



QPR/QOR (July-September 2013)

Description (QOR):

During this quarter, ARECA made substantial progress regarding the emission of two Partial Credit Guarantees for San Alejo Hydropower (2.1 MW) in Honduras and Peña Flor Hydropower (0.59 MW) in Guatemala. Additional work was done to renew ARECA's PRG for Zingüizapa Hydropower (2.975 MW) located in Honduras. If approved by CABEL's credit committee, these partial credit guarantees will amount a total of US\$ 2.6 Million. Proper on field follow-up was given to Quilio Hydropower (1.3 MW) as it remains a PRG beneficiary.

Other projects that are expected to be benefited with ARECA's PRG during this year or early next year, are:

- El Molo hydropower (3.9 MW) in Honduras
- Isla /Monteverde II hydropower (3.6 MW) in Costa Rica
- ASA hydropower (1.1 MW) in Nicaragua

Likewise, ARECA co-sponsored economically the implementation of the course "Developing and Financing Renewable Energy Projects" along INCAE Business School, the German International Cooperation Agency (GIZ), through its Renewable Energy and Energy Efficiency (4E) Program in Central America, and the Zamorano University in Honduras. During this course ARECA had an active participation, both sending employees to strengthen their abilities as well as chairing a presentation about the regional energy sector (which was delivered by ARECA's Project Coordinator). The training is provided through a "blended-learning" modality, which combines in-person and e-learning segments and it started by mid-July and will be finished by the end of October.

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). ARECA's Project Coordinating Unit is expecting to present to the Technical Assistance Committee, at least three more projects during this year to total up to US\$ 400,000 in grants for small and medium RE projects in Central America and Panama.

During this quarter, ARECA's PCU continued helping CABEL's External Funding Department to close a deal with the Swedish International Development Agency (SIDA) to support the PRG program, thus strengthening the replica funding goal established when the project was designed (important to mention the €2.0 million given by the Finnish Government through its Ministry of Foreign Affairs). To date, there are good possibilities that SIDA, would be willing to invest US\$ 5.0 million in the PRG facility and it's expected to reach a deal during the upcoming months.

To date, 39 Intermediary Financial Institutions (IFIs) have subscribed the PRG contract and 8 renewals took place during the reporting period. Currently, one additional IFI is expected to be signed up to ARECA's PRG facility (Banrural from Guatemala) expecting to close the deal during the month November.

In terms of visibility, ARECA continues to improve and during this quarter there were 3,103 visits to our project website which represent an 8% decrease with respect of the same period of 2012. Likewise, there were 28,832 hits within the website that represented a 20.14% decrement.



Delivery rate:

Annual Budget for current calendar year	US\$ 407,864.00
Budget expenditures to date	US\$ 195,060.37
Delivery rate (budget expenditure ÷ annual budget)	47.82%