



MILLENNIUM
CHALLENGE CORPORATION
UNITED STATES OF AMERICA

FINAL STATUS REPORT



Honduras Compact

AS OF SEPTEMBER 2011

The Compact closed September 29, 2010 and MCC worked with the MCA to ensure an orderly windup of the program. This is the final Quarterly Status Report.

COMPACT GOAL

The Compact's main objectives were to increase productivity in the agricultural sector by increasing the productivity and business skills of farmers who operate small and medium-size farms and their employees, and to reduce transportation costs between targeted production centers and national, regional and global markets.



COMPACT AT A GLANCE

Compact Signed	06-13-2005
Entry Into Force	09-29-2005
Compact End Date	09-29-2010
Compact Total	\$205,000,000
Amount Committed	\$203,927,846
Amount Expended	\$203,935,430
Estimated Program Beneficiaries	1,704,698
Estimated Increase in Household Income	\$238,000,000

% OF TOTAL COMPACT	BUDGET (USD MILLIONS)
59% Transportation Project	\$120.5
33% Rural Development Project	\$68.2

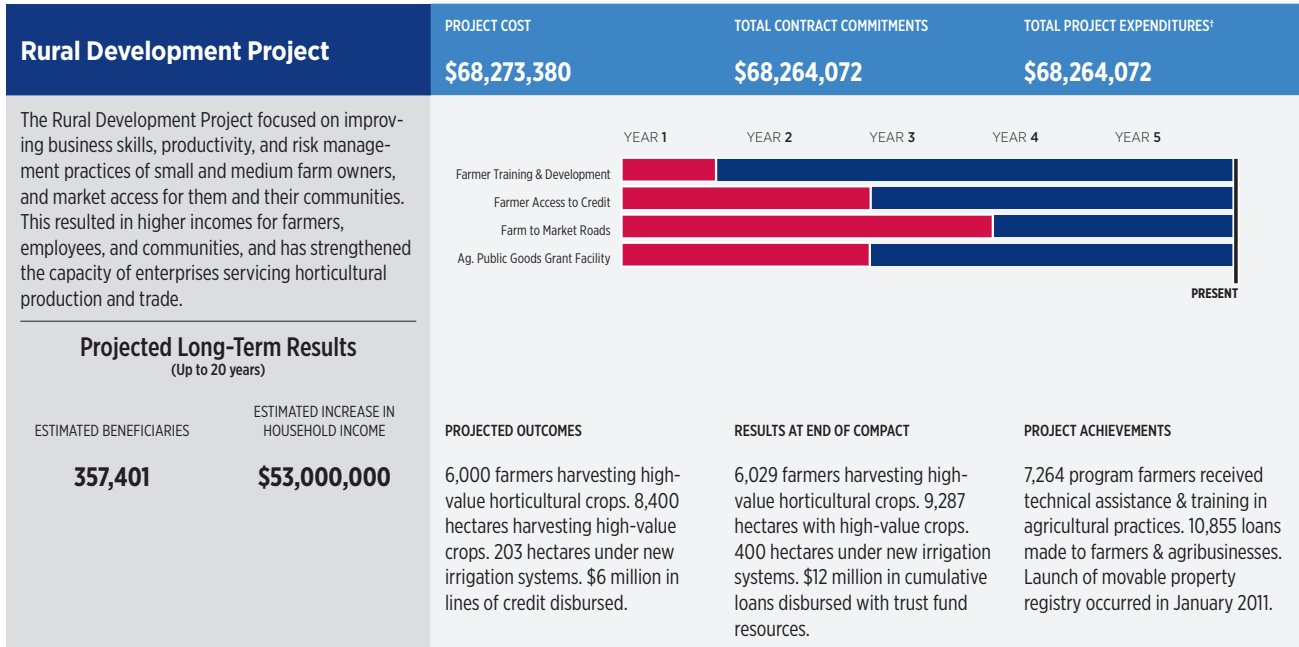
■ Project Preparation ■ Project Implementation

Transportation Project	PROJECT COST	TOTAL CONTRACT COMMITMENTS	TOTAL PROJECT EXPENDITURES ¹
	\$120,591,240	\$120,575,874	\$120,575,874

The Transportation Project focused on improving the efficiency of the highway network through the improvement of two stretches of the CA-5 North Highway and paving and upgrading of key secondary roads to improve the access of rural communities to markets.

Timeline details: CA-5 Highway preparation from Year 1 to Year 3, implementation from Year 4 to Year 5. Secondary Roads preparation from Year 1 to Year 3, implementation from Year 4 to Year 5. 'PRESENT' is marked at the end of Year 5.

Projected Long-Term Results (Up to 20 years)		PROJECTED OUTCOMES	RESULTS AT END OF COMPACT	PROJECT ACHIEVEMENTS
ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME	Rehabilitate 65.5 km of secondary roads. Improve up to 109 km of CA-5 highway by mid-2012 with funding from the Central American Bank for Economic Integration (CABEI).	Rehabilitated 49.5 km of CA-5 highway and 65.5 km of secondary roads. All work using MCC funding on the CA-5 highway and secondary roads has been completed.	Works funded by the Compact were completed by Compact end. Work related to the improvement of two of the four sections of the CA-5 Highway and three secondary roads are completed. Road works (funded by CABEI) are underway in the southern portion of the CA-5 Highway.
1,347,297	\$185,000,000			



120-day administrative closure period concluded successfully on January 27, 2011 following compact expiration on September 29, 2010.

MCC is committed to reporting results and will fund evaluations to assess the full extent of impacts that can be attributed to MCC programs. These evaluations will be posted on www.mcc.gov as they become available.

In September 2009, MCC's Board decided to partially terminate MCC's assistance under the Honduras Compact, ceasing funding associated with Weight Control System Activity and a portion of the Farm to Market Roads Activity. The partial termination was in response to actions by the Government of Honduras inconsistent with MCC's eligibility criteria.

[†]Expenditures are the sum of cash outlays and quarterly accruals for work completed but not yet paid or invoiced.