediate Results Indicators

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
Number of people in urban areas (covering semi-urban or small urban areas) provided with access to improved sanitation under the project.	<input type="checkbox"/>	Number	Value	0.00	1536.00	10000.00
			Date	18-May-2007	31-Dec-2011	30-Oct-2013
			Comments			
Cumulative percentage of disbursement targeted according to disbursement plan is met.	<input type="checkbox"/>	Percentage	Value	0.00	33.50	100.00
			Date	18-May-2007	31-Dec-2011	30-Oct-2013
			Comments			
At least 5 utilities have published their financial statements in a Website.	<input type="checkbox"/>	Number	Value		5.00	5.00
			Date	18-May-2007	31-Dec-2011	30-Oct-2013
			Comments	Not available.	Since the year has just finished, the value is not final.	
Indicators regarding utilities' performance are published by ERSPAS.	<input type="checkbox"/>	Text	Value	No	Yes	Yes
			Date	18-May-2007	31-Dec-2011	30-Oct-2013
			Comments			
SANAA has at least one regional unit operating under the new model.	<input type="checkbox"/>	Text	Value	No	No	Yes
			Date	18-May-2007	31-Dec-2011	30-Oct-2013
			Comments			
SANAA / Tegucigalpa has complied with legal requirements for transfer to municipality.	<input type="checkbox"/>	Text	Value	No	No	Yes
			Date	18-May-2007	31-Dec-2011	30-Oct-2013
			Comments			
Percentage increase of collection per cubic meter of supplied water to the project area.	<input type="checkbox"/>	Percentage	Value	0.00	0.00	20.00
			Date	18-May-2007	31-Dec-2011	30-Oct-2013
			Comments			
Number of active connections in service area.	<input type="checkbox"/>	Number	Value	28328.00	28328.00	37750.00
			Date	18-May-2007	31-Dec-2011	30-Oct-2013
			Comments			

5 of the WSS utilities increase by 20% the ratio of revenues per volumetric unit of water produced.	<input type="checkbox"/>	Number	Value	0.00	4.00	5.00
			Date	18-May-2007	31-Dec-2011	30-Oct-2013
			Comments		This indicator is being revised.	
At least 6 design proposals of autonomous service providers approved by ERSAPS.	<input type="checkbox"/>	Number	Value	0.00	7.00	6.00
			Date	18-May-2007	31-Dec-2011	30-Oct-2013
			Comments			
Piped household water connections that are benefiting from rehabilitation works undertaken by the project	<input checked="" type="checkbox"/>	Number	Value	0.00	1108.00	2000.00
			Date	18-May-2007	31-Dec-2011	30-Oct-2013
			Comments			

Data on Financial Performance (as of 26-Jan-2012)

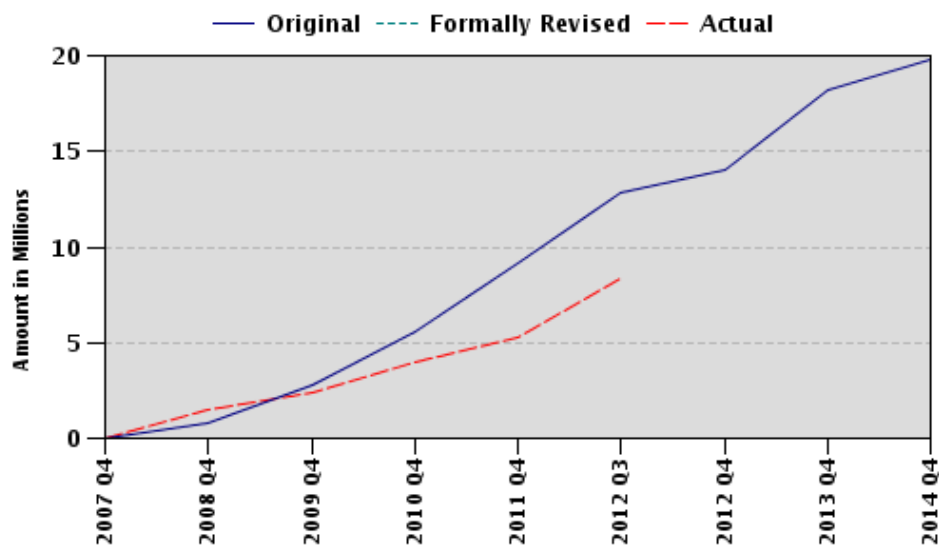
Financial Agreement(s) Key Dates

Project	Loan No.	Status	Approval Date	Signing Date	Effectiveness Date	Closing Date
P103881	IDA-43350	Effective	21-Jun-2007	16-Nov-2007	22-Feb-2008	31-Dec-2013

Disbursements (in Millions)

Project	Loan No.	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P103881	IDA-43350	Effective	XDR	19.80	19.80	0.00	8.31	11.49	42.00

Disbursement Graph



Key Decisions Regarding Implementation

None

Restructuring History

There has been no restructuring to date.

Related Projects

There are no related projects.