



## Honduras Compact Progress

- ★ **Transportation Project:** President Zelaya recently presided over the ceremony inaugurating road construction for the North Segment of the CA-5 Highway. Resettlement activities planned within the CA-5 Highway Activity are underway. Affected both parties alongside the North Segment have started to receive indemnification payments.
- ★ **Rural Development Project:** More than 2,600 farmers are receiving technical assistance and training in areas such as best agricultural practices and integrated pest management

Thirty four concept papers were received for the second round of the Agricultural Public Goods Grant Facility. It seeks to award a total of \$3.2 million in grants in this round to selected projects aimed at increasing the productivity of Honduran farmers.

- ★ **Other Highlights:** During a recent visit to Honduras, Deputy Secretary of State John Negroponte participated in a MCA-H event to publicly acknowledge the proposed co-financing by the Central American Bank for Economic Integration (CABEI) of the CA-5 Highway. The event highlighted the commitment of the Honduran Ministry of Finance, MCC and CABEI to cooperate to successfully conclude the proposed CABEI co-financing.
- ★ **Note:** *The transportation project in this compact has been restructured due to escalating global construction costs and an expansion of the construction works required. CABEI has approved a \$130 million loan for the government of Honduras to co-finance the additional costs of the improvements to the CA-5 Highway planned in the compact.*

### Compact At-A-Glance

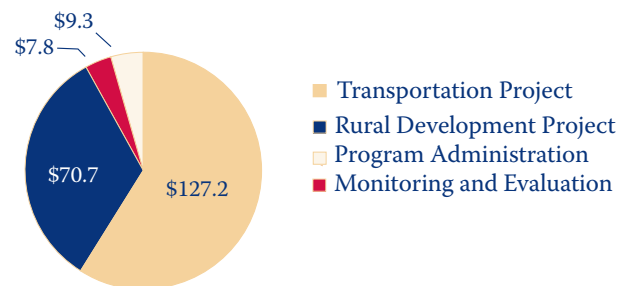
Signed ..... 6/13/2005

Entry Into Force..... 9/29/2005

The five-year, \$215 million compact's two main objectives are to increase the productivity and business skills of farmers and to reduce transportation costs between targeted production centers and national, regional and global markets.

### Obligations by Project

in millions



\$92,120,512 total contract commitments  
 \$21,461,927 disbursed to date

### Country At-A-Glance

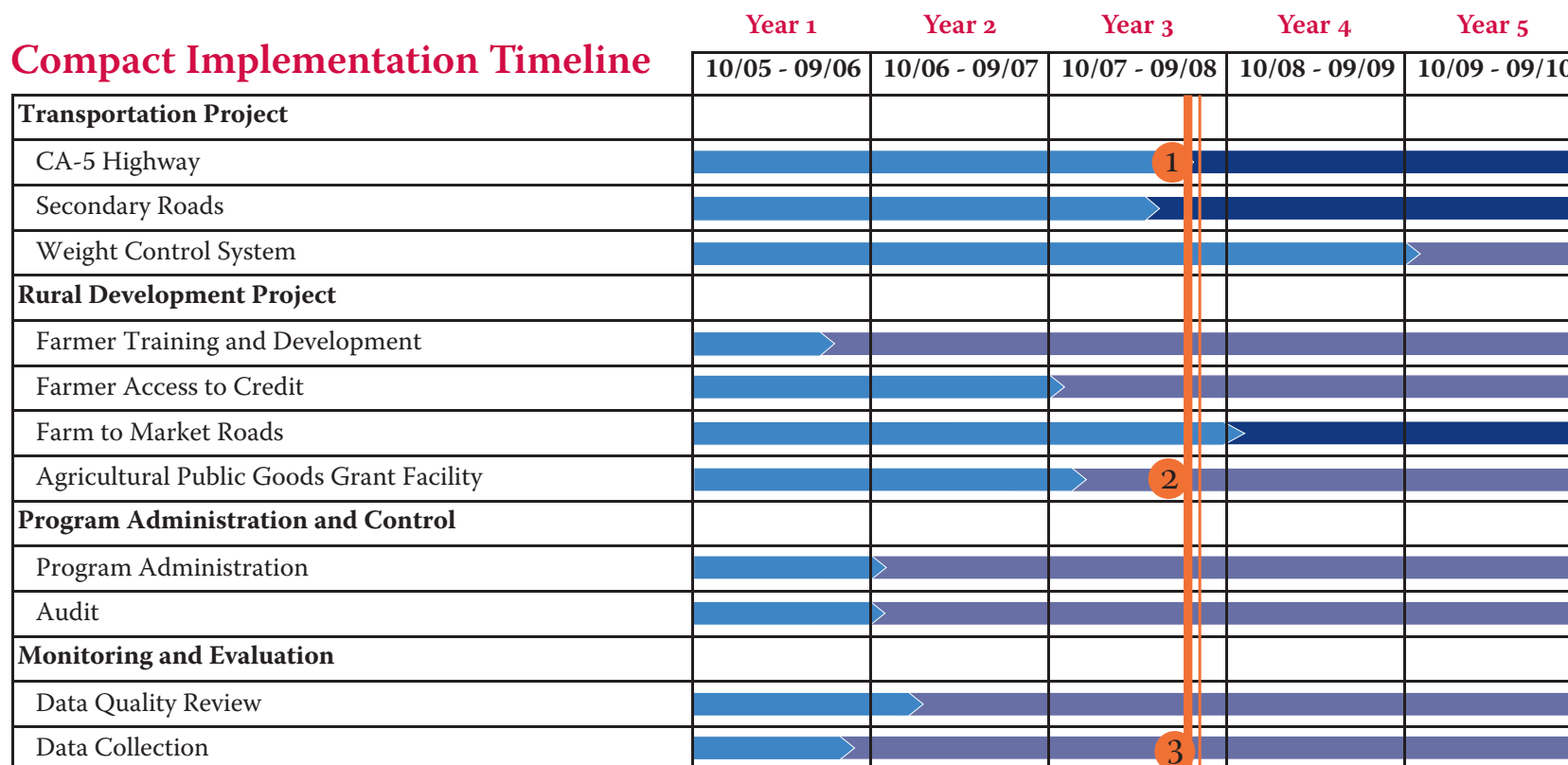
Population..... 7,483,763\*

GNI per Capita ..... \$1,600\*



On the Web:  
[www.mcc.gov](http://www.mcc.gov)  
[www.mcahonduras.hn](http://www.mcahonduras.hn)

## Compact Implementation Timeline



- Project Preparation
- Construction - Infrastructure
- Project Activities - Other Sectors

**1**  
**June 2008:**  
 Construction contracts for the North Segment of CA-5 were awarded. Contractor is mobilizing for July construction

**2**  
**June 2008:**  
 34 concept papers are being reviewed for the 2nd round of APGGF. USD\$3.2 million is the target for this 2nd round

**3**  
**June 2008:**  
 The Honduran National Institute of Statistics and MCA-H have recently signed an agreement for the collection of data for the RD project

**We Are Here**  
**July, 2008**  
 Disbursements to Date..... \$21,461,927  
 Total Contract Commitments..... \$92,120,512

\* For more information on country proposals, due diligence, program set-up, implementation and monitoring, and ongoing impact, please see the diagram entitled *Typical MCC Program Cycle* at [www.mcc.gov](http://www.mcc.gov).