

QPR/QOR (Oct-Dec 2013)

Description (QOR):

In December 13, 2013 the Credit Committee approved the granting of a Partial Guarantee of Credit for US\$1,000,000 as part of the long-term hedge provided by Banco Lafise S.A. to the Hydropower Project San Alejo (2,10MW) of the AcquaFutura S.A. de C.V. company, under the following characteristics:

Numbers that represent the Hydropower Project San Alejo, Honduras	
Total amount of investment:	US\$5,468,984
Financing of Banco Atlántida:	US \$3,826,429
Guarantees used:	US\$1,000,000 ARECA and mortgage
Size of the Project:	2,100MW
Impact in the National Development Hydropower Project San Alejo, Honduras	
Jobs created:	120 in progress/10 operating
Savings in importation of oil products	14,699 barrels of oil /year ^{1/} .
Estimated reduction of the Oil Invoice	US\$1.18 million/year.
Metric tons of CO ₂ not sent to the atmosphere	6,204 Tons of CO ₂ /year ^{2/} .

Additional work was done for the financial institutions in order to obtain the financing approval of the following operations:

- With the Banco de Desarrollo de El Salvador (BANDESAL) that approved the financing for the Biodigestion Project called Hacienda San Ramón de Agrícola Ganadera Borja Letona (0,350 MW), for a total amount of US\$800,000.
- In December 9, 2013 the Grupo Financiero de Occidente, S.A. of Guatemala approved the financing of the Hydropower Project Peña Flor (0,543 MW) for an amount of US\$1,1,340,000; and they are currently in the process of sending the application of an ARECA Partial Guarantee of Credit for a hedge of US\$669,000.

Likewise, follow-up is given to BANRURAL de Guatemala with the Hydropower Project San Luis (2 MW) and a possible ARECA Partial Guarantee of Credit of US\$1, 000,000; to BAC of Costa Rica with the Photovoltaic Project Club Campestre Español (30kW) for a possible ARECA Partial Guarantee of Credit for US\$136,500; and regarding the Technical Assistance Fund, three (3) grants were approved during the month of September: El Molo (3.9 MW) and Santiago Hydropower (2.5 MW) in Honduras and Parismina Hydropower (7.5 MW).

In the area of promoting knowledge in the region, participation was taken in the “Green Guarantees Regional Workshop” in Cartagena, Colombia 17-18 of October (BID-FINDETER-ALIDE)”, where the ARECA Project’s experiences and better practices were shared. The following trainings were also given:

Co-organization of the Regional Energetic Sector Activities ^{3/}			
Country	Institutional Synergy	Workshop/Training Description	Participants
Costa Rica November 25, 2013	Banco Nacional de Costa Rica (BNCR)	Business Roundtable – Opportunities in Renewable Technologies	15 Business Executives
El Salvador November 11, 2013	BANDESAL, BAC, Hipotecario, Agrícola, Consejo Nacional de Energía (CNE)	Business Roundtable in Renewable Energy and Risks Analysis for Commercial Banks	30 representatives of the commercial banks
Costa Rica November 08, 2013	Instituto Costarricense de Electricidad (ICE)	Technical Roundtable: ICE – ARECA	50 Photovoltaic Investors
Guatemala October 28, 2013	Banco Industrial	PPER Banco Industrial Evaluation and Financing Workshop	40 employees
Costa Rica October 01, 2013	Asociación Costarricense de Productores de Energía (ACOPE)	Development and Use of Photovoltaic Solar Energy Seminar	100 participants (investors and commercial bank)

^{1/} 1 Gallon = 15 kWh. Own source.

^{2/} The annual reduction of Greenhouse Gases (GHG) propitiated by the Hydropower Project San Alejo will be commercialized at a minimum cost of US\$20.00 per ton of CO₂, considering an emission factor = 0.67 ton CO₂/MWh. Source: LAFISE Credit Decision

^{3/} Activities performed in conjunction with the CABI’s Country Managements and the Green Mipymes Initiatives.



It should also be mentioned that in coordination with the CABEL International Cooperation and Strategic Alliances Department, negotiations are being held with the Swedish International Development Cooperation Agency (SIDA) for US\$4.7 million, as ARECA Project Replication Funds, promoted by the Swedish Foreign Ministry.

ARECA continues improving its visibility in the social networks Facebook (160 followers) and Twitter (68 followers); and during this quarter there were 3,516 visits to our Project Website. Likewise, there were 23,631 hits-clicks and 6,417 downloads.

Delivery Rate:	
Annual Budget for current calendar year	US\$ 407,864.00
Budget expenditures to date	US\$ 325,496.98
Delivery rate (budget expenditure ÷ annual budget)	79.81%
