

**Implementation Status & Results**  
**Mexico**  
**MX Water Utilities Efficiency Improvement Project (PROME) (P121195)**

Operation Name: **MX Water Utilities Efficiency Improvement Project (PROME) (P121195)** Project Stage: **Implementation** Seq.No: **6** Status: **ARCHIVED** Archive Date: **03-Dec-2013**

Country: **Mexico** Approval FY: **2011**  
 Product Line: **IBRD/IDA** Region: **LATIN AMERICA AND CARIBBEAN** Lending Instrument: **Specific Investment Loan**  
 Implementing Agency(ies):

**Key Dates**

|                     |                    |                       |                    |                              |                    |                        |                    |
|---------------------|--------------------|-----------------------|--------------------|------------------------------|--------------------|------------------------|--------------------|
| Board Approval Date | <b>09-Nov-2010</b> | Original Closing Date | <b>31-Dec-2014</b> | Planned Mid Term Review Date | <b>18-Nov-2013</b> | Last Archived ISR Date | <b>28-Feb-2013</b> |
| Effectiveness Date  | <b>25-Nov-2011</b> | Revised Closing Date  | <b>31-Dec-2014</b> | Actual Mid Term Review Date  |                    |                        |                    |

**Project Development Objectives**

Project Development Objective (from Project Appraisal Document)

**The PDO is to improve the efficiency of Participating Water Utilities through the provision of Technical Assistance and Financing.**

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

Yes  No

**Component(s)**

| Component Name  | Component Cost |
|---|----------------|
| Component 1: WSS sector information and knowledge management improvement    | 4.75           |
| Component 2: Modernization of the services of participating water utilities | 157.00         |

**Overall Ratings**

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

**Implementation Status Overview**

This ISR covers the period February-September 2013.

Compared to previous years, overall project implementation has experienced notable progress throughout 2013, particularly with regard to the execution of Component 2. For the first time since project approval, a significant amount of federal resources was allocated to the project – 334 million pesos (or some US\$ 27.5 million) for calendar year 2013. This budget allocation represents a total amount of 557 million pesos (US\$ 43 million) once the local counterpart funds for carrying out the investments and technical assistance activities under Components 2a and 2b are included. It is expected that over 160 activities in 35 municipalities will be implemented by the end of calendar year 2013.

However, this progress has not yet been reflected in project disbursements. As a result of the project's disbursement arrangements, and based on previous years' experience, the funds corresponding to the 2013 activities will only be disbursed by the middle of calendar year 2014. The Bank is exploring potential options to accelerate project disbursements. The project has disbursed US\$ 12.2 million to date, representing 12.2% of the total loan amount and no further disbursements are expected in 2013 since no budget funds were allocated for the project in 2012 and, as a result, there were minimal project activities executed during that calendar year.

For calendar year 2014, CONAGUA intends to allocate 880 million pesos to the project, which would allow for the execution of all of the project's proceeds during its last year of implementation. The budget allocation for next calendar year will be confirmed once the 2014 Budget Law is approved by the Federal Congress by December 31, 2013.

During the last supervision mission of the project, held from September 23-27, 2013, CONAGUA and the Bank discussed a list of potential activities to be financed under Component 1 in accordance with the new administration's sector priorities. CONAGUA also expressed interest in continuing to explore the implementation of the OBD pilot under Component 2c.

**Locations**

| Country | First Administrative Division | Location        | Planned | Actual |
|---------|-------------------------------|-----------------|---------|--------|
| Mexico  | Not Entered                   | Valle de Mexico |         |        |

**Results**

**Project Development Objective Indicators**

| Indicator Name   | Core                     | Unit of Measure |          | Baseline    | Current     | End Target  |
|--|--------------------------|-----------------|----------|-------------|-------------|-------------|
| Number of water utilities whose collected revenues in Mexican pesos per cubic meter produced increases by 5 percent in real terms. | <input type="checkbox"/> | Number          | Value    | 0.00        | 5.00        | 30.00       |
|  |                          |                 | Date     | 31-Dec-2010 | 27-Sep-2013 | 31-Dec-2014 |
|  |                          |                 | Comments |             |             |             |
| Number of water utilities whose energy consumption in kWh per cubic meter produced decreases by 5 percent                          | <input type="checkbox"/> | Number          | Value    | 0.00        | 1.00        | 8.00        |
|  |                          |                 | Date     | 31-Dec-2010 | 27-Sep-2013 | 31-Dec-2014 |
|  |                          |                 | Comments |             |             |             |
| Number of water utilities showing a commercial efficiency improvement of 5 percent or more.  | <input type="checkbox"/> | Number          | Value    | 0.00        | 2.00        | 30.00       |
|  |                          |                 | Date     | 31-Dec-2010 | 27-Sep-2013 | 31-Dec-2014 |
|  |                          |                 | Comments |             |             |             |
| Average absolute increase of global efficiency in water utilities that participated in the project for at least 2 years            | <input type="checkbox"/> | Number          | Value    | 0.00        | 1.00        | 2.00        |
|  |                          |                 | Date     | 31-Dec-2010 | 27-Sep-2013 | 31-Dec-2014 |
|  |                          |                 | Comments |             |             |             |

**Intermediate Results Indicators**

| Indicator Name  | Core                                | Unit of Measure |          | Baseline    | Current                             | End Target  |
|---|-------------------------------------|-----------------|----------|-------------|-------------------------------------|-------------|
| Component 1: Number of water utilities' employees trained in issues related to efficiency programs  | <input type="checkbox"/>            | Number          | Value    | 0.00        | 408.00                              | 800.00      |
|   |                                     |                 | Date     | 31-Dec-2010 | 27-Sep-2013                         | 31-Dec-2014 |
|   |                                     |                 | Comments |             |                                     |             |
| Component 1: Number of publications related to efficiency issues available at CONAGUA's website.  | <input type="checkbox"/>            | Years           | Value    | 0.00        | 3.00                                | 7.00        |
|   |                                     |                 | Date     | 31-Dec-2010 | 27-Sep-2013                         | 31-Dec-2014 |
|   |                                     |                 | Comments |             |                                     |             |
| Component 1: National Tariff system is available in user friendly website   | <input type="checkbox"/>            | Yes/No          | Value    | No          | Yes                                 | Yes         |
|   |                                     |                 | Date     | 31-Dec-2010 | 27-Sep-2013                         | 31-Dec-2014 |
|   |                                     |                 | Comments |             |                                     |             |
| Component 2: Percentage of implemented actions that achieved their set targets. (the respective targets for the different activities under this comp. will be established by CONAGUA. | <input type="checkbox"/>            | Text            | Value    | 0           |                                     | 60          |
|   |                                     |                 | Date     | 31-Dec-2010 | 27-Sep-2013                         | 31-Dec-2014 |
|   |                                     |                 | Comments |             | No actions were implemented in 2012 |             |
| Comp 2: Number of water utilities that participated in the OBD window   | <input type="checkbox"/>            | Number          | Value    | 0.00        | 0.00                                | 1.00        |
|   |                                     |                 | Date     | 31-Dec-2010 | 27-Sep-2013                         | 31-Dec-2014 |
|   |                                     |                 | Comments |             |                                     |             |
| Number of water utilities that the project is supporting  | <input checked="" type="checkbox"/> | Number          | Value    | 0.00        | 54.00                               | 50.00       |
|   |                                     |                 | Date     | 31-Dec-2010 | 27-Sep-2013                         | 31-Dec-2014 |
|   |                                     |                 | Comments |             |                                     |             |

**Data on Financial Performance (as of 26-Sep-2013)**

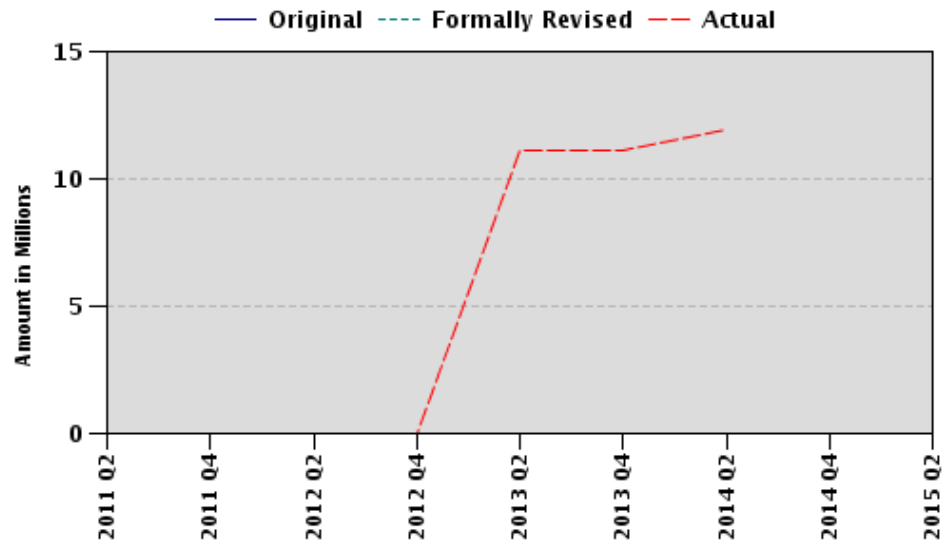
**Financial Agreement(s) Key Dates**

| Project | Ln/Cr/Tf   | Status    | Approval Date | Signing Date | Effectiveness Date | Original Closing Date | Revised Closing Date |
|---------|------------|-----------|---------------|--------------|--------------------|-----------------------|----------------------|
| P121195 | IBRD-79730 | Effective | 09-Nov-2010   | 14-Jun-2011  | 25-Nov-2011        | 31-Dec-2014           | 31-Dec-2014          |

**Disbursements (in Millions)**

| Project | Ln/Cr/Tf   | Status    | Currency | Original | Revised | Cancelled | Disbursed | Undisbursed | % Disbursed |
|---------|------------|-----------|----------|----------|---------|-----------|-----------|-------------|-------------|
| P121195 | IBRD-79730 | Effective | USD      | 100.00   | 100.00  | 0.00      | 12.22     | 87.78       | 12.00       |

**Disbursement Graph**



**Key Decisions Regarding Implementation**

There are no key Decisions pending.

**Restructuring History**

There has been no restructuring to date.

**Related Projects**

There are no related projects.