

## ● LIST OF BILATERAL PROJECTS

#	Project title	Sector	Total €	LAIF €
1	Sustainable Electrification and Renewable Energy National Programme in Nicaragua (PNESER)	Sustainable energy	291,126,233	7,200,000
2	Integrated Sector Program for Human Water and Sanitation in Nicaragua (PISASH)	Water Supply & Sanitation	253,050,000	50,750,000
<b>Total</b>			<b>544,176,233</b>	<b>57,950,000</b>

## ● LIST OF MULTI-LATERAL PROJECTS

#	Project title	Specific activities	Sector	Total €	LAIF €
1	DINAMICA II Initiative – Seed Capital Risk	In process of being identified.	Support to SMEs	75,290,000	12,350,000
2	Green Micro, Small, and Medium Enterprises Initiative in Central America (MIPYMES VERDES II)	In process of being identified.	Support to SMEs	62,480,000	14,380,000
3	Energy efficiency and renewable energy for SMEs in Central America (MIPYMES VERDES I)	Technical Assistance for financial institutions to introduce loan products to finance EE equipment and RE technologies. Four energy audits. Three energy projects	Support to SMEs	36,330,000	3,000,000
4	Entrepreneurial Development and promotion of micro, small and medium sized enterprises (MSMEs) in Central America (DINAMICA I)	Strengthen the Nicaraguan MI PYME ecosystem" Creation of a EDCs in CONIMIPYME. Strengthening of the EDCs La Fábrica Coworking and incubation of innovative entrepreneurs from Nicaragua.	Support to SMEs	54,352,000	3,952,000
5	Geothermal Development Facility Latin America Program	Surface studies: San Jacinto-Tizate project (50MW) - Polaris Energy Nicaragua, S.A. (PENSA)	Sustainable energy	1,094,000,000	20,500,000
<b>Total</b>				<b>1,184,682,000</b>	<b>27,452,000</b>

*This country fiche was prepared with the most recent information and data available from the banks under contractual responsibility to fully inform LAIF in a timely manner about the development of the projects. Additional information is supplied by the DUE's.*

## PROJECT:

## Sustainable electrification and renewable energy national program (PNESER)

### LEAD INSTITUTION:

EIB

### PARTNERS:

IDB

AECID

CABEI

EU-LAIF

### TOTAL COST:

€ 291 126 233

### LAIF CONTRIBUTION:

€ 7 200 000

### TYPES OF SUPPORT:

Investment Grants

### DURATION PERIOD:

Jul 2016 – Feb 2018

### CURRENT PROGRESS:

Ongoing

### DESCRIPTION:

Nicaragua is the second lowest income country in Central America, with one of the lowest rates of electricity coverage in the region. There are 340,000 homes without electricity service (1.8 million people). In Nicaragua there is no national policy to attend to users located in isolated areas. There is a high dependence on fossil fuel generation (and high distribution losses). The energy intensity index is double the average for Central America.

The objective of the PNESER was to support the efforts of the Nicaraguan government to reduce poverty by promoting access to an efficient and sustainable electricity service to an important portion of the population, thus generating the conditions to advance in the diversification of the energy matrix and the mitigation and adaptation to climate change.

### EXPECTED RESULTS:

- Construction substation Malpaisillo (physical progress 99% and financial progress 90%) and the transmission lines associated reinforcements (physical progress 100% and financial progress 45.22%).
- Construction substation La Virgen (physical progress 84% and financial progress 82.44%) and the transmission lines associated reinforcements (physical progress 41% and financial progress 33.27%).
- Construction substation Terrabona (physical progress 100% and financial progress 97.55%) and the transmission lines associated reinforcements (physical progress 100% and financial progress 99%).
- Increased of the electricity service coverage in the country (92% in 2017).
- Proportion of electricity generation from renewable sources (67.9% in 2017).
- Reduction of consumption by energy efficiency programmes (165 GWh/year in 2017).
- Reduction of energy losses in settlements (2.21% in 2017).
- Increased service reliability due to transmission system reinforcements (93.7% in 2017).

**PROJECT:** Integrated Sector Program for Human Water and Sanitation in Nicaragua  
(PISASH)



**LEAD INSTITUTION:**  
AECID

**PARTNERS:**  
EIB  
CABEI  
EU-LAIF

**TOTAL COST:**  
€ 253 050 000

**LAIF CONTRIBUTION:**  
€ 50 750 000

**TYPES OF SUPPORT:**  
Investment Grants  
Technical Assistance

**DURATION PERIOD:**  
Dec 2012 – Dec 2020

**CURRENT PROGRESS:**  
Ongoing

**DESCRIPTION:**

The PISASH Program is the first phase of the PROGRAMA VIDA (LIFE PROGRAM) in urban areas. The program will enhance the effective management of water resources and will provide capacity building to Empresa Nicaragüense de Acueductos y Alcantarillados Sanitarios (ENACAL) in its investment program. LAIF will fund the construction works in the cities of Santo Tomás, Acoyapa, Bilwi and Bluefields, complementing AECID funds in the coverage of water and sanitation needs of these cities.

**EXPECTED RESULTS:**

- Drinking water storage systems have been improved in 15 cities.
- Sewer system and residual water treatment have been improved in 13 cities.
- Improvement in the capabilities of ENACAL Central and its Local Branches in management, operation and maintenance of water and sewerage systems.
- ENACAL's Business Sustainability Plan is operationally integrated.
- Feasibility studies and final designs were carried out for 17 additional cities.





**PROJECT:**

**DINAMICA II Initiative – Seed Capital Risk Financing in Central America and Dominican Republic**



**COUNTRIES:**

Costa Rica, El Salvador,  
Guatemala, Honduras,  
Nicaragua, Panamá.

**LEAD INSTITUTION:**

KfW

**PARTNERS:**

BCIE

EU-LAIF

**TOTAL COST:**

€ 75 290 000

**LAIF CONTRIBUTION:**

€ 12 350 000

**TYPES OF SUPPORT:**

Investment grants  
Technical assistance

**DURATION PERIOD:**

Dec 2018 – Dec 2025

**SPECIFIC ACTIVITIES IN THE COUNTRY:**

- In process of being identified.

**DESCRIPTION OF THE MULTICOUNTRY PROJECT:**

The envisaged Seed Capital Risk Financing component addresses the bottlenecks identified in the Central American region, specifically regarding the accessibility of new and innovative enterprises to finance solutions in order to start their operations, be consolidated and grow.

By doing this, the new component contributes to developing entrepreneurship and innovation and is therefore an ideal complement to the DINAMICA initiative.

**EXPECTED RESULTS OF THE MULTICOUNTRY PROJECT:**

DINAMICA II, the Seed Capital Risk Financing component of the DINAMICA initiative, is expected to benefit at least 800 MSMEs, of which 480 are new enterprises, 100 of them led by women.



## PROJECT:

## Green Micro, Small, and Medium Enterprises Initiative in Central America (MIPYMES VERDES II)

### COUNTRIES:

Costa Rica, El Salvador,  
Guatemala, Honduras,  
Nicaragua y Panama

### LEAD INSTITUTION:

KfW

### PARTNERS:

CABEI  
EU-LAIF

### TOTAL COST:

€ 62 480 000

### LAIF CONTRIBUTION:

€ 14 380 000

### TYPES OF SUPPORT:

Investment grants  
Technical assistance

### DURATION PERIOD:

Dec 2018 – Feb 2034

### CURRENT PROGRESS:

Ongoing

### SPECIFIC ACTIVITIES IN THE COUNTRY:

- In process of being identified.

### DESCRIPTION OF THE MULTICOUNTRY PROJECT:

The Green MSMEs initiative aims at reducing carbon emissions in the Central American Region by:

- Promoting the financing of environmental investments to support renewable power generation and energy efficiency measures in Micro, Small and Medium Enterprises, including the development of the necessary infrastructure for the conversion, transportation and storage of energy.
- Providing non-reimbursable environmental investments such as technical assistance to financial institutions and financing of energy studies that are in line with the needs of micro, small and medium enterprises (MSMEs) in Central America and Panama.

### EXPECTED RESULTS OF THE MULTICOUNTRY PROJECT:

- 57 000M CO<sub>2</sub> tons eq / year emissions reduction.
- 26 MW of additional capacity from renewable energy sources.
- 44M Euro of new financing available to financial intermediaries
- 100 energy project studies and energy audits supported.
- MSMEs will have the opportunity to reduce their production costs and thus become more competitive, while helping to mitigate climate change and improving public perception by presenting themselves as socially and environmentally responsible companies.



## PROJECT:

## Energy efficiency and renewable energy for SMEs in Central America (MIPYMES VERDES I)

### COUNTRIES:

Costa Rica, El Salvador,  
Guatemala, Honduras,  
Nicaragua

### LEAD INSTITUTION:

KfW

### PARTNERS:

CABEI

EU-LAIF

### TOTAL COST:

€ 36 330 000

### LAIF CONTRIBUTION:

€ 3 000 000

### TYPES OF SUPPORT:

Technical assistance

### DURATION PERIOD:

May 2010 – Dec 2018

### CURRENT PROGRESS:

Completed

### SPECIFIC ACTIVITIES IN THE COUNTRY:

- Technical Assistance for FI: Introduction of new loan products to enable clients to finance EE equipment and RE technologies.
- Four energy audits for Casa Santa Lucia, Hielo Olito, Innova Industries and Pochi.
- Three energy projects.

### DESCRIPTION OF THE MULTICOUNTRY PROJECT:

The overall objective of the Energy Efficiency and Renewable Energy Program for SMEs in Central America was to contribute to the protection of the climate and the environment. The Program aimed at providing efficient and sustainable access to financing products for environmental investments which correspond to the needs of SMEs in Central America. The Program had two main components:

- 1) Financing of environmental investments – Provision of funds by the Program Executing Agency to local financial institutions that channel resources to SMEs for energy efficiency (EE) and renewable energy projects.
- 2) Technical Assistance, studies and promotional activities – Including technical assistance for financial institutions, energy audits of SMEs and feasibility studies of small renewable energy projects; information material and promotional events.

### RESULTS OF THE MULTICOUNTRY PROJECT:

- Technical Assistance to Financial Institutions: The technical assistance helped the financial institutions to introduce a new loan product into its internal procedures to enable clients to finance energy efficiency equipment and renewable energy technologies.
- Financing Energy Analysis (energy audits & feasibility studies): The financing of energy audits helped to determine the potential energy savings and the necessary investments required to realize said potential.
- Promotion of the initiative: The information material and the events provided additional information promoting awareness among FIs and SMEs about the necessity and the benefits of investing in environmental measures.



**PROJECT:** Entrepreneurial Development and promotion of micro, small and medium sized enterprises in Central America (DINAMICA I)



**COUNTRIES:**

Costa Rica, El Salvador,  
Guatemala, Honduras,  
Nicaragua

**LEAD INSTITUTION:**

KfW

**PARTNERS:**

CABEI

EU-LAIF

**TOTAL COST:**

€ 54 352 000

**LAIF CONTRIBUTION:**

€ 3 952 000

**TYPES OF SUPPORT:**

Technical assistance

**DURATION PERIOD:**

Sep 2015 – Sep 2019

**CURRENT PROGRESS:**

Completed

**SPECIFIC ACTIVITIES IN THE COUNTRY:**

- Strengthening the capacities of the Innovation, Entrepreneurship and Productivity Network of the University Thomas More (UTM).
- Strengthening the Nicaraguan MIPYME ecosystem by creating a EDCs in Consejo Nicaragüense de la Micro, Pequeña y Mediana Empresa (CONIMIPYME).
- Strengthening of the EDCs La Fábrica Coworking and incubation of innovative entrepreneurs from Nicaragua.

**DESCRIPTION OF THE MULTICOUNTRY PROJECT:**

DINAMICA focuses on promoting entrepreneurial and private sector development for employment and income generation in order to contribute to economic development and poverty reduction in Central America. More specifically, the project aims at:

Promoting the entrepreneurial environment in order to facilitate the creation of new and innovative enterprises;

Supporting financial sector development in order to provide adequate access to finance for MSMEs.

**RESULTS OF THE MULTICOUNTRY PROJECT:**

- DINAMICA has supported more than 10 Entrepreneurial Development Centers, over 93 new and innovative enterprises, and 9 financial institutions.



## PROJECT:

## Geothermal Development Facility Latin America Program

### COUNTRIES:

Bolivia, Chile, Colombia,  
Costa Rica, Ecuador,  
El Salvador, Honduras,  
Nicaragua, Peru

### LEAD INSTITUTION:

KfW

### PARTNERS:

AFD

BCIE

CAF

EIB

EU-LAIF

IDB

JICA

WBG

### TOTAL COST:

€ 1 094 000 000

### LAIF CONTRIBUTION:

€ 20 500 000

### TYPES OF SUPPORT:

Investment grants  
Technical assistance

### DURATION PERIOD:

Dec 2014 – Dec 2026

### CURRENT PROGRESS:

Ongoing

### SPECIFIC ACTIVITIES IN THE COUNTRY:

- Surface studies: San Jacinto-Tizate project (50MW) - Polaris Energy Nicaragua, S.A. (PENSA).

### DESCRIPTION OF THE MULTICOUNTRY PROJECT:

The Geothermal Development Facility for Latin America aims at overcoming existing barriers to the development of geothermal energy by providing:

1. a tailored Geothermal Risk Mitigation Fund in order to diminish geothermal resource risk during the exploratory drilling stage of the project;
2. geothermal investment financing windows to deliver anchor financing for subsequent investments during the production drilling and construction stages; and
3. a Technical Assistance Forum to offer a suitable venue for policy dialogue between donors and partner governments.

### EXPECTED RESULTS OF THE MULTICOUNTRY PROJECT:

- 350 MW additional capacity from geothermal energy by 2024.
- 1.88 Million tCO<sub>2</sub> e/yr fewer relative (net) greenhouse gas emissions.
- 2.25M beneficiaries.





**PROJECT:** Promoting Climate Change Adaptation and Integrated Water Resources Management Investment in the water sector in LA in the framework of the Spanish Cooperation Fund for Water and Sanitation (FCAS)



**COUNTRIES:**

Argentina, Bolivia, Chile,  
Colombia, Costa Rica,  
Ecuador, El Salvador,  
Honduras, Nicaragua,  
Paraguay, Peru

**LEAD INSTITUTION:**

AECID

**PARTNERS:**

IDB

EU-LAIF

**TOTAL COST:**

€ 615 300 000

**LAIF CONTRIBUTION:**

€ 15 300 000

**TYPES OF SUPPORT:**

Investment grants  
Technical assistance

**DURATION PERIOD:**

Dec 2013 – Dec 2019

**SPECIFIC ACTIVITIES IN THE COUNTRY:**

- Study and design of El Borbollón riverbed Sub-basin III of Managua.

**DESCRIPTION OF THE MULTICOUNTRY PROJECT:**

The LAIF contribution aims to improve water and sewerage infrastructures and contribute to reduce the risks of diseases caused by water management in the Latin American region through the development of various projects. These are grouped into two components: Component I, projects for Adaptation to Climate Change (ACC) and Component II, projects for the Integrated Management of Water Resources (GIRH).

The projects consist of the reinforcement of capacities associated with the programs, studies developed in the pre-investment phase to identify new investments in new actions, review of regulations and the development of methodologies, tools and manuals, which in turn will have an impact on future investments.

**EXPECTED RESULTS OF THE MULTICOUNTRY PROJECT:**

Support the inclusion of Adaptation to Climate Change measures (especially in relation to extreme events such as droughts and floods), both in policies and investments related to the water and sanitation sector; and to influence the development of policies and investments of the sector through the promotion of solutions adapted to the needs and capacities of the population.



**PROJECT: Eco Business fund for SME Development in Latin America and the Caribbean**



**COUNTRIES:**

Colombia, Costa Rica,  
Ecuador, El Salvador,  
Guatemala, Honduras,  
Nicaragua, Panama, Peru

**LEAD INSTITUTION:**

KfW

**PARTNERS:**

EU-LAIF

**TOTAL COST:**

€ 295 550 000

**LAIF CONTRIBUTION:**

€ 16 410 000

**TYPES OF SUPPORT:**

Financial Instruments  
Technical Assistance

**DURATION PERIOD:**

Dec 2016 – Dec 2020

**SPECIFIC ACTIVITIES IN THE COUNTRY:**

- Financial institution beneficiary of the eco.business fund identified.
- Lafise Bancentro ESMS: revision of the Bank's existing Environmental & Social (E&S) status and tools.

**DESCRIPTION OF THE MULTICOUNTRY PROJECT:**

The eco.business Fund is a joint initiative of investors intent on supporting the promotion of business and consumption practices that contribute to biodiversity conservation, the sustainable use of natural resources, climate change mitigation and adaptation to its impacts. In providing financing to the fund's target group for investing in activities that conserve nature and foster biodiversity, the eco.business Fund seeks investments that yield both financial and environmental returns. The financing can be provided directly or through local financial institutions. In addition, final beneficiaries and local lending institutions can count on high impact technical assistance provided by the eco.business Development Facility.

**EXPECTED RESULTS OF THE MULTICOUNTRY PROJECT:**

- Protection of ecologically valuable 1.2 M hectares.
- 540 companies financed.
- 318 Million Euro disbursed.
- 2.36 Million tCO<sub>2</sub> e/yr relative (net) greenhouse gas emissions impact.
- Create or improve 288,000 jobs by 2019 and about 1 million by 2035, contributing to poverty reduction.