

PROGRAM TO STRENGTHEN THE INSTITUTIONAL FRAMEWORK OF THE TECHNICAL
SECRETARIAT OF THE OFFICE OF THE PRESIDENT

(NI-0109)

EXECUTIVE SUMMARY

BORROWER AND GUARANTOR: Republic of Nicaragua

EXECUTING AGENCY: Technical Secretariat of the Office of the President of the Republic of Nicaragua (SETEC)

AMOUNT AND SOURCE:

IDB (FSO): <u>1</u> /	US\$2,145,250
Local contribution:	US\$ 222,700
Total:	US\$2,367,950

FINANCIAL TERMS AND CONDITIONS:

Amortization period:	40 years
Execution period:	36 months
Disbursement period:	42 months
Interest rate:	1% for the first ten years and 2% thereafter
Inspection and supervision:	1%
Credit fee:	0.5%

OBJECTIVES: The general objective of the program is to support integration of the government's social and economic policy, monitor the policy and evaluate its impact on poverty reduction. The specific objectives are: (i) to strengthen SETEC's capacity for analyzing and harmonizing social and economic policy; (ii) to develop key policies for poverty reduction; and (iii) to establish and introduce socioeconomic indicators and indicators for analyzing the impact of the government's program on the poorest sectors.

DESCRIPTION: The components will be:

1. **Institutional strengthening** for SETEC, which includes: (i) technical assistance and training to develop SETEC; (ii) social communications to obtain the support of civil society for the structural reforms; and (iii) establishment of a management information system and equipment to operate it.

1/ The Bank and the Nicaraguan government are seeking donations from bilateral sources to partly or wholly replace the reimbursable financing.

2. **Special studies** to prepare proposals for sector policies of national interest, which will serve as the foundation for preparing investment programs with a poverty impact.

3. **Assessment of the impact of the government's program** to support the development and introduction of a transparent system for evaluating the impact of sector reforms, rooted in the principles of equity, efficiency and accountability.

4. **Overhead**, including payment for an independent firm to pre-select the individual consultants.

**ROLE OF THE
PROGRAM IN THE
BANK'S COUNTRY AND
SECTOR STRATEGY:**

The Bank's strategy in Nicaragua has the main objective of sustainable growth with equity. The proposed program contributes to that objective. First, it seeks to support structural reforms in the social area with the goal of greater equity. Second, the integration of economic and social policy is aimed at achieving sustained growth. Last, it will help to develop the capacity to design investment programs that improve living conditions for the poorest sectors.

**ENVIRONMENTAL AND
SOCIAL REVIEW:**

CESI/TRG recommended that the project team take into account the need to focus on the population living in the autonomous region of the Atlantic coast, which should be given priority because of the extreme poverty in that area (paragraph 3.16).

BENEFITS:

The creation of an institutional framework to facilitate technical analysis of the government's program, interministerial coordination, negotiation in the process of harmonizing economic and social policy, and evaluation of the impact of the government's activities will benefit the government and citizens alike. In the long term, poverty reduction is the main benefit of developing a government policy that conciliates the principles of growth with equity, efficiency and accountability.

RISKS:

The greatest risk is that there may be overlapping of functions and resistance to interministerial coordination. The program will facilitate interministerial communication and promote teamwork and joint decision-making. Another risk, is that execution could be slow owing to SETEC's limited capacity. To surmount that risk, a coordinating unit has been included in the program to strengthen the secretariat's execution capacity.

SPECIAL
CONTRACTUAL
CLAUSES:

None.

POVERTY FOCUS
AND SOCIAL
CLASSIFICATION:

The program does not qualify as a poverty-targeted investment, since it only supports the development of health and education policies.

EXCEPTIONS TO
BANK POLICY:

None.

PROCUREMENT:

Goods and services will be procured and consultants will be contracted in accordance with Bank procedures. International competitive bidding will be used for the procurement of goods worth US\$250,000 and over and for consulting services worth US\$200,000 and over.

I. BACKGROUND

A. Socioeconomic framework

- 1.1 In Nicaragua, the 1990s have been a time of economic and social recovery after a long period marked by recession and war. However, per capita income is just one third of what it was 20 years ago. One half of Nicaragua's 4.3 million people are poor, and close to one million live in abject poverty. Seventy-five percent of people in rural areas are poor, with 50% of them living in extreme poverty. Labor, which is one of the country's most abundant resources, is unproductive despite being hard-working. Malnutrition affects 40% of children in the poorest households. Forty-five percent of people over 15 are illiterate. In the rural area, 70% of the population does not have drinking water and 40% lack sanitation services. Infant and maternal mortality indexes, which are among the highest in Latin America, are the result of inadequate living conditions and the poor coverage and quality of preventive health care, basic education and nutrition programs.
- 1.2 One of the government's main challenges is to halt the slide in social spending despite the strong cutbacks in public spending made necessary by its economic program. In view of this need and as part of its negotiations for an enhanced structural adjustment facility (ESAF), the government agreed to raise social spending above the level established in its fiscal program, provided the funds come from external sources under concessional conditions.

B. Government strategy

- 1.3 The Special Supplementary Fund (FSS) was established in June 1998. 1/ The purpose of the fund is to use external resources and funds obtained from the privatization process to finance the poverty-reduction strategy during the period 1998-2000. 2/
- 1.4 The strategy presented by the Nicaraguan government to the Consultative Group rests on three pillars: (i) a sustained development plan based on macroeconomic stability; (ii) investments in human capital for the poor; and (iii) establishment of a social safety net.

1/ Directed by an interministerial coordinating committee, including a representative of the donors to the FSS.

2/ This is a temporary instrument for financing supplementary recurrent costs in programs for sector reforms, prior to Nicaragua's entry into the HIPC initiative. It is expected that by the turn of the century, once Nicaragua has completed the ESAF and qualifies for the HIPC initiative, the country will be in a position to sustain its social spending.

- 1.5 The safety net is the cornerstone of the government's short-term social strategy. Its objective is to reduce poverty and human decapitalization during the structural adjustment stage, by providing temporary government assistance for families living in extreme poverty, without causing distortions in market incentives.
- 1.6 In the medium term, investing in human capital is an integral part of the strategy. The component will focus on five main areas: education, health, nutrition, population, and social infrastructure. In parallel, it promotes gender equity and has ambitious goals for structural reform and the reallocation and focusing of social spending.
- 1.7 Last, the sustained development plan stresses geographic integration, particularly of the Atlantic coast. The aim is to reduce territorial inequalities, with participation by local governments and civil society.

C. Institutional framework

- 1.8 Nicaragua's government has embarked on a program to reform and modernize the State in order to have a leaner and more efficient public sector that is able to provide quality services. To that end, it passed Law 290 on the organization, powers and procedures of the Executive Branch, which went into effect on June 3, 1998. Several ministries will be closed pursuant to that law. Simultaneously, secretariats are being organized to support the functions of the Office of the President. They will be governed by the basic principle that their sphere of action will exclude operations and be limited to the field of policy.
- 1.9 The Technical Secretariat of the Office of the President (SETEC) was given the mandate of integrating social and economic policies as part of the government's strategy. SETEC's functions include coordinating the macroeconomic program and structural reforms, analyzing and promoting the consistency of economic and social policies, and providing technical advisory services.
- 1.10 SETEC has thus become the focal point for technical analysis and interministerial coordination. It is responsible for analyzing and ensuring cohesion between the poverty-reduction strategy, sector reforms, and public spending. It is also responsible for managing the national investment system and chairing the FSS coordinating committee. The committee is the instrument that will be used to mobilize resources for the design, guidance and evaluation of the social safety net and for financing supplementary current costs of the education and health care reform programs. Since SETEC is newly established, the program has been designed to include elements to facilitate execution, which are described in paragraph 3.8.

D. Bank strategy

- 1.11 The Bank's strategy in Nicaragua has the main objective of sustainable growth with equity. Economic stability and consolidation of the structural reforms are the cornerstones of that strategy. The proposed program contributes to the objective of achieving equity and reducing poverty.
- 1.12 The Bank will support SETEC because the linkage between social and economic policy is fundamental for combating poverty efficiently and effectively. The program's design is closely related to SETEC's mandate. Bank support will help to build a solid interministerial team capable of preparing structural reforms, integrating economic and social aspects within the government's objectives and priorities, and developing sector policies of national interest.
- 1.13 The program will provide technical assistance to facilitate interministerial policy dialogue. The technical analysis resulting from this assistance will make for better development and implementation of reform programs supported by the Bank in the social area. It will also strengthen the national counterpart in preparing future programs of interest to the country, the Bank, and other donors (for example, the social safety net, decentralization and municipal development, development of the Atlantic coast region, modernization of technical education, etc.).

II. PROGRAM OBJECTIVES

A. General objective

- 2.1 The general objective of the program is to support the government in the process of integrating social and economic policy and evaluating the impact of its program on poverty reduction.

B. Specific objectives

- 2.2 The specific objectives are to: (i) strengthen SETEC's capacity for analyzing and conciliating social and economic policy; (ii) develop key policies for poverty reduction; and (iii) develop and introduce socioeconomic indicators and indicators for analyzing the impact of the government's program on the poorest sectors.

III. PROGRAM DESCRIPTION

A. Strategy

- 3.1 SETEC's role is to analyze and integrate interministerial policy. Its success depends on its capacity, technical leadership, and the power to convince and influence that it wields in its role as adviser to the cabinet. Demand for SETEC will come from the ministries and will depend on its capacity to offer them value added. The high technical ability of its staff, coordination and solid interministerial relations will be keys for integrating national policy. The program being supported under this operation has been designed as a comprehensive tool to develop the technical capacity of the interministerial teams and to facilitate policy dialogue, technical analysis, communication and interministerial consensus.
- 3.2 The program will have the components and activities described below.
 1. Component 1. Institutional strengthening for SETEC
(US\$1.1 million)
- 3.3 This component supports the general objective of the program and seeks to rationalize social spending by focusing it on the poor and providing the technical assistance required for the design, consensus, execution and monitoring of structural reforms. It will include: (i) technical assistance in the form of temporary financing for a core team of consultants to act as interministerial liaison and develop SETEC's diagnostic and technical analysis capacity with respect to the social safety net, education, health and decentralization, in the context of their socioeconomic impact; (ii) training to improve the performance of the interministerial technical teams in designing sector reforms and policies to integrate social and economic factors; (iii) social communication to improve interchanges in the cabinet and with civil society to obtain the political support and consensus needed for effective implementation of sector reforms; and (iv) development of a management information system for SETEC and provision of the necessary equipment.
 2. Component 2. Special studies (US\$400,000)
- 3.4 This component will support the preparation of studies of national interest, which will serve as the basis for preparing sector policies and investment programs with an impact on poverty, to be financed with external resources. Tentatively, four studies have been planned: municipal development, development of the Atlantic Coast Autonomous Region, modernization of technical education, and design of a social safety net.

- 3.5 If necessary, the executing agency - in consultation with the Bank - may propose different special studies, provided the topics are consistent with the original criteria. In other words, the product of each study must be a sector policy focused on vulnerable groups (i.e. women, indigenous populations, children) or it must serve as the basis for preparing a program that will have an impact on the poorest sectors.

3. Component 3. Evaluation of the impact of the government's program (US\$250,000)

- 3.6 This component supports the development and implementation of a transparent system to evaluate the impact of sector reforms based on the principles of equity, efficiency and accountability. It will include technical assistance to: (i) develop a package of indicators; (ii) design systems to evaluate the impact of the government's program and the structural reforms on poverty; (iii) collect data and undertake the first pilot evaluation, providing in-service training for the technical staff who will be responsible for this function in future.

4. Component 4. Overhead (US\$234,000)

- 3.7 This component includes payment for an independent firm to pre-select the individual consultants. It also includes physical facilities, secretarial services, office supplies, utilities and other administrative costs associated with the program.

B. Execution

- 3.8 SETEC will be responsible for executing the program under the direction of the Technical Secretary of the Office of the President. The program will last for three years. To support the functions of the Technical Secretary, a coordinating unit will be established, composed of a technical coordinator for the program and an administrative/financial officer. To address the challenges of a new institution, the following elements have been included in the program's design: (i) establishment of a coordinating unit; (ii) contracting of an international firm to facilitate the selection of consultants; (iii) coordination with the institution to clearly define its needs, and the preparation of terms of reference that can be consulted in the technical files; and (iv) funding for the rapid establishment of the coordinating unit.
- 3.9 The coordinating unit will have the following responsibilities: (i) to identify, contract and monitor the four long-term consultants who will reside in Nicaragua during the program to provide technical assistance for the ministries and other line agencies with regard to the social safety net, education, health care and decentralization; (ii) to identify, contract and monitor short-term international consultants for training, social communications, the management information system, special studies

and impact evaluation; (iii) to formulate the interministerial coordination strategy; (iv) to prepare disbursement requests with the necessary documentation for the procurement of goods and services and the contracting of consultants, and keep and report on the accounts; (v) to coordinate preparation of workshops, seminars and other events; (vi) to prepare annual work plans with execution schedules; (vii) to present periodic reports; and (viii) to coordinate activities for the annual program reviews and evaluation.

- 3.10 The program will be guided by annual work plans to be agreed upon with the Bank. The plans will contain objectives, activities, costs, expected outcomes and indicators by component and sector. The plans should be coordinated with the line ministries, the Department of Social Assistance (SAS) and other leading agencies in the social sector. The support provided under this operation will focus on technical development and interministerial training in sector reform and special studies. In general, these activities will not lead to any increase in SETEC's recurrent costs. If it becomes necessary to continue with any of these activities after the end of the present operation, they will be financed from SETEC's budget.
- 3.11 An independent firm will assist SETEC in identifying the program consultants. Prior to contracting them, the executing agency will present the Bank with the final terms of reference. Prior to collecting the data and carrying out the pilot impact evaluation component, the borrower will present an evaluation plan describing the objectives, methodologies, and impact indicators with their corresponding baselines. Prior to implementing the training component, the borrower will present a training plan which describes the objectives, methodology, selection criteria for the officials to be trained, and the evaluation method. The plan should ensure interministerial participation as well as value added in the areas covered by the courses and should avoid unnecessary duplication with other training programs on social concerns.
- 3.12 The Technical Secretary and the coordinating unit will receive support from Bank specialists through working meetings to discuss and agree on key aspects for program implementation, including the annual work plans and the terms of reference for the special studies and the impact evaluation. The Bank's Country Office will designate a specialist to monitor program execution. Monitoring is expected to require four weeks of the specialist's time each year. In addition, the project team leader and an expert consultant in socioeconomics will each spend two weeks on monitoring and reviewing the program each year.

C. Procurement of goods and services

- 3.13 Goods and services will be procured and consultants will be contracted in accordance with Bank procedures. International

competitive bidding will be used for goods worth more than US\$250,000 and for consulting services over US\$200,000.

- 3.14 Execution of the activities described in the preceding paragraphs will be supported by local and international consulting services. Tentatively, the plan is to hire five national consultants to work during the entire program and seven short-term international consultants, in addition to from the coordinating unit.
- 3.15 Program funds will be used to purchase computer equipment and software to install a management information system at SETEC and provide personnel with the equipment they require to automate their technical and administrative management activities.

D. Social and environmental impact

- 3.16 CESI/TRG recommended that the project team take into account the need to focus on the population living in the autonomous region of the Atlantic coast, which should be given priority because of the extreme poverty in that area.

E. Program reports and monitoring

1. Annual reviews

- 3.17 The Bank and the borrower will perform annual reviews to evaluate progress in the project and to agree on the work plan for the following year. The reviews will be based on the performance indicators for the program specified in the annual plans. The purpose of these reviews is to monitor headway in the program and, if necessary, to introduce corrective measures in its design and implementation. The loan contract will establish that the Bank and the borrower will take the necessary corrective measures, which the borrower is to implement expeditiously, in the event that the reviews indicate the program is not proceeding smoothly. The technical coordinator will present annual reports to the Bank.

2. Program evaluation

- 3.18 Sixty days prior to disbursement in full of the loan, the Bank will conduct a final evaluation of the program. It will cover overall progress, the performance indicators agreed upon for each of the components, and headway in interministerial coordination, integration of economic and social policies, focus, and sector reforms.

3. Cost and financing

- 3.19 The total cost of the program will be US\$2,367,950, with the Bank contributing the equivalent of US\$2,145,250 from the Fund for Special Operations. The remaining US\$222,700 equivalent will be the local contribution.

Budget (in US\$)

Budget category	IDB	Local counterpart	Total	%
1. Institutional strengthening for SETEC	1,100,000	0	1,100,000	46.5
1.1 Technical analysis	720,000		720,000	
Consultants	720,000		720,000	
1.2 Training	100,000		100,000	
Consultants	50,000		50,000	
Study trips	45,000		45,000	
Materials	5,000		5,000	
1.3 Social communications	100,000		100,000	
Consultants	50,000		50,000	
Materials	25,000		25,000	
Dissemination	25,000		25,000	
1.4 Management information system	180,000		180,000	
Consultants	125,000		125,000	
Equipment	55,000		55,000	
2. Special studies and sector policies	400,000	0	400,000	16.9
2.1 Consultants	400,000		400,000	
3. Evaluation of the impact of the government's program	250,000		250,000	10.6
3.1 Consultants	175,000		175,000	
3.2 Field work	50,000		50,000	
3.3 Workshops and materials	25,000		25,000	
4. Coordinating unit	180,000	54,000	234,000	9.9
4.1 Technical coordinator	180,000		180,000	
4.2 Administrative officer		54,000	54,000	
5. General support		160,000	160,000	6.8
6. Financial costs	65,250	8,700	73,950	3.1
6.1 Interest	43,797	0	43,797	
6.2 Inspection and supervision	21,453	0	21,453	
6.3 Credit fee		8,700	8,700	
7. External auditing	150,000	0	150,000	6.3
Total	2,145,250	222,700	2,367,950	100
Percentage	90.6	9.4	100	

3.20 The Bank's contribution will come from the Fund for Special Operations. The terms for this operation will be as follows:

Loan conditions	
Source of financing	Fund for Special Operations
Guarantee	The general responsibility of the borrower
Conditions:	
Amortization	40 years
Grace period	10 years from the date of the contract. The loan will be repaid in semiannual quotas, with the first falling due 10.5 years after the date of the contract.
Disbursement period	The loan is to be disbursed within 42 months after the contract becomes effective. Disbursements will be made in the form of advance payments of up to 5% of the loan.
Interest rate	1% during the grace period and 2% thereafter.
Inspection and supervision	1% of the loan amount
Credit fee	The fee will be 0.5% a year on the undisbursed balance. It will begin to accrue 12 months after the Board resolution and will be paid in U.S. dollars on the same dates as the interest.

- 3.21 It should be noted that the government requested financing for this operation in FSO reimbursable resources is foreign exchange despite the preference it had expressed during the pre-programming mission, to obtain the financing is nonreimbursable funds. The government and the Bank are both taking steps to obtain such resources and, if they are found, the appropriate changes will be made accordingly.

IV. BENEFITS AND RISKS

A. Benefits

- 4.1 The creation of an institutional framework that facilitates technical analysis of the government's program, interministerial coordination, the conciliation of economic and social policy, and evaluation of the impact of the government's actions will benefit the government and the public alike. Incorporating the concept of interministerial teamwork into the program will not only strengthen SETEC but also the SAS, the Ministries of Education and Health, and other players in the social sectors. In the long term, poverty reduction is the main benefit of developing a government policy that harmonizes the principles of growth with equity, efficiency and accountability.

B. Risks

- 4.2 The greatest risk is that there may be overlapping of functions and resistance to interministerial coordination. As was mentioned in paragraph 3.1, the program includes components to facilitate interministerial communication and promote teamwork and joint decision-making. Nonetheless, it is important for the regulations to Law 290, slated for approval on November 1, 1998, to confirm the functions of SETEC that were originally established in Executive Decree 55-98 of August 27, 1998. Presentation to the Bank of these regulations is a condition for approval of the loan.
- 4.3 Another risk is that execution could be slow owing to SETEC's limited capacity. To surmount this risk, a coordinating unit has been included in the program to strengthen the secretariat's execution capacity, as was explained in paragraphs 3.7 and 3.8. Also, since the funds will not be available until next year on account of the time required to process this operation in the Bank, up to US\$50,000 of the funds for the program may be used by the borrower to hire the technical coordinator and other key consultants to launch the program.
- 4.4 SETEC has funding from the national budget to finance its recurrent costs, which guarantees its financial feasibility after the program ends. Prior to submitting the proposed operation to the Board of Executive Directors for approval, the government will present a policy letter to the Bank, describing the central role to be played by SETEC in the national strategy and the government's commitment to ensuring its sustainability.

LOGICAL FRAMEWORK (NI-0109)

Narrative summary	Verifiable indicator	Means of verification	Major assumptions
<p>Goal:</p> <p>1. Poverty reduction</p>	<p>1.1 Five-percent reduction in extreme poverty by 2000s ^{1/}</p>	<p>MECOVI surveys</p>	<ul style="list-style-type: none"> - Economic growth - Social safety net operating - FSS operating
<p>Objective:</p> <p>1. Government program to integrate social and economic aspects implemented</p>	<p>1.1 Government program includes at least a 20% increase in recurrent spending per pupil in primary school by 2000</p> <p>1.2 Government program includes at least a 14% increase in recurrent per capita spending on health care by 2000</p>	<p>SETEC management information system</p> <p>Evaluation of the impact of SETEC</p>	<ul style="list-style-type: none"> - Continuity of the interministerial technical teams
<p>Results:</p> <p>1. Structural reforms in education and health care defined, agreed upon and under way</p> <p>2. Focused spending</p> <p>3. Social safety net implemented</p>	<p>1.1 Educational reform covers at least 90% of students (primary and secondary school) under independent education systems by 2000</p> <p>2.1 Health care reform includes at least a 50% increase in per capita recurrent spending on primary care in priority areas by 2000 ^{2/}</p> <p>2.2 Health care reform provides not less than 50% of local health care systems with a basic health package by 2000</p> <p>3.1 At least one pilot safety net project implemented and evaluated by 2000</p>	<p>SETEC management information system</p>	<ul style="list-style-type: none"> - Political will to accept the reforms and provide supplementary financing for them

^{1/} Baseline 1997.
^{2/} Priority areas include the local health care systems in Matagalpa, Jinotega, Chontales, Chinandega, North Atlantic Autonomous Region, South Atlantic Autonomous Region, and Río San Juan.

Narrative summary	Verifiable indicators ^{1/}	Means of verification	Major assumptions
Activities:			
1. To develop sector policies and investment programs with an impact on poverty	<p>1.1 At least four special studies completed by the end of the project</p> <p>1.2 At least two programs contracted with external financing by the end of the project, as a result of the studies</p>	Progress reports	
2. To design and introduce socioeconomic indicators	2.1 At least 80% of line agencies in the social sector are using SETEC indicators by the end of the project	Interviews, focus groups	
3. To design and introduce social communications strategies	<p>3.1 At least three interministerial workshops on sector reforms held by the end of the project</p> <p>3.2 At least two communications manuals prepared by the end of the project</p> <p>3.3 At least three conferences on the social sectors and structural reform held by the end of the project</p> <p>3.4 Presentation by the ministers of their linked national social policy programs before the end of the project</p>	<p>List of participants and participant evaluations</p> <p>Project documents</p> <p>List of participants</p> <p>Video cassette</p>	
4. To train the interministerial technical team	<p>4.1 At least 10 sector specialists trained in structural reform by the end of the project</p> <p>4.2 At least 80% of the technical team that was trained uses the skills they learned by the end of the project</p>	List of participants and interviews with focus groups	
5. To design and implement the management information system	5.1 At least 80% of the Social Cabinet uses the information generated by SETEC's management information system by the end of the project	Interviews, focus groups	

PROCUREMENT PLAN (NI-0109)

Main procurements	Financing (percentage)		Method <u>1</u> /	Estimated o publicati
	IDB	Local		
g services international short-term consultants for a total of US\$725,000 equivalent: one US\$175,000, and all the others for under US\$100,000. local long-term consultants (three years) for a total of US\$845,000 equivalent. inating unit: coordinator (US\$180,000) and administrative officer (US\$54,000) total of US\$234,000.	100% 94%	 6%	PC PC	First half First half
trips: nine individual trips + per diems, averaging one week, for a total of 5,000 equivalent. g materials for US\$5,000 equivalent.	100%	PC	PC	1999 to 2
mmunications ction materials for a total of US\$25,000 equivalent. mination for a total of US\$25,000 for media publicity.	100%	PC	PC	1999 to 2
valuation work for a total of US\$50,000 for surveys. shops and materials for a total of US\$25,000 equivalent.	100%	PC	PC	1999 to 2
ent information system: US\$55,000 uter equipment are	100%	PC	PC	Second half

te contracting based on presentation of three different bids.

PROPOSED RESOLUTION

NICARAGUA. LOAN _____ /SF-NI TO THE REPUBLICA DE NICARAGUA
(Technical Cooperation for a Program to Strengthen the Institutional Framework of the
Technical Secretariat of the Office of the President)

The Board of Executive Directors

RESOLVES:

1. That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such agreements as may be necessary with the República de Nicaragua and to adopt such measures as may be pertinent for the execution of the plan of operations with respect to a Technical Cooperation for a Program to Strengthen the Institutional Framework of the Technical Secretariat of the Office of the President, referred to in Document PR- .
2. That up to the sum of US\$2,145,250, or its equivalent in other currencies, except that of Nicaragua, which are part of the resources of the Bank's Fund for Special Operations, is authorized for the purposes of this resolution.
3. That the above-mentioned sum is to be provided on a reimbursable basis.