

Honduras Compact Progress

- ★ **Transportation Project:** The construction of the North Segment of the CA-5 Highway is close to 60% complete. Two of three secondary roads are approximately 90% complete, while the third is approximately 30% complete. The construction of the resettlement sites on the North segment of the CA-5 Highway are complete. Most beneficiaries have received keys to their new homes and business stalls.
- ★ **Rural Development Project:** As of August 2009, more than 5,900 small farmers received technical assistance in the production and marketing of high value horticultural crops. A total of 13,849 hectares have been planted, since the Farmer's Training Development Program commenced. The participation of female farmers in the activity has increased to 7.4% (440 women). The gross sales of

women program farmers reached \$1.6 million as of August 2009. In addition, contracts have been awarded for close to 500km of Farm to Market Roads.

- ★ **Note:** In September 2009, MCC's Board decided to partially terminate MCC's Compact, ceasing to fund the vehicle weight control activity and the portion of the farm to market roads activity corresponding to the construction and improvement of approximately 93 kilometers of rural roads. The termination is a result of actions by the government of Honduras that are inconsistent with MCC's eligibility criteria. In addition, MCC's Board determined that a hold would be placed on approx. \$4 million of MCC funding related to Section 1 of the CA-5 Highway until further notice.

Compact At-A-Glance

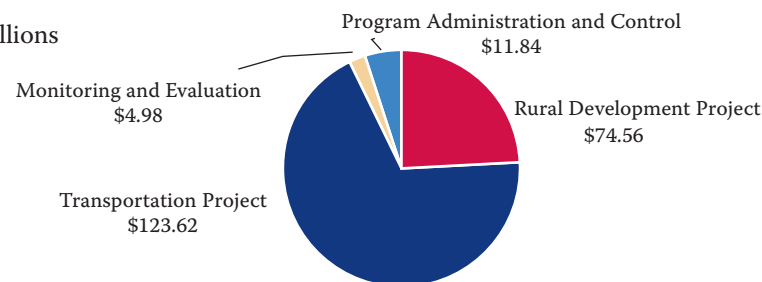
Signed6/13/2005

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

The five-year, \$215.0 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



\$193,102,925 total contract commitments

\$109,129,818 disbursed to date

Country At-A-Glance

Population.....7,241,504*

GNI per Capita\$1,800*

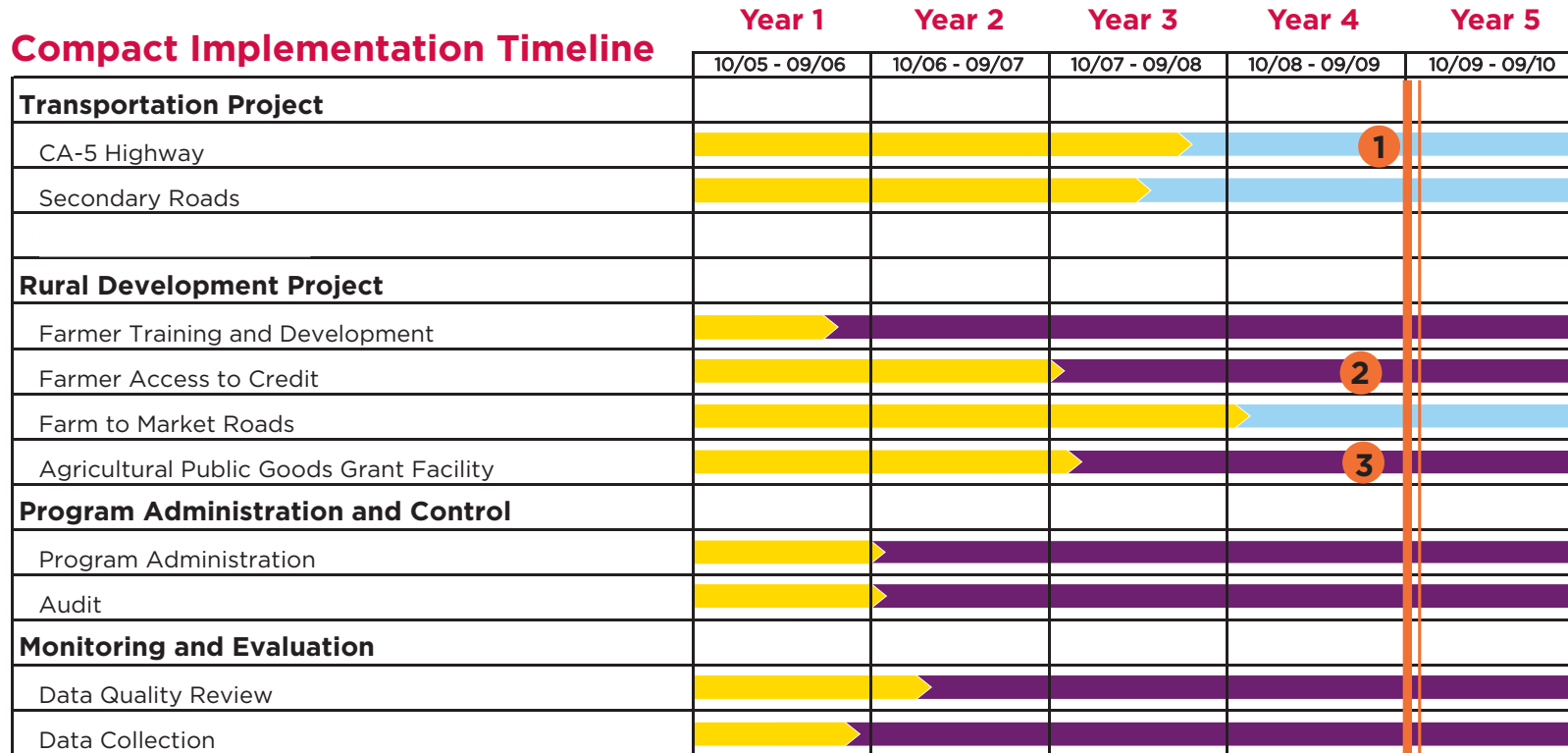


On the Web:

www.mcc.gov

MCA-Honduras:

www.mcahonduras.hn



1
September 2009:
Paving operations have begun on the North Segment of the CA-5, and two Secondary Roads are nearing completion.

2
August 2009:
More than 7,000 market linkages have been made between program farmers and buyers, including agricultural processors, wholesale markets, exporters and local distributors.

3
August 2009:
Secured Transaction Law passed by Honduran Congress on August 19. This Law will provide opportunities for small and medium entrepreneurs nationwide to access credit through formal institutions.

We Are Here

October 2009
Disbursements to Date..... \$109,129,818
Total Contract Commitments..... \$193,102,925

* 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.