

THE JAPANESE TRUST FUNDS AT THE INTER-AMERICAN DEVELOPMENT BANK



ANNUAL REPORT 2007

INTRODUCTION

The year 2007 was another outstanding period for the Japanese Trust Funds as it met the high volume of development needs in the Latin America and Caribbean Region. Since their establishment, the Japanese Trust Funds have been recognized and appreciated in the IDB for their relevance to the Bank's core activities. The funds are rigorously managed to ensure the efficient allocation of resources, optimal technical cooperation, and a strong development impact.

The Japanese Trust Funds support five distinct programs:

- The Japan Special Fund is the largest active trust fund at the Bank and the single most significant source of flexible, untied, external funding for technical cooperation activities. Since its establishment in 1988, the Japan Special Fund has helped support Bank efforts to improve the infrastructure stock of the borrowing member countries, protect the natural environment, and promote the productive sectors.
- The Japanese Trust Fund for Consultancy Services, established in 1995, is another strong instrument for applying Japanese know-how and development experience to the challenges facing developing countries of the Americas.
- The Japan Poverty Reduction Program was established in 2001 to focus resources on poverty reduction initiatives, particularly those driven by the community and carried out in conjunction with civil society institutions and local governments.
- The IDB/Japan Program was created in 1999, in response to the significant and increasing interest of Latin American and Caribbean countries to learn about the economic and social development experience of Japan and other East Asian countries.
- The Japan-IDB Scholarship Program was established in 1991 and reflects the importance Japan attaches to human resource development in Latin America and the Caribbean.

The Fund's strong support for development operations in the region is made possible by continuous collaboration between the Japanese Government and the Inter-American Development Bank based on a mutual objective of promoting economic development and social progress.

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ABBREVIATIONS

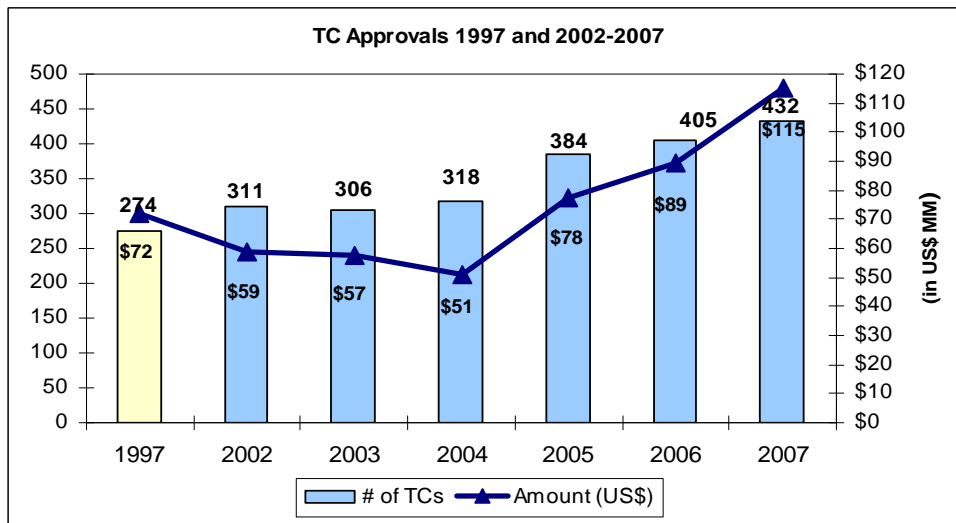
CBP	COMMUNITY- BASED PROJECTS/PROGRAM
IDB	INTER-AMERICAN DEVELOPMENT BANK
IJP	IDB/JAPAN PROGRAM
JCF	JAPANESE TRUST FUND FOR CONSULTANCY SERVICES
JICA	JAPAN INTERNATIONAL COOPERATION AGENCY
JPO	JAPAN POVERTY REDUCTION PROGRAM
JSF	JAPAN SPECIAL FUND
JSP	JAPAN-IDB SCHOLARSHIP PROGRAM
JTF	JAPANESE TRUST FUND
LAC	LATIN AMERICA AND THE CARIBBEAN
LEP	LOAN ENHANCEMENT PROGRAM
NGO	NON-GOVERNMENTAL ORGANIZATION
TC	TECHNICAL COOPERATION

GENERAL BACKGROUND

THE TECHNICAL COOPERATION PROGRAM OF THE INTER-AMERICAN DEVELOPMENT BANK: TRENDS AND 2007 PERFORMANCE

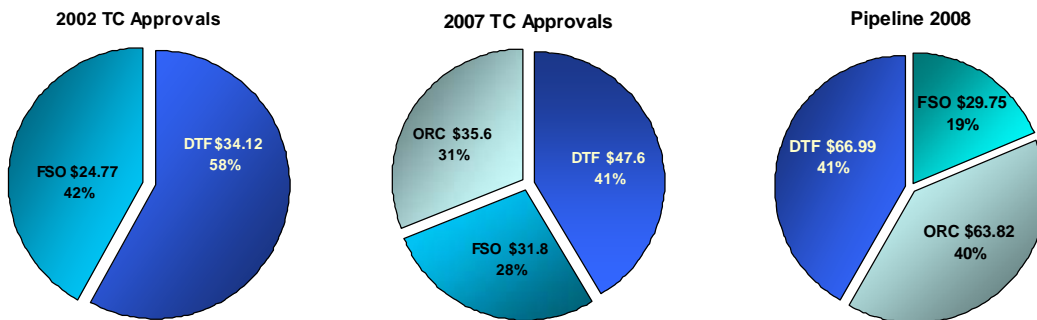
The technical cooperation (TC) program of the Inter-American Development Bank (IDB) has grown significantly over the past five years as funding has diversified. Graphs 1 and 2 show how the TC program has grown and indicates how the use of donor trust funds has increased substantially and is expected to increase further in 2008.

Graph 1



Graph 2

Approvals by Source of funding



FSO: Fund for Special Operations

DTF: Donor Trust Funds

ORC: Special program/grants financed with ordinary capital resources

MODERNIZATION OF THE TECHNICAL COOPERATION PROGRAM

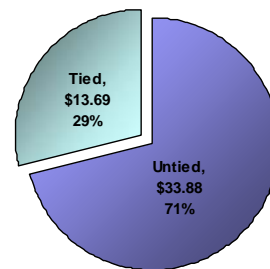
On April 1st, 2008, the IDB's Board of Directors approved two proposals: one to revise the TC policy that had been in effect since 1974, and the other to modernize the framework for TC operations and funding. The TC policy establishes a set of principles for the long-term and the framework establishes a platform relevant to and applicable over the medium term. The TC policy and TC framework are consistent with the objectives of:

- ❖ improving Bank capacity to respond efficiently and rapidly to growing demand from borrowing countries;
- ❖ aligning TC operations with country and regional program priorities.

To achieve these objectives, the TC policy and TC framework include:

- A preference for **Multi-donor Strategic Thematic Funds (STF)** that can be sector, sub-region or country focused. For donors who want to target their contribution to specific countries within sectoral multi-donor STF, this would be possible within country-focused STFs or through Single Donor Funds.
- **Single Donor Funds (SDF)** will be permitted provided they use the Bank's standard procedures, cover more than one theme and focus on a group of countries. New SDF will be assessed a one-time fee, in addition to the standard 5% fee, to help defray the additional cost of setting up a separate fund with separate reporting.
- **Tied funds.** The Board has agreed a process for phasing out tied funds. No new tied funds will be permitted. Existing tied funds (at 50% tied) can be replenished until December 31, 2009 and then used until depleted. Donor Trust approvals for 2007 clearly show that there is a marked preference for untied funding as seen in Graph 3.

Graph 3
2007 Trust Funds Approvals
by Procurement Condition



- **Streamlined procedures for approving TC.** The Bank is elaborating a set of streamlined, standardized procedures to simplify access to grant resources and expedite approvals. If a single donor fund requires a capital consultation on project approvals, it will be on a time-bound non-objection basis (15 working days after submission a project would be taken to be approved, if not otherwise stated).
- **Broader delegation of authority for TC approval and execution.** The Board agreed to delegate approval and execution authority for TC operations up to US\$1.5 million to the President or his representatives. To maintain the Board informed about innovative or greater

risk TCs as well as to facilitate substantive dialogue, Management has agreed to send a sample of TC operations to the Board for discussion prior to approval.

- **Negotiation and approval of trust funds** is delegated to President and his representatives. Management is updating the guidelines for the establishment of private sector partnerships, which will be presented to the Board for information.

What does the approval of the TC policy and TC framework mean for the donors?

With TC modernization the Bank has indicated that its focus has shifted from approvals to results. The TC framework places the responsibility for TCs' technical quality, including their evaluability, in the sector divisions. All new trust funds will have a results framework attached and team leaders will be entrusted to report on outcomes of TC operations. The result of this combined effort will be improved reporting to the Board and donors that will permit a better assessment of the TC program.

Approval of the TC policy and framework facilitates other required improvements, including the development of a new TC information system that will give donors access to real time information on the TC program and progress of their funds.

For donors with tied funds the new TC policy and framework will mean discussions to agree their incorporation into the structure agreed by the Board. These discussions with some donors could include the complete untying of existing tied funds.

The Bank and the donors will also need to agree the incorporation of single donor funds into the Bank's standardized operating regulations. In addition, the TC modernization is the opportunity to discuss with donors the creation of multidonor trust funds in those thematic areas where two or more single donor funds exist currently.

With the TC policy and framework approved, the Bank can move ahead with the organization of a donors' meeting that will be the opportunity to provide more information, answer questions regarding the changes in the TC program and listen to donor ideas on future work together.

The TC policy and framework documents are available at the following address: www.iadb.org/trustfunds

However, if you have specific questions regarding these changes prior to the donors' meeting, please contact the JTF Fund Managers Goro Mutsuura (gorom@iadb.org), Susana Cárdenas (susanac@iadb.org), Kaname Yunokawa (kanamey@iadb.org) or contact Peter Sollis (peteroso@iadb.org) or Sonia Rivera (soniar@iadb.org) for further information.

1. JAPAN SPECIAL FUND, JAPANESE TRUST FUND FOR CONSULTANCY SERVICES, JAPAN SPECIAL FUND-POVERTY REDUCTION PROGRAM

1.1. Resources and their Distribution

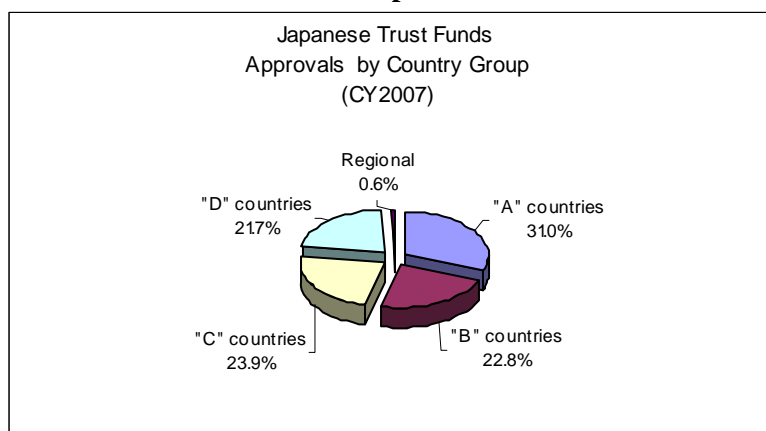
In 1988, the Government of Japan established the Japan Special Fund (JSF) to foster social and economic growth in IDB borrowing member countries. The JSF is the largest active trust fund administered by the IDB and it is fully untied. Since its establishment, the JSF has financed technical cooperation activities to support loan preparation, loan implementation, and other pilot activities, totaling US\$207.1 million.

In 2007, the Government of Japan contributed JPY761 million (approximately US\$6.3 million) to the JSF. Consequently, the Japanese government's overall contribution since 1988 amounted to JPY27,523.8 million (approximately US\$228.0 million). The government also replenished the JCF by JPY251.5 million (approximately US\$2.1 million), bringing the total contribution since the establishment of the facility to JPY4,574.1 million (approximately US\$39.7 million). In 2007, the Bank approved 53 projects for a total of US\$23.2 million, financed by JSF, JCF, and JPO.

1.1.1. Distribution of Resources by Country

In 2007, 53.8% of Japanese Trust Fund resources were allocated to A and B countries, and 45.6% went to C and D countries as grouped by national GDP per capita levels (see Graph 4)¹. The remaining 0.6% of the funds financed regional projects. In terms of the regional distribution, resources of the Japanese Trust Funds were mostly allocated to Central America, which received 56.1% of total funding, followed by South America with 43.1% and the Caribbean region with 0.3%. The 2007 distribution of funds differs from the overall pattern. Since the establishment of the JSF, the majority of resources have been allocated to C and D countries rather than to A and B countries. Lower-income D countries have received the largest portion—31.5%.

Graph 4



¹ A Countries: Argentina, Brazil, Mexico, and Venezuela.

B Countries: Chile, Colombia, and Peru.

C Countries: Bahamas, Barbados, Costa Rica, Jamaica, Panama, Suriname, Trinidad & Tobago, and Uruguay.

D Countries: Belize, Bolivia, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Nicaragua, and Paraguay.

Mexico was the beneficiary country that received the most from the Japanese Trust Funds in 2007—US\$5.1 million (21.8% of total approvals). Following were Guatemala (US\$3.4 million, 14.7%), Panama (US\$3.0 million, 13.0%), and Colombia (US\$2.3 million, 9.9%).

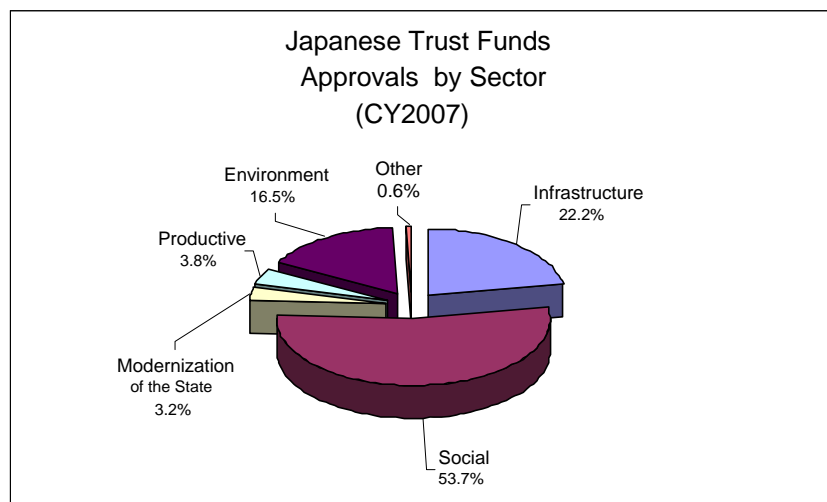
1.1.2. Distribution of Resources by Sector

In 2007, the Japanese Trust Funds supported the social sector most heavily, with US\$12.5 million (53.7% of total operations) allocated to social investment, education, health and indigenous peoples development (see Graph 5). Another large share of Japanese Trust Fund resources supported the infrastructure sector, with funds amounting to US\$5.1 million (22.2% of total operational funding).

This distribution illustrates that JTFs provide flexible financing for technical cooperation in such sectors as education, social development, rural development, water and sanitation, environmental protection, natural disaster prevention, transportation, energy, and capital markets.

During 2007, 19 JSF-financed TC projects were approved for a total of US\$11.7 million, the largest approved volume since 2001. In order to illustrate the work financed by the JSF, three operations are highlighted below: the first supports loan implementation, the second contributed to loan preparation, and the third is an independent operation.

Graph 5



1.2. 2007 Approvals by Fund

1.2.1. Japan Special Fund (JSF)

Table 1 JSF Projects Approved in 2007

COUNTRY	PROJECT	AMOUNT In US\$
Belize	Tourism and HIV/AIDS : Strengthening protection and understanding among the tourism industry and its members to combat HIV/AIDS	106,020
Brazil	Support for the Health System of São Bernardo do campo	85,000
Brazil	Investment Program of ATE III Transmission Project	96,600
Chile	Development of Monitoring and Evaluation Systems for Indigenous Peoples in Chile	750,000
Colombia	Support for Persons with Disabilities	550,000
Colombia	Investment in the El Dorado International Airport	220,800
Costa Rica	Sustainable Tourism Plans and Investment Designs in Protected Natural Areas	240,000
Costa Rica	Sustainable Development Program for the North Huetar and Chorotega Regions	600,000
Ecuador	Support to the Ministry of Social Welfare to Institutionalize a Special Protection Program	517,000
Guatemala	Strengthening of the National Network of Community Promotion Groups	1,500,000
Mexico	Support to Execution of Phase 2 of FORTEM and Additional Feasibility Studies	1,500,000
Mexico	Master Plan for Revitalizing Veracruz Historic Center (1)	1,104,000
Mexico	Master Plan for Revitalizing Veracruz Historic Center (2)	216,000
Mexico	Support to the Design of the Comprehensive Crime Prevention and Combating Delinquency Strategy (EIPDCD)	600,000
Panama	Preparation of the Sustainable Development Program for the Colón Province	680,000
Panama	Sustainable Development of Provinces: Coclé, Herrera, Los Santos and Veraguas	740,000
Peru	Support the Sustainable Development of the Lower Urubamba	750,000
Suriname	Support for the Sustainable Development of the Interior	720,000
Uruguay	Institutional Strengthening Program for the Urban, Housing and Environmental Ministry	745,000
TOTAL		US\$11,720,420

Guatemala: Strengthening of the National Network of Community Promotion Groups
Sector: Social Investment

Executing Agency: Red Nacional de Grupos Gestores (RNGG)

Approved: February 2007

The objective of the project is to contribute to the economic development of the areas served by the RNGG, thereby improving the living conditions of the population. Its purpose is to strengthen the Network by making its management model sustainable. The components of the TC are: (i) Institutional strengthening of the RNGG; (ii) Formulation and management of economic development projects; (iii) Communications and information systems; and, (iv) Coordination and monitoring of project execution. This TC operation supports the implementation of the Bank financed loan 1733/OC-GU “Desarrollo Económico Rural Local” for US\$ 30 million.

Panama: Sustainable Development of Provinces: Coclé, Herrera, Los Santos and Veraguas
Sector: Agriculture and Rural Development

Executing Agency: Ministry of Presidency through the National Sustainable Development Council (CONADES)

Approved: February 2007

The objective of the project is to finance participatory workshops and consulting services to carry out the following activities: (i) elaboration of the baseline in each province, including a diagnostic assessment of key sectors, the structuring of a matrix of interventions, the elaboration of a Geographic Information System, and an Indicative Plan for Functional Land Management; (ii) formulation of Provincial Development Strategies, including the analysis of development scenarios, the definition of strategic lines of action and the formulation of a Plan of Action; (iii) formulation of the provinces’ Investments Plan’s, including the strengthening of the provincial and local governments, consultation and dialogue workshops, and feasibility studies; and, (iv) structuring of the Provincial Development Program, including the design of a Performance-Driven Program and its monitoring and evaluation system.

These activities generated key inputs to the design of an IDB operation PN-L1019 “Development Program for Central Provinces” for US\$ 30 million², allowing for a significant voice by a range of stakeholders, including local communities, and municipal government authorities.

Mexico: Master Plan for Revitalizing Veracruz Historic Center

Sector: Urban Development and Housing

Executing Agency: Municipality of Veracruz

Approved: May 2007

The objective of the project is to formulate a master plan for implementing a future integrated revitalization project. The master plan will be based on technical and financial studies financed by the JSF, and will include the design of a sustainable executing mechanism based on a tripartite partnership between the public sector, private investors, and civil society. The objective of the

² This loan is scheduled for consideration by the IDB Board of Executive Directors during the second semester of 2008.

future project is the integral revitalization of the Historic Center of Veracruz. The results of the TC operation will constitute a clear way forward for future activities that will foster tourism, stimulate economic growth, and improve the population’s living conditions.

These three projects are testimony to the flexibility of the JSF, one of its key operational characteristics. This flexibility allows for the design of TC operations that address priority needs in the most appropriate fashion. In addition, flexibility allows innovation which helps the Bank to establish participatory preparation and execution methodologies that are central to sustainable loan interventions. Consequently, the JSF has acquired the reputation as a flagship fund willing to take risks that others are not, with the corresponding returns in lessons learned and experience acquired.

1.2.2. Japanese Trust Fund for Consultancy Services (JCF)

The Government of Japan established the Japanese Trust Fund for Consultancy Services (JCF) in 1995. The JCF provides financial assistance for non-reimbursable technical cooperation activities that promote knowledge transfer through Japanese technical expertise. Since 1995, the JCF has supported TC activities totaling US\$34.6 million. The JCF resources are partially tied funds that finance the consulting services of Japanese nationals or firms. Japanese consulting firms may engage firms and/or individual consultants who are nationals of IDB borrowing member countries to perform services under their supervision.

In 2007, the JCF financed four technical cooperation projects amounting to US\$4.7 million (including Japanese individual consultants).

Table 2 JCF Projects Approved in 2007

COUNTRY	PROJECT	AMOUNT In US\$
Brazil	CEDAE’s Commercial and Operational Efficiency Improvement Program	960,000
Colombia	Strengthening the provision of electricity service in non-interconnected areas	960,000
Mexico	Support to Execute Feasibility Studies on urban development for Metropolitan and City Centers	1,500,000
Peru	Water Resources Management Plan for the Mashcón and Chonta Watersheds, with Emphasis on Ensuring Water Availability in the Sub-Basins Paccha, Azufre and Río Grande	1,200,000
TOTAL		US \$4,620,000

Colombia: Strengthening the provision of electricity service in non-interconnected areas

Sector: Energy

Approved: December 2007

The general objective of the project is to promote the competitiveness and sustainability of the Colombian electricity sector, as well as greater coverage of low income rural populations by strengthening service provision in the non-interconnected zones. The project seeks to increase

participation of the private sector in order to reduce the costs of service and to minimize transferences from the Treasury through subsidies.

1.2.3 Japan Special Fund - Poverty Reduction Program (JPO)

The Government of Japan established the Japan Special Fund - Poverty Reduction Program in 2001 with US\$30 million. The JPO offers non-reimbursable resources to finance technical cooperation operations that support poverty alleviation activities and have a direct impact on low-income and vulnerable populations in borrowing member countries. In 2007, the Bank approved 24 JPO projects for US\$6.4 million; a similar number and amount to 2006 (27 projects and US\$6.7 million). The JPO supports two programs: the Community-based Program (CBP) and the Loan Enhancement Program (LEP).

The Community-Based Program (CBP)

The CBP finances community-based activities that have a direct impact on low-income and vulnerable groups. The projects are designed and implemented by civil society institutions or local governments that provide services to low-income and vulnerable groups.

Table 3 CBP Projects Approved in 2007

COUNTRY	PROJECT	AMOUNT In US\$
Argentina	Early Childhood Development In 3 Villas Of Northern Córdoba	149,580
Argentina	Proyecto "Recuperar": Preventing and Eradicating Child Labor in Migrant Families, Especially Favoring Those Working in Waste Recovery and Recycling	149,964
Argentina	Assisted School Trajectories – Improving Social and Productive Integration Through Increasing Graduation Rates At The End of Primary and Secondary School for Aboriginal Children and Youngsters	149,650
Argentina	Strengthening of Socio-Productive Alliances	149,000
Bolivia	Pilot Project For Multi-Cultural Rural Education	143,010
Brazil	Capacity Building and Strategic Pilot Experiences For Afro-Brazilian Women's Organizations in the Metropolitan Area of Rio de Janeiro	141,775
Brazil	Managerial Solutions and Information Technology to Improve Healthcare to the Poor: The Pathway House of Araxa	150,000
Chile	Strengthening of Skills for Paid Work of Women Victims of Violence in Poverty Situations	149,455
Chile	Development Opportunities for Youth at Social Risk	144,200
Colombia	Pilot Program for Poverty Reduction in Rural Families in Antioquia	118,181
Colombia	Ecotourism as a Development Alternative for Areas Under Illicit Crop Substitution Programs	150,000
Colombia	Strengthening the Capacities of Civil Society Organizations to Reduce the Poverty in Colombia	150,000

Colombia	Prevention and Support to Vulnerable Youth in Bogota through Formal Education	149,680
Ecuador	Promotion of Accessible Culture, Art and Recreation for At-Risk Youth	149,000
Ecuador	Strengthening of Local Capacities To Prevent Domestic Violence	149,700
El Salvador	Economic Alternatives And Capacity Building of Solid Waste Scavenger Families of San Miguel	137,500
El Salvador	Community Prevention and Control of the Vector -Transmitted Chagas disease in the Municipalities of Nueva Granada and Estanzuelas, Department of Usulután	132,250
El Salvador	Hands-n Training for Rural Young Entrepreneurs in Eastern Chalatenango	150,000
El Salvador	Creating and Strengthening Micro Enterprises for the Integrated Management of Solid Waste Generated in the San Andres Valley	149,500
Guatemala	Development Of Small Communities Supported by the Grupos Gestores Network	150,000
Guatemala	Emprende Rural	149,820
Mexico	Local Capacity Building to Improve Education Performance in Guanajuato and Aguascalientes	149,143
Trinidad and Tobago	Community Cottage and Kitchen Enterprises	72,125
Uruguay	Multimedia Community Centers for Development	150,000
Venezuela	Trabajando sobre Ruedas	100,235
TOTAL		US\$3,533,768

The Loan Enhancement Program (LEP)

The LEP finances activities that are complementary to a Bank loan operation with the objective of benefiting low-income and vulnerable groups. Such activities may include: (1) capacity building of local governments or organizations that provide social services to poor and vulnerable groups; and, (2) poverty reduction activities that are similar in scope to the loan operation that the LEP is to complement. A sample of projects approved during 2007 is presented below with the intention of providing a flavor of the variety of important activities that are supported at the grassroots with local, poor populations.

Table 4 LEP Projects Approved in 2007

COUNTRY	PROJECT	AMOUNT In US\$
Guatemala	Implementation of Hospital Management Model	1,600,000
Panama	Competitiveness and Trade Program	1,600,000
TOTAL		US\$3,200,000

El Salvador: Community Prevention and Control of the Vector Transmitted Chagas Disease in the Municipalities of Nueva Granada and Estanzuelas, Department of Usulután
JPO financing: US\$132,250

Executing Agency: Salvadoran Red Cross/Community Health Office

Approved: June 2007

The purpose of this project is to contribute to the Millennium Development Goals by reducing the incidence of Chagas disease in Usulután. The project brings together the Ministries of Health, Education, the University of El Salvador Center for Health Research and Development and the municipal governments. The project's activities encompass prevention, education and participative epidemiological surveillance. The objectives are: (i) to strengthen the anti-vector control interventions of the *Triatoma dimidiata* by means of research, prevention and promotion; and, (ii) to strengthen the municipal and/or local institutional capacity in organization and community leadership for epidemiological and entomological surveillance through primary care groups and local school committees.

Chile: Strengthening Work of Poor Women Victims of Violence

JPO financing: US\$149,455

Executing Agency: Corporación Domos

Approved: January 2007

The objective of this pilot project is to introduce a multi-disciplinary approach to strengthen the social and labor skills of poor women who have suffered from domestic violence. The project takes place in Conchalí, a marginal urban community with high incidence of poverty located to the north of the capital city of Santiago. The beneficiaries who had been served at the local women's shelter require support that will allow them to attain economic independence and escape the poverty cycle. The project seeks to: (i) develop the beneficiaries' self-esteem, social and labor skills; (ii) identify market opportunities for jobs and for the development of other productive endeavors along the supply chain; and, (iii) develop a strategy for companies to identify and contract well-trained workers, women in particular, through a partnership of the Municipal Government, public agencies and the private sector.

The Municipality of Conchalí supports the project to help fulfill the local government's objectives to reduce poverty and promote sustainable jobs, particularly for women. The National Service for Women (Servicio Nacional de la Mujer, SERNAM) supports the project, in particular its innovative character given the key relations established with the entrepreneurial sector for the creation of job opportunities.

Argentina: Early Childhood Development in Northern Córdoba

JPO financing: US\$149,580

Executing Agency: CLACYD, Nuestros Niños Argentinos

Approved: May 2007

The project seeks to contribute to breaking the poverty cycle in the beneficiary communities through the development of an early childhood development (ECD) strategy to promote the physical, intellectual, emotional and social development of children from 0 to 5 years of age.

Children would acquire skills to prepare them better for successful schooling in the long run. The main objective is to implement three pilot experiences which may demonstrate how to leverage physical and human resources already existing in the communities to change practices and behaviors related to the upbringing of children. Each community will have a fully functional Child Development Center to use as a basis for the implementation of community ECD strategies. The experience will be systematized and disseminated to support ECD investments elsewhere.

These three projects illustrate loan small scale interventions that address the poverty situations of vulnerable populations. They show how these populations are a critical actor that requires significant support from local institutions—civil society organizations and municipal governments—working with national authorities.

1.3. Highlights of Projects in Execution

By year end 2007, the Japanese Trust Funds portfolio included nearly 160 active Technical Cooperation projects. The following sample of five projects in the JTF portfolio illustrates the variety of development activities and present good practices in Latin America and the Caribbean in terms of income generation and increased welfare at the local level. These projects are also indicative of the fruitful collaboration of the Bank with Japanese aid agencies.

El Salvador: Community Participation in the Department of Morazán (COMPARTIR)

JPO financing: US\$144,208

Executing Agency: Fundación Salvadoreña para el Desarrollo Económico y Social (FUSADES)

Approved: December 2005

The goal of this project is to strengthen the capacity of community members to prioritize and manage projects with the most development impact in their own communities by means of training facilitators of the various civil society organizations. The purpose is to underline the efficiency and effectiveness of participatory methods in local development.

The project is: (i) strengthening the capabilities of community leaders to enable them to participate actively in the development process; and, (ii) strengthening the capacities of facilitators in the participatory methodology around the existing network of Japanese Volunteers (JOCV/JICA),



Pilot project to restore the road in the community

“Project COMPARTIR is an innovative way to improve the capacity of local communities to select and manage infrastructure projects that will benefit local development. Since the project's formulation in 2004, JICA has supported the initiatives and work of Japan Overseas Cooperation Volunteers (JOCVs), along with the Foundation for Economic and Social Development (FUSADES), a local NGO, in the development of this project. Together they have developed a unique participatory approach to train local leaders and to involve the community as a principle actor in the process of project selection...

- JICA USA NEWSLETTER (January 2008)

their counterparts and other main local stakeholders. The project will provide a summary of experiences, and audio visual (DVD) training materials. The expected outcomes are:

- Forty community leaders trained in participatory planning for the diagnostic of economic, social and environmental resources, to rank issues according to their level of importance, to analyze problems and solutions, and to build the logical monitoring and evaluation project framework.
- One mini project by each community based on participatory planning, in accordance with the priorities and logical framework developed by community members and leaders.
- Facilitators from various organizations trained to manage the participatory planning tools mentioned above.

Peru: Supporting Community Action to Reduce Child Labor in Artisanal Gold-Mining Communities

JPO financing: US\$148,000

Executing Agency: World Learning

Approved: August 2006

The ComuFuturo Project has provided financial and technical support to execute the action plans of twelve community groups of the Ananea and Sina districts in the Puno Region. This project demonstrates that community awareness and action, when linked to local and national initiatives, can remove children from mining activities effectively and engage them in academic and personal development activities.

In January 2007 a community self-assessment facilitated women's participation in knitting and loom training as well as jewelry and processing of medicinal and aromatic plants. A workplan was designed for each one of the groups based on project profiles. In order to train the groups, agreements were signed with local artisan organizations.



A project Advisory Committee brings together the participation of local Mayors, the regional government's Counselor for the Province of San Antonio of Putina, a representative of the National Institute for Family Welfare (INABIF) and members of the project executing agency.



During 2007, the project sponsored local and regional fairs to showcase the artisans' work. They co-organized the "III Show Room Artesanía Export Ayaviri 2007," and organized the "First Top Handmade Fashion 2007" in the city of Puno, inviting the artisans of Ayaviri and Santa Rosa and other local organizations. The second event was supported by the Municipal Governments of the districts of Ananea and Sina, and the Regional Government of Puno.

In January 2008, the ComuFuturo project was in mourning for the sudden death of Ms. Elsa Checmapoco Perlacio who was murdered on her way home after training a women's organization of the Sina district. The achievements of the communities of Sina and Ananea are a tribute to the leadership and dedication of women like Señora Elsa who are devoted to the development of their people and their communities.

Panama: Design of the Wastewater Interception, Treatment, and Disposal Project

JCF financing: US\$1,500,000

Executing Agency: Inter-American Development Bank

Approved: April 2004

This technical cooperation project supported the preparation of the Panama Bay Sanitation Program, an IDB loan which aims to improve the conditions of the urban poor by expanding sewerage services to lower income neighborhoods as well as by reducing pollution in city rivers and creeks and in the Panama Bay. For the purpose of preparing this loan program, a set of pre-investment studies were conducted: (i) engineering designs for the expansion of the sewerage network to lower income neighborhoods and for the construction of intercepting sewers along urban rivers, including an environmental impact evaluation of the works proposed (currently under preparation; US\$3.07 million contract); (ii) a financial analysis and institutional strengthening study to develop a strategy and benchmarks for the gradual improvement of the National Aqueducts and Sewerage Institute (IDAAN) financial and administrative situation (phase II of the loan); and, (iii) basic engineering designs for the treatment and disposal system, including interception and pumping stations along the coastal zone. The technical cooperation project was completed successfully in 2006. The loan program is currently in execution and co-financed by the Japan Bank for International Cooperation (JBIC).

1.4. Joint mission of the JPO and the Social Inclusion Trust Fund to Ecuador

In November 2007, a joint mission explored the complementarities between these two funding sources, in particular: 1) the possibility to have a joint call for proposals; and, 2) ways to enhance support to civil society institutions in their advocacy and research capacities as well as in their technical support to community-based poverty reduction initiatives. To this end, the mission visited five projects in the Valle del Chota, in the Province of Cotopaxi and in the City of

Guayaquil dealing with agricultural production, handcrafts, prevention of HIV/AIDS, prevention of domestic violence, and youth volunteerism.

The main findings of the mission underscored the approach adopted by the JPO in its work: 1) a critical factor for the success of community-based projects is the legitimacy of the partner NGO and their good reputation in the community; 2) partnerships with local organizations and local governments are critical, as in the example of HIV/AIDS prevention where access to the public health system was severely limited; 3) strong results-based management is key, particularly for projects which seek to scale-up either through greater self-sustainability or through access to larger sources of financing; and, 4) the Bank may identify opportunities proactively for local partners to benefit from technical assistance and knowledge brokering based on the Bank's accumulated regional experience and knowledge.

Ecuador: HIV/AIDS Prevention in Vulnerable Afro-Ecuadoran Populations

JPO financing: US\$132,100

Executing Agency: Afro-América XXI

Approved: July 2006

Fundación Afroamérica XXI aims to combat effectively the spread of HIV/AIDS in low-income, predominantly Afro-Ecuadoran neighborhoods on the outskirts of Guayaquil. Afroamérica identified both the lack of awareness about HIV/AIDS as well as the lack of access to adequate health care and psychological support as key obstacles to this end. Through alliances with the local units of



Community Center for Testing and Consultation

the Ministry of Public Health and the municipal government, Afroamérica offered free testing on a voluntary basis and secured free, public antiretroviral treatment to those infected with the virus—at an estimated 1% prevalence rate. A record number of more than 2,500 citizens (far surpassing the original goal of 500) requested testing and attended free informational sessions.



A counselor provides orientation on the A-B-C's of HIV/AIDS.

The overwhelming turn-out attested to the effectiveness of the excellent education materials, the targeted campaigns and the strong bonds Afroamérica has built in the communities over the years. A key element of its position within the community is the organization's practice to employ community promoters who were trained previously through them and whom are highly respected individuals in their communities. An alliance with Médecins sans Frontières provides Afroamérica with expert technical advisory. During the final phase of the project in 2008, Afroamérica will work on

documenting changes in attitudes and behavior which will be a key to assessing the longer-term impact of this intervention. In addition, it plans to apply the same successful methodology to expand its work over 2008-2011 to Afro-Ecuadoran communities in Guayas, Esmeraldas and El Oro.

Ecuador: Strengthening the Productive Chain and Commercialization of Textile Crafts

JPO financing: US\$149,240

Executing Agency: Fundación Sinchi Sacha

Approved: September 2006

Originally conceived as the thesis of two entrepreneurial college students of industrial design in Quito, this project is now a nascent business endeavor. The college students ensured the institutional support of the Fundación Sinchi Sacha, which appropriately is dedicated to building alliances with indigenous communities of Ecuador to improve the quality and marketability of their local handcrafts. In this case, the communities of Cuicuno and Tilipulo are no more than 3 kilometers apart in the Province of Cotopaxi, about 2 hours south of Quito. While the women in Tilipulo hand-spool cotton, the men of Cuicuno buy the hand-spooled cotton and use it in their looms; both communities were at risk of altogether losing their traditions given the low demand and low prices for their products. Sinchi Sacha provides support by offering the communities technical assistance to improve their workshops, organize in cooperatives, gain knowledge about marketing and design and learn the ins-and-outs of the retail business. The project aims to offer



Women of Tilipulo hand-spooling cotton

a unique, quality product for a high-end market in the city and, in the near future, for export. In addition to the income generated and its effects on living conditions, the project is making its contribution to an enthusiastic community which embraces a positive, cooperative approach. An extension and expansion of the project, including financial and business sustainability education secured support from the Bank in early 2008.

View more information on this project on Fundación Sinchi Sacha's webpage:

<http://www.sinchisacha.org/categoria.aspx?idcategoria=4>

1.5. Evaluation

1.5.1. Background

During 2007, an evaluation was conducted by the IDB's independent Office of Evaluation and Oversight (OVE), to assess the results obtained with JTF financing and to point out any issues related to the management of those funds. The evaluation was also expected to highlight topics related to the visibility of Japan's contributions and collaboration with Japanese aid agencies and other Japanese stakeholders.

The review covered the entire JTF portfolio of TC projects completed between January 2000 and December 2005 – a total of 129 projects for a total of US\$71.3 million from the JTF. Those TC projects financed programs in Latin American and the Caribbean via loan preparation grants or stand alone grants in the IDB’s four strategic thematic areas: competitiveness, environmental management, modernization of the state, and social development.

The evaluation encompassed an overall review of JTF program management, as well as a project-by-project analysis assessing ten key dimensions that could be evaluated: relevance, effectiveness, efficiency, monitoring and evaluation, sustainability, innovation, additionality, visibility, internal control, and lessons learned. Drivers of performance in each dimension were analyzed and documented in a standardized template format and scores were assigned to compare relative performance. The methodology included on-site reviews and stakeholder interviews.

1.5.2. Conclusions of the Evaluation

The evaluation report presents the following key findings:

The overall conclusion of the evaluation is positive, but there are opportunities for improvement. The evaluation of the JTF program demonstrates that most of the 129 evaluated projects have helped the IDB and the respective countries in Latin America and the Caribbean to design and implement key projects and programs for promoting sustainable economic growth and social development. Thus, the program has complied with the overall objective established in the funding agreement between the Government of Japan and the IDB.

The evaluation confirmed positive performance for *relevance, effectiveness, and sustainability*. Overall, the projects evaluated met specific development needs in Latin America and the Caribbean and appropriately targeted needs and priorities in their respective thematic areas. The majority of the projects effectively delivered the products intended in their design. The projects that were used to prepare IDB loans were also fairly effective in securing loan approval. Seventy-four percent of them succeeded in leading to the approval of the respective loans. The projects also contributed to sustainable improvements in country and IDB activities, in the sense that benefits and services remained after project completion.

The evaluation confirmed positive performance for *internal control and efficiency*. With different degrees of confidence – due to issues with the availability of back-up documentation – the evaluation concludes that most of the projects have followed pre-established internal control policies and regulations. This conclusion is based on: (i) clear separation of JSF and JCF accounts from other IDB funds; (ii) verification, through field interviews of stakeholders, that the funds approved for each project were spent for the intended purposes or were returned if not used; (iii) generally close compliance with JTF agreements and guidance; and, (iv) no significant or unresolved procurement issues were detected in the course of this review.

The *monitoring and evaluation, innovation, additionality, and visibility* dimensions were assessed as low or medium-low, signifying that major improvements are required. Poor *monitoring and evaluation* performance stems mainly from deficiencies that pervade the IDB's management of its entire technical cooperation program. Weak results in *innovation, additionality, and visibility* were not unexpected, given that most of the projects under evaluation were not required to optimize those dimensions at the time of their approval. Nevertheless, there are notable exceptions where projects contributed to some noteworthy innovations. The projects also brought additionality in financial terms; most of the programs implemented likely would not have been possible without the financial support of the JTF.

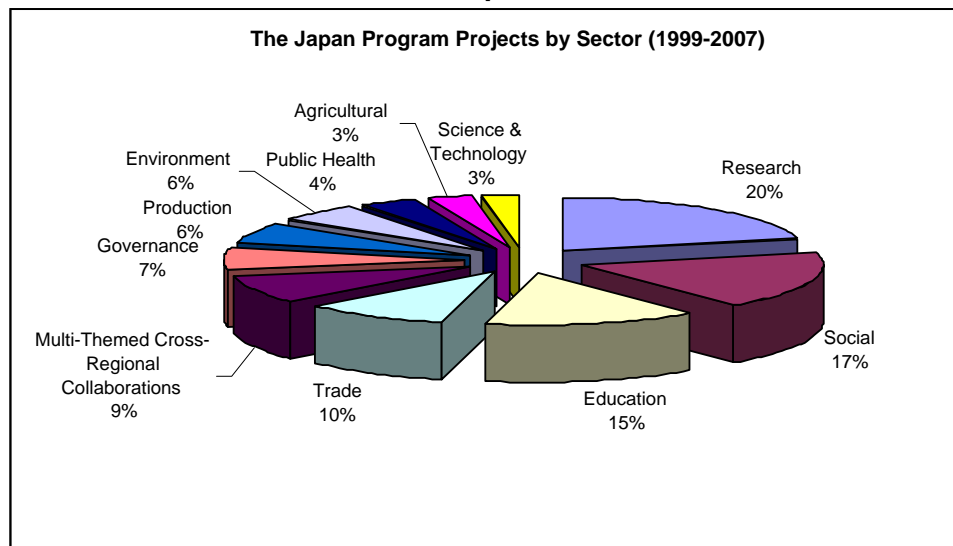
2. IDB/JAPAN PROGRAM

2.1. Overview

The countries of Latin America and the Caribbean have shown a significant—and increasing—interest in learning about the economic and social development experience of Japan and other countries in East Asia.³ As a result, the IDB created the IDB/Japan Program (IJP) in 1999, with funds mainly from the Government of Japan (US\$29.7 million plus interest). The IJP is a focal point for the planning, executing, and following up of activities that strengthen the links between both regions.

To share expertise, knowledge, and best practices between the two regions, the IJP promotes partnerships in support of economic and social development. At the end of 2007, the IJP had provided US\$20.4 million for TC activities approved by the IDB.

Graph 6



³ "East Asia" here includes Brunei Darussalam, Cambodia, Timor-Leste, Indonesia, Japan, Lao People's Democratic Republic, Malaysia, Mongolia, Myanmar, People's Republic of China, Philippines, Republic of Korea, Singapore, Taipei China, Thailand, and Vietnam. Use of the phrase "Taipei China" does not in any way reflect a position of the Bank or any of its member countries regarding issues of national sovereignty or diplomatic recognition.

2.2. Program Highlights for 2007

In 2007, the IDB approved a total of US\$2.02 million for six projects (one in each of the following countries: Honduras, Brazil, Paraguay, Costa Rica, and two regional projects). IJP also completed five projects in 2007, carried out several successful missions to Asia and Latin America, and hosted presentations at IDB headquarters.

Special Presentation:

On November 1, 2007, the Japan Program was honored to host a presentation at the IDB on the progress of Schools That Educate and Heal, a pilot project for displaced persons in Colombia that includes an exchange of experiences with Asia. Launched to develop an educational model for displaced persons in Colombia, the project was executed by two Colombian universities, one in the capital of the nation, and one more regional in nature, for schools with a high index of internally-displaced persons.

The presentation depicted the psychosocial characteristics of the pedagogical model, and explained the lessons learned through the process, through both its execution as well as through areas of cooperation with Asian experiences. The presentation also demonstrated the achievements of the project in relation to psycho-educational strategies and detailed recommendations for future public policies based on the project.

2.3. Newly Approved Projects

Honduras: The Promotion of Health and Occupational Safety in Honduras

Amount: US\$299,000

Sector: Health

Approved: April 2007

The objective of this project is to improve the capacity of the government, employers, and workers to implement industrial safety and workplace health practices. The hope is that this project will promote worker health and reduce the number of occupational diseases and accidents in the workplace in order to increase production and improve competitiveness. The project is based on compliance with health and occupational safety legislation and consists of a pilot project focused on the evaluation and quantifying of chemical products in the workplace.



Costa Rica: Tatak Kalidad (Quality Seal) to Improve Competitiveness of Farmers Markets

Amount: US\$478,000

Sector: Trade

Approved: May 2007

The purpose of this operation is to promote a systematic collaboration/cooperation among all stakeholders (public-private-NGOs) of farmers markets by facilitating the commercial upgrading of small agriculturally-based enterprises, particularly

Farmers display their produce at a farmer's market

their capabilities to meet food safety and quality standards. The goal is to improve the profitability of the markets and its participants through improved efficiency, productivity, compliance to market requirements, and customer orientation. The project will focus on three marketplaces and follow a model of agricultural marketing (Tatak Kalidad) already in place in the Philippines.

2.4. Completed Projects

Nicaragua: Environmental Contamination from Mercury in Lake Xolotlan

Amount: US\$137,000

Sector: Environment

Date of Completion: December 2007

Through this project, Japanese experts on Minamata Disease effectively assessed the environmental and health risks from mercury residues in Lake Xolotlan. The experts carried out an analysis on the risks and levels of mercury contamination and their effects on the local population dependant on the lake's resources. Additionally, the Japanese experts applied mitigation and risk control measures to Lake Xolotlan that have been successful from the case of Minamata in Japan.



Soil is tested for mercury residues



Produce can now be certified as organic and sold in new markets

Honduras and Nicaragua: Organic Conversion Pilot Program: Capacity Building for Post-Free Trade Central America

Amount: US\$149,500

Sector: Agriculture

Date of Completion: December 2007

This project successfully implemented a small-scale pilot and training program to transfer expertise from Thailand on the process of conversion, production, processing, and commercialization of organic agricultural products. Expertise from Thailand on organic conversion programs was used to assist farming communities in Lepaterique, Honduras and Ometepe, Nicaragua with the implementation of internationally recognized standards, helping local farmers start transforming conventional farming practices into organic cultivation of fruits and vegetables, which will lead to better management of natural resources, a higher level of competitiveness of their products, and higher personal income.

2.5. Missions

In 2007, the IJP has conducted the following missions to LAC regions:

Missions to Brazil and Argentina

A Japan Program mission visited Buenos Aires, Rio de Janeiro, and Sao Paulo in November, 2007. Program officers met with: Japan-related private institutions and associations to request support and obtain feedback for an upcoming trade forum; met with representatives of universities to further concretize the implementation of the *University Collaboration* technical cooperation; met with representatives of the Servicio Nacional de Sanidad y Calidad Agroalimentaria (SENASA) to further develop the TC proposal “*Quality Management of Agri-Food Products*”; and held a meeting with the LAC-Asia Bridge of Youth Program (LABY) Program, to discuss plans for the upcoming year.

Mission to Brazil

A Bank mission visited Brazil in May, 2007. Program officers met with possible counterparts, mainly NGOs and individual consultants, to establish an IDB Japan Program Sister Office in Sao Paulo. Also met with key Brazilian organizations from both private and public sectors working on Metrology and Standardization to assess their level of interest of exchange of knowledge and good practices with Asian counterparts, and planned future possible university collaboration with Asian counterparts in order to foster Asian studies in Latin American Universities.

3. JAPAN-IDB SCHOLARSHIP PROGRAM

3.1. Overview

Because of the importance Japan attaches to human resource development in Latin America and the Caribbean, the Japan-IDB Scholarship Program (JSP) was established in the Inter-American Development Bank in 1991 with financial support from the Government of Japan. The program was launched by means of a letter of agreement between the Bank and Japan’s Ministry of Finance, with initial Japanese funding of JPY60,928,000 (US\$448,000).

The Scholarship Program supports master’s degree studies in development-related fields for students from IDB borrowing member countries. Scholarships are awarded through a competitive selection process on the basis of merit. Awards are made on a one-year basis. Students in programs that require two years of study may apply for a renewal of their scholarship award provided they demonstrate excellence in their first year of studies. Scholarship recipients must agree to return to their countries after graduation to work in promoting economic and social development.

Overall, according to surveys of scholarship recipients, the program has a strong impact on the realization of personal career goals. Scholarship recipients also rate the knowledge they acquire as highly applicable to their own context. They perceive the contribution to the social and economic development of their countries as fairly high and the contribution to the modernization

of the state as above average. The outstanding response rate (72% of potential survey subjects responded) is viewed as a sign of continued interest and appreciation on the part of the beneficiaries.

The Japan-IBD Scholarship Program consists of three subprograms, based on the location of the university attended and its academic calendar. The Northern Hemisphere Program targets students interested in matriculating from graduate programs in universities in the Northern Hemisphere. While the majority of applicants to this program study in the United States, many also choose to study in Canada, Spain, France, Great Britain, Mexico, or countries of Central America.

The Southern Hemisphere Program targets students interested in undertaking graduate studies in universities in South America, where the standard academic year runs from March through December.

The Special Program for Study in Japan, supports students who pursue graduate studies in Japanese universities. Established within the JSP in 1994, the Special Program funds graduate studies in Japanese-based English-language programs of relevance to Latin American and Caribbean development. Scholarship recipients may enter these programs in April or September.

3.2. Program Highlights

The Northern Hemisphere Program continued to experience the greatest demand of the three JSP subprograms. In 2007, the JSP awarded scholarships to 20 candidates from among 336 applicants.

Table 5.
Study Destinations
1991 - 2007

Country	# of students
Argentina	9
Belgium	2
Brazil	8
Canada	20
Chile	134
Costa Rica	8
Denmark	1
France	6
Germany	2
Italy	2
Japan	90
Mexico	5
The Netherlands	13
Spain	19
Sweden	1
United Kingdom	69
United States ¹	219
Total	608

¹ The figure includes one student who studied at a university in Puerto Rico.

Thirteen of the recipients (65%) are from C and D countries. Brazil, Costa Rica, Nicaragua and Peru had two scholarship recipients each. One applicant from each of the following countries was also awarded a scholarship: Bolivia, Chile, Colombia Ecuador, Guatemala, Guyana, Haiti, Mexico, Panama, Paraguay, Trinidad & Tobago and Uruguay. Of the 20 Northern Hemisphere awardees, 7 are studying in the United States, 7 in the United Kingdom, 3 in Spain, 1 in France and 1 in the Netherlands.

Students are pursuing degrees in academic programs that include fiscal assessment, regional development, economics, public policy, public administration, public health, finance, conservation, urbanization and territories, and environmental change and statistics. The Special Program for Study in Japan made grants to a total of seven students. One is from a C country (Ecuador); the others are from Argentina, Brazil and Colombia. The students began master's degree programs at International University (international development), Shimane

University (geosciences, environmental ecology, and engineering), Ryukyus University (information engineering), Tsukuba University (international political economy) and University of Tokyo (civil engineering).

In the Southern Hemisphere Program, scholarships were awarded to twelve students from ten countries. Of this total, seven scholarship recipients (50%) are from Group C and D countries. Recipients were selected from among 112 applicants, of whom 63 were from Group C and D countries.

Scholarship recipients matriculated at Pontificia Universidad Católica de Chile, Universidad de Chile, Universidad de Valparaíso, Universidad de Concepción, Universidad de Buenos Aires, Universidad General de San Martín, Universidad Nacional de Córdoba and Universidad Alberto Hurtado. Students undertook Master's degree studies in fields as diverse as public policy, economics, natural resources, and social science. Peru and Colombia each had two students chosen as new scholarship recipients in the Southern Hemisphere Program, while Bolivia, Brazil, Costa Rica, Dominican Republic, Ecuador, Mexico, and Uruguay each had one.

In 2007, the Japan-IDB Scholarship Program recorded another active year. A total of 39 scholarships were awarded overall, bringing the number of awards made to the students in the LAC region since the program was established to 608. Applicants from the Bank's low-income borrowing member countries (Group C and D countries) received 20 scholarships, accounting for 45% of the total.

Japan Trip

Each year the Scholarship Program invites scholarship recipients studying in the Northern and Southern Hemisphere programs to apply to participate in a one-week trip to Japan. The selection committee considers it very meaningful to provide some scholarship recipients, to the extent resources allow, the opportunity to visit Japan and learn about Japanese society and culture.

A limited number of scholarship recipients are selected for this award, based on superior academic performance during their master's degree studies.

In 2007, nine students from nine countries participated in the Japan Trip. Seven students were awarded trips after a competitive selection process. They were joined in Japan by two scholarship recipients studying at Japanese universities. All participated in a three-day program of lectures, site visits, and cultural activities organized by the IDB Office in Japan. The schedule included an introduction to the IDB; a lecture at the Asian Development Bank Institute; a lecture on Japanese society and culture by Mr. Takeo Shikado; tours of the Mitsubishi Corporation, Panasonic Center, and Kirin beer plant; a visit to the Ministry of Finance and Yokohama National University for lunch with university students.

Annex I

JSF Projects with Bank Approval by Country (CY1988-2007)

(USD thousand)

Country													Total	%	
		1988-1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006			2007
Country Group A		3,329	282	4,203	2,207	1,495	2,968	2,099	827	465	915	1,017	4,741	24,548	10.6
	Argentina			1,100			750					299	598	2,747	1.2
	Brazil	2,730		916	2,207	1,495	1,649		450	465	291	147	474	10,824	4.7
	Mexico	599	282	1,437			569	2,099	377		534	571	3,569	10,037	4.3
	Venezuela			750							90		100	940	0.4
Country Group B		23,067	123	2,498	549	4,244	3,426	2,406	2,389	-	2,296	7,075	3,133	51,206	22.1
	Chile	1,270	123	725		555		1,245			251	296	1,044	5,509	2.4
	Colombia	5,957		1,173	15	1,285	2,247	541	1,641		600	3,708	1,339	18,506	8.0
	Peru	15,840		600	534	2,404	1,179	620	748		1,445	3,071	750	27,191	11.7
Country Group C		35,502	749	5,529	750	2,451	2,297	403	2,295	-	2,690	1,559	5,547	59,772	25.8
	Bahamas	5,051											-	5,051	2.2
	Barbados	5,155												5,155	2.2
	Costa Rica	8,037	749	175					1,895		250	448	840	12,394	5.3
	Jamaica	7,950			750	338		403			120	120	-	9,681	4.2
	Panama	1,780		1,936		1,963	450		400		800	542	3,020	10,891	4.7
	Suriname			2,158		150					750	149	720	3,927	1.7
	T & T	2,880		1,260							630		72	4,842	2.1
	Uruguay	4,649					1,847				140	300	895	7,831	3.4
Country Group D		33,512	500	5,414	5,303	2,447	6,454	2,506	1,975	846	3,876	5,136	5,034	73,003	31.5
	Belize	1,217							300				106	1,623	0.7
	Bolivia	9,132		720					750			149	143	10,894	4.7
	Dominican Rep	772		1,425	1,173	450	1,357	200		453	567	300	-	6,697	2.9
	Ecuador	2,449		100	2,325		1,300			270	739	1,307	816	9,306	4.0
	El Salvador	1,090					1,049	1,099			274	447	569	4,528	2.0
	Guatemala	2,372		1,100	500	595	1,500	380			1,058	906	3,400	11,811	5.1
	Guyana	5,181		345	525						750		-	6,801	2.9
	Haiti	3,390									488	500	-	4,378	1.9
	Honduras	1,150	500	1,243		1,402	598	499	625	123		149	-	6,289	2.7
	Nicaragua	3,545		481	780		650	328	300			840	-	6,924	3.0
	Paraguay	3,214										538	-	3,752	1.6
Regional		5,219	-	2,846	3,517	910	1,445	5,260	2,100	795	1,310	29	-	23,431	10.1
Total		100,629	1,654	20,490	12,326	11,547	16,590	12,674	9,586	2,106	11,087	14,816	18,455	231,980	100.0

Note: After the year 2001, the figures also include the JPO project approval.

Annex II
JCF Projects with Bank Approval by Country (CY1995-2007)

(USD thousand)

Country													Total	%
1995-1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007			
Country Group A													7,620	22.0
Argentina													-	0.0
Brazil					750		750		750	750	1,200	960	5,160	14.9
Mexico			960										1,500	7.1
Venezuela													-	0.0
Country Group B													6,828	19.7
Chile		6				200	1,200						1,406	4.1
Colombia			12		1,500						600	960	3,072	8.9
Peru				150		1,000						1,200	2,350	6.8
Country Group C													6,741	19.5
Bahamas	40	992	1,241										2,273	6.6
Barbados													-	0.0
Costa Rica													-	0.0
Jamaica							400						400	1.2
Panama			750						1,500				2,250	6.5
Suriname													-	0.0
T & T													-	0.0
Uruguay						1,098					720		1,818	5.2
Country Group D													6,812	19.7
Belize					195								195	0.6
Bolivia		135						1,500					1,635	4.7
Dominican Rep													-	0.0
Ecuador				750	750								1,500	4.3
El Salvador									600				600	1.7
Guatemala	83	69		149		640							941	2.7
Guyana							400						400	1.2
Haiti				750									750	2.2
Honduras					41								41	0.1
Nicaragua													-	0.0
Paraguay								750					750	2.2
Regional													6,639	19.2
Total													34,640	100.0

Annex III
Scholarship by Subprogram and Nationality of Students from the LAC Region

Nationality of Students	Northern Hem Sub-total	Southern Hem. Sub-total	Japanese Univ. Sub-total	# of Students	%
Argentina	37	9	2	48	7.8%
Bahamas	2	0	0	2	0.3%
Barbados	5	0	0	5	0.8%
Belize	2	0	1	3	0.5%
Bolivia	14	20	2	36	5.8%
Brazil	15	3	7	25	4.0%
Chile	32	3	2	37	6.0%
Colombia	40	19	42	101	16.3%
Costa Rica	19	13	3	35	5.7%
Dominican R.	12	14	0	26	4.2%
Ecuador	13	5	6	24	3.9%
El Salvador	7	5	1	13	2.1%
Guatemala	11	3	1	15	2.4%
Guyana	6	0	1	7	1.1%
Haiti	16	0	0	16	2.6%
Honduras	8	5	1	14	2.3%
Jamaica	8	0	0	8	1.3%
Japan	4	0	0	4	0.6%
Mexico	37	8	5	50	8.1%
Nicaragua	12	10	1	23	3.7%
Panama	4	2	1	7	1.1%
Paraguay	10	4	0	14	2.3%
Peru	29	23	10	62	10.0%
Suriname	1	0	0	1	0.2%
Trin. & Tobago	6	0	1	7	1.1%
Uruguay	13	7	0	20	3.2%
Venezuela	9	2	4	15	2.4%
Total	372	155	91	618	100%

Annex IV

JSF Projects Approved by the Bank (CY1988-2007)

JSF Projects	Country	Bank Sector	Bank Approval	Approval Amount (US\$)
Acquisition of Building Materials for Housing damaged by Hurricane Gilbert and Institutional Strengthening for Rehabilitation Efforts	Jamaica	Other	12/14/1988	5,000,000
TOTAL (CY1988)			1	5,000,000
Coastal Conservation Preinvestment Project	Barbados	Other	7/12/1989	1,100,000
Municipal, Departmental and Regional projects data bank	Colombia	Modernization of the State	8/16/1989	1,000,000
Management and Conservation of the Bao River Basin	Dominican Rep	Infrastructure	11/15/1989	772,000
Emergency Social Fund Program - Second Stage -	Bolivia	Other	11/29/1989	3,860,000
Decentralization and Regionalization of the Public Health Care System	Haiti	Social	12/13/1989	2,540,000
Agriculture Roads Program -TC-	Haiti	Infrastructure	12/20/1989	850,000
Preparation of Architectural Drawing for the New Pasteur Hospital	Uruguay	Social	12/20/1989	2,200,000
TOTAL (CY1989)			7	12,322,000
TC for the Financing of Basic Studies on the Environmental Impact of the Guerreto-Oaxaca Forestry Development Project	Mexico	Environment	4/25/1990	450,000
Marine Cargo Terminal at Clifton Point, New Province	Bahamas	Infrastructure	10/17/1990	2,000,000
Program to Improve Conditions for the Development of Trading Company in Latin America	Regional	Productive	10/31/1990	1,583,000
TOTAL (CY1990)			3	4,033,000
Feasibility Study and Designs for Health Sector Rationalization Program, Stage 1	Barbados	Social	1/9/1991	1,750,000
Georgetown Water and Sewerage Master Plan Study	Guyana	Environment	2/13/1991	1,800,000
Feasibility Study for the Health Sector Reform Program	T & T	Social	2/27/1991	2,200,000
Global Program of Portable Water and Sewerage	Bolivia	Environment	5/1/1991	5,072,117
Social Emergency Fund	Peru	Social	9/18/1991	4,000,000
Urban Rehabilitation Project Feasibility Study	Guyana	Infrastructure	10/9/1991	1,100,000
Feasibility and Final Design Studies for the Preparation of the Urban Sanitation Program	Costa Rica	Environment	10/9/1991	4,870,000
Preparation of a Long-Term Solid Waste Management Plan, Feasibility Studies and Final Design	Barbados	Environment	11/13/1991	1,555,000
TOTAL (CY1991)			8	22,347,117
Natural Resources Conservation	Costa Rica	Environment	2/19/1992	1,937,000
Road Rehabilitation and Improvement Program	Guyana	Infrastructure	3/18/1992	781,000
Preparation of the Port Antonio Sanitation Project : Feasibility and Designs	Jamaica	Environment	7/29/1992	1,700,000
Technical Cooperation for Agricultural Sector : Policies and Preparation	Nicaragua	Productive	8/5/1992	2,800,000
Strengthening of Economic Unit for Ministry of Finance	Bahamas	Modernization of the State	10/14/1992	351,375
TOTAL (CY1992)			5	7,569,375
Improvement of Revenue Collection Systems	Bahamas	Other	1/13/1993	1,500,000
Caribbean Pine Plantation and Resin Extraction Feasibility Study and Pilot Project	Colombia	Environment	2/24/1993	1,940,000
Institutional Strengthening of Tax Administration Service	Honduras	Other	3/17/1993	1,150,000
Environmental Planning Program	Ecuador	Social	5/12/1993	1,049,000
TC for the Organization of a Seminar on Environment Law and Policy in Latin America	Regional	Environment	5/12/1993	40,000

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JSF Projects	Country	Bank Sector	Bank Approval	Approval Amount (US\$)
Over-The-Counter Securities Market Feasibility Study	Mexico	Modernization of the State	7/27/1993	148,500
Credit and Technical Cooperation for a Communal Banks Program to Benefit Rural Women Microentrepreneurs (TC)	Guatemala	Productive	9/3/1993	150,000
Credit and Technical Cooperation for a Communal Banks Program to Benefit Rural Women Microentrepreneurs (Small Project)	Guatemala	Productive	9/3/1993	500,000
Rehabilitation of Priority Project (Sanitation and Health Sector)	Peru	Environment	10/6/1993	1,000,000
Institutional Development of the Legislature	Peru	Modernization of the State	10/6/1993	2,700,000
Non-Traditional Export Promotion	Ecuador	Other	10/13/1993	800,000
National Network of Public Sector Investment Project Banks	Colombia	Modernization of the State	11/24/1993	1,100,000
Feasibility and Environmental Impact Studies for Export Corridors Project	Paraguay	Infrastructure	12/22/1993	989,000
TOTAL (CY1993)			13	13,066,500
Strengthening of Tax Administration	Guatemala	Modernization of the State	3/30/1994	977,000
Agricultural Diversification and Generation and Transfer of Technology	Paraguay	Productive	5/18/1994	1,500,000
Institutional Strengthening of the Ministry of Economic and Finance	Peru	Modernization of the State	5/24/1994	2,000,000
Preparation of a Feasibility Study for the Forestry Conservation and Management Project and Support for Pilot Agroforestry and Forest Protection Activities	Nicaragua	Productive	5/25/1994	745,000
Latin America Regional Conference on Issues in Public and Economic Development : The Experience of East Asia	Regional	Modernization of the State	6/1/1994	149,500
Strengthening of the General Administration - III stage	Uruguay	Other	6/15/1994	1,100,000
Pacific Coast Sustainable Development Program	Colombia	Environment	7/14/1994	532,000
Credit and Technical Cooperation for Microentrepreneurs in Belize, to be executed by the National Development Foundation of Belize (TC)	Belize	Productive	7/18/1994	150,000
Credit and Technical Cooperation for Microentrepreneurs in Belize, to be executed by the National Development Foundation of Belize (Small Project)	Belize	Productive	7/18/1994	500,000
Investment, Credit and Technical Assistance Program for Small Agricultural Producers to be Executed by the Fundacion Integral Campesia (TC)	Costa Rica	Productive	10/20/1994	105,000
Investment, Credit and Technical Assistance Program for Small Agricultural Producers to be Executed by the Fundacion Integral Campesia (Small Project)	Costa Rica	Productive	10/20/1994	500,000
Credit and Technical Assistance Program for Small Agricultural Producers and Rural Microentrepreneus to be executed by the Asociacion Costarricense para Organizaciones de Desarrollo (TC)	Costa Rica	Productive	10/20/1994	125,000
Credit and Technical Assistance Program for Small Agricultural Producers and Rural Microentrepreneus to be executed by the Asociacion Costarricense para Organizaciones de Desarrollo (Small Project)	Costa Rica	Productive	10/20/1994	500,000
Institutional Strengthening of the National Tax Administration (SUNAT)	Peru	Modernization of the State	11/9/1994	2,200,000
Feasibility Study for the Galapagos Environmental Management Program	Ecuador	Environment	11/11/1994	600,000

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JSF Projects	Country	Bank Sector	Bank Approval	Approval Amount (US\$)
Feasibility Studies for Solid Waste Water Management	Bahamas	Environment	11/28/1994	600,000
TOTAL (CY1994)			16	12,283,500
Wayuu Irrigation and Economic Development Project	Colombia	Social	1/11/1995	285,000
Harnessing Asia Pacific Relationship for Strengthening the Civil Society in Latin America	Regional	Modernization of the State	3/14/1995	150,000
Credit and Technical Cooperation Program for Microentrepreneurs in Panama (TC)	Panama	Productive	5/4/1995	130,000
Credit and Technical Cooperation Program for Microentrepreneurs in Panama (Small Project)	Panama	Productive	5/4/1995	250,000
Project Chile, Phase 2	Chile	Infrastructure	5/18/1995	620,000
Technical Studies for the Northern Coastal Highway Improvement Project	Jamaica	Infrastructure	5/26/1995	500,000
Technical Cooperation for Subsector Irrigation Program	Peru	Productive	6/1/1995	750,000
National Rural Transportation Infrastructure Program	Peru	Infrastructure	6/27/1995	650,000
Community Based Marine Conservation Program in Brazil	Brazil	Environment	6/29/1995	550,000
Youth in Development	Regional	Other	7/12/1995	38,000
Studies for the Environment Program of the Guatemala Metropolitan Area-PAMG	Guatemala	Environment	8/24/1995	744,960
Technical Studies for Priority Trunk Road	T&T	Infrastructure	8/24/1995	680,000
Credit and Technical Assistance Program for Small Microentrepreneurs to be executed by " El Instituto de Promocion Economico Social de Uruguay" (TC)	Uruguay	Productive	9/1/1995	100,000
Credit and Technical Assistance Program for Small Microentrepreneurs to be executed by " El Instituto de Promocion Economico Social de Uruguay" (Small Project)	Uruguay	Productive	9/1/1995	500,000
Conference on "Policy Based Finance and Alternatives for Financial Market Development : Application of Lessons from East-Asia to Latin America"	Regional	Modernization of the State	9/28/1995	150,000
Preservation and Environment Protection of the National Park of Serra da Capivara	Brazil	Environment	10/4/1995	1,700,000
Technical Studies for the Electricity Sector Hybrid Program	Guyana	Infrastructure	11/6/1995	750,000
Technical Studies for the Preparation of a Program for the Economic and Social Improvement of Depressed Western Bolivia Mining Area	Bolivia	Social	12/19/1995	200,000
Family Island Infrastructure	Bahamas	Infrastructure	12/26/1995	600,000
TOTAL (CY1995)			19	9,347,960
Environmental Institutional Strengthening	Peru	Environment	1/17/1996	1,800,000
Institutional Strengthening of the Multisector Investment Bank (BMI)	El Salvador	Other	1/19/1996	340,000
El Valle de Anton Geothermal Field in Panama	Panama	Infrastructure	2/7/1996	1,400,000
Development Program for Bahia de Asuncion	Paraguay	Infrastructure	2/23/1996	725,000
Youth from IDB member countries : Venezuela, in particular	Regional	Other	2/28/1996	58,337
Inter-American Institute for Social Development training program for opinion makers in Latin America and Caribbean	Regional	Social	4/10/1996	1,500,000
Technical Studies for First year Road & Bridge	Jamaica	Infrastructure	5/8/1996	750,000
Development of Economic and Trade Policies for Uruguay MERCOSUR Negotiations	Uruguay	Modernization of the State	5/21/1996	749,000
Establishment of a Network of Wildlife Sanctuaries	Brazil	Environment	5/30/1996	480,000
Training Agronomists in Sustainable Agriculture of the Humid Tropics	Regional	Social	6/12/1996	1,000,000

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JSF Projects	Country	Bank Sector	Bank Approval	Approval Amount (US\$)
Conference on Development Thinking and Practice	Regional	Other	7/16/1996	400,000
Rimac River Watershed Management Program	Peru	Environment	8/1/1996	740,000
Preparation of the Alternative Development	Colombia	Social	8/5/1996	350,000
Bridge Rehabilitation and Replacement Program	Guyana	Infrastructure	8/28/1996	750,000
Forum on Modernization of the State and Strengthening of Civil Society	Regional	Modernization of the State	10/4/1996	150,000
Feasibility Study on Interoceanic Corridors	Chile	Infrastructure	10/17/1996	650,000
Designs of Berthing Facilities (Bridgetown Port Expansion Project)	Barbados	Infrastructure	10/23/1996	750,000
Decontamination of Critical Areas (ES-0074) : Design and feasibility studies	El Salvador	Environment	11/6/1996	749,698
Studies on Waste Water Treatment Plants for Pereira	Colombia	Environment	12/4/1996	750,000
Solid Waste Management Project	Belize	Environment	12/20/1996	566,720
TOTAL (CY1996)			20	14,658,755
Technical Studies for the Rio Grande de Tarcoles Watershed Management Program	Costa Rica	Environment	7/7/1997	748,770
Water Supply to the Metropolitan Zone of the Valley of Mexico	Mexico	Environment	8/1/1997	282,000
The Privatization of Solid Waste Management Service in San Pedro de Sula	Honduras	Environment	12/5/1997	500,000
Los Vilos -La Serena Toll Road-	Chile	Infrastructure	12/16/1997	123,200
TOTAL (CY1997)			4	1,653,970
Japanese Language Program	Regional	Social	1/9/1998	45,000
Tibitoc Water Treatment Facility	Colombia	Environment	1/14/1998	123,000
Miravalles 3 Geothermal Power Plant	Costa Rica	Infrastructure	1/14/1998	175,000
System of Inventory and Follow-up of Public Investment Projects	Dominican Rep	Infrastructure	3/9/1998	750,000
Regional Biodiversity Strategy for the Tropical Andes	Regional	Environment	3/9/1998	740,000
Urban Infrastructure Program in States with Tourism Potential	Venezuela	Infrastructure	4/22/1998	750,000
Wastewater treatment program for nine cities in the State of Chihuahua	Mexico	Environment	4/27/1998	746,641
Tegucigalpa Comprehensive Municipal Modernization Program	Honduras	Infrastructure	5/1/1998	742,500
San Pedro de Sula Comprehensive Municipal Modernization Program	Honduras	Infrastructure	5/1/1998	500,500
Water and Sanitation Program in Marginal Rural Areas	Mexico	Environment	5/8/1998	136,000
Secondary Education Program	T&T	Social	5/8/1998	750,000
Rosario-Victoria Bridge	Argentina	Infrastructure	5/11/1998	200,609
Program of Consolidation of Water and Sanitation Reform	Dominican Rep	Environment	5/13/1998	675,000
Lake Gatun Water Plant Project	Panama	Environment	6/3/1998	300,000
Air Transport Sector Reform	Guyana	Infrastructure	6/10/1998	300,000
Support Program for Civic Coexistence	Colombia	Modernization of the State	6/18/1998	700,000
Rodonorte Toll Road (Lot 5)	Brazil	Infrastructure	6/22/1998	100,000
Symposium on Financial and Business Cooperation between Latin America and Japan	Regional	Other	6/23/1998	740,000
Productive Infrastructure Development and Tenure Regularization in Rural Trinidad	T&T	Productive	6/29/1998	510,000
Design of the Safety and the Natural Resources Components of the Program to Reactivate the Productive Agrofood Sector of Guatemala	Guatemala	Productive	6/29/1998	100,000

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JSF Projects	Country	Bank Sector	Bank Approval	Approval Amount (US\$)
Modernization and Reform for Primary Health Care: Province of Salta	Argentina	Social	6/29/1998	199,260
GIS-Based Planning Support System for Highway Planning and Management	Argentina	Infrastructure	7/9/1998	700,000
GIS-Based Decision Support System for Transportation Planning and Infrastructure Management	Bolivia	Infrastructure	7/9/1998	720,000
GIS-Based Decision Support System for Transportation Planning and Infrastructure Management	Chile	Infrastructure	7/9/1998	725,000
Rimichaca Riobamba Toll Road Project	Ecuador	Infrastructure	7/10/1998	100,000
Childcare Program for Children under Five Years Old through In-Home Nurseries -Wawa Wasi-	Peru	Social	7/14/1998	600,000
Sustainable Development Program of the Darian	Panama	Environment	7/29/1998	750,000
Bridge Rehabilitation Project Request for Additional Funding	Guyana	Infrastructure	7/31/1998	45,000
Socio-environmental pilot program in an area of extreme poverty	Colombia	Social	9/1/1998	350,000
Formulation of the National Environmental Strategy for Panama	Panama	Environment	9/14/1998	430,000
Modernization of the State-Owned Telecommunications Utility	Suriname	Infrastructure	9/17/1998	700,000
Caribbean Community	Regional	Modernization of the State	9/23/1998	975,000
Strategic Initiatives for Health Sector Reform	Nicaragua	Social	10/13/1998	481,400
Environmental Conservation in Tocantins	Brazil	Environment	10/14/1998	750,000
Eastern Development Program	Guatemala	Social	10/14/1998	1,000,000
Japanese Language Program	Regional	Other	10/16/1998	44,500
Support for Health Reform	Suriname	Social	11/4/1998	750,000
Support for Preparation of the Community Development Fund	Suriname	Social	12/10/1998	708,000
Instrument Development for Health System Reform in Panama	Panama	Social	12/18/1998	456,136
Castello-Raposo Toll Road Project	Brazil	Infrastructure	12/21/1998	65,849
Proposal on Maternal and Child Health Care for Indigenous Population in Mexico	Mexico	Social	12/22/1998	554,300
TOTAL (CY1998)			41	20,188,695
Social Indicators Integrated System (SIISE)	Ecuador	Social	1/20/1999	1,000,000
Studies in Support of Educational Reform in Nicaragua	Nicaragua	Social	1/21/1999	230,000
Social Infrastructure and Capacity Building Projects	Dominican Rep	Social	2/5/1999	749,500
Preparation of the Terms of Reference for the Azfural Geothermal Feasibility Study	Colombia	Infrastructure	2/12/1999	14,560
Street Children Awareness Campaign	Regional	Infrastructure	5/11/1999	77,000
Disaster Mitigation in Central America	Regional	Productive	6/9/1999	1,110,000
Feasibility Study for the Prediction and Amelioration of Socioeconomic Impacts of El Nino Southern Oscillation (ENSO) in L.A. and Caribbean	Regional	Environment	7/14/1999	998,000
Development of Financial Sector Restructuring Strategy and Instruments	Ecuador	Modernization of the State	8/1/1999	575,000
Financial Sector Adjustment Program	Peru	Modernization of the State	8/2/1999	534,100
Comprehensive EA Review towards Improved Environmental Management Capacity (1)	Regional	Environment	8/13/1999	400,000
Comprehensive EA Review towards Improved Environmental Management Capacity (2)	Regional	Environment	8/13/1999	140,000
Education Reform Phase 2	Guatemala	Social	8/30/1999	500,000

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JSF Projects	Country	Bank Sector	Bank Approval	Approval Amount (US\$)
Support for Development of Renewable Energy Markets in Brazil	Brazil	Infrastructure	9/1/1999	898,950
Emergency attention to boys/girls and adolescents affected by hurricane Mitch in the city of Managua	Nicaragua	Social	9/16/1999	550,000
Water Supply and Sanitation of Cuenca	Ecuador	Environment	9/23/1999	750,000
Energia Norte Power Project	Brazil	Infrastructure	9/29/1999	285,000
Evaluation and Design of the Mahaica-Rosignol Road	Guyana	Infrastructure	10/12/1999	525,300
Secondary Education Improvement and Expansion	Brazil	Social	10/18/1999	750,000
Primary Education Support Project : Project Preparation and Master Plan Development	Jamaica	Social	10/25/1999	750,000
Dona Francisca Hydroelectric Power Plant Project	Brazil	Infrastructure	11/11/1999	273,513
Support to Secondary Education (1)	Dominican Rep	Social	11/30/1999	423,800
Regional Tourism Program Preparation for the Mundo Maya Organization(OMM)	Regional	Social	12/1/1999	791,600
TOTAL (CY1999)			22	12,326,323
Japanese Language Program	Regional	Social	2/3/2000	39,690
Consolidation of the Institutional and Regulatory Framework for Sustainable Energy-Efficiency Services for the Industrial Sector	Peru	Infrastructure	2/22/2000	750,000
La Chorrera Power Plant, Panama	Panama	Infrastructure	3/2/2000	340,075
Preparation of Municipal Infrastructure and Reform Program for Panama City	Panama	Infrastructure	3/30/2000	432,500
Sustainable Use of Tropical Forest in Acre	Brazil	Environment	5/17/2000	750,000
Program for the Reduction of Family Violence	Peru	Social	5/17/2000	400,000
Preparation of Investment Project in Basic Education in Suriname	Suriname	Social	5/24/2000	150,000
GIS Strengthening to Support Regional Transportation Studies and Highway Planning and Privatization	Peru	Infrastructure	5/26/2000	750,000
Education Innovations in the Independencia District	Peru	Social	6/19/2000	504,144
Procedures for Atraumatic Resrative Treatment (PRAT)	Regional	Social	6/28/2000	870,200
Education and Know-how in Panama	Panama	Infrastructure	7/20/2000	190,000
Design of Social Protection Program	Colombia	Social	7/20/2000	545,410
Integrated Water Resources Planning and Management in Paraiba	Brazil	Environment	7/21/2000	745,000
Local Government Training Program	Honduras	Social	7/26/2000	750,000
Sewerage Master Plan for Quetzaltenango	Guatemala	Environment	7/31/2000	595,000
Solid Waste Management and Disposal in the Coffee Belt Region of Colombia	Colombia	Environment	8/2/2000	740,000
Tools for AIDS Prevention and Disease Management/Treatment	Jamaica	Social	8/18/2000	338,325
EDE Sur and EDE Norte Project	Dominican Republic	Infrastructure	10/2/2000	450,000
Sustainable Development Strategy of the Panama Canal Watershed	Panama	Environment	11/1/2000	1,000,000
National Land Use Planning Strategy	Honduras	Environment	11/13/2000	652,000
Santiago-Valparaiso-Vina del Mar Toll Road Project	Chile	Infrastructure	12/19/2000	554,590
TOTAL (CY2000)			21	11,546,934
Capital Expenditures for Rural Electricity Distribution	Guatemala	Infrastructure	1/3/2001	750,000
Technical Assistance for the Launch of the Seguro Materno - Infantil - SMI	Peru	Social	1/24/2001	429,000
Rural Roads Rehabilitation and Maintenance Pilot Program	Ecuador	Infrastructure	1/31/2001	750,000

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JSF Projects	Country	Bank Sector	Bank Approval	Approval Amount (US\$)
Implementation of National Public Investment System	Peru	Modernization of the State	3/2/2001	750,000
Integrated Management of the Patos Lagoon Estuary	Brazil	Environment	3/9/2001	750,000
Environmental Strategy	Nicaragua	Environment	3/14/2001	650,000
Sustainable Urban Transportation System in Parana	Brazil	Infrastructure	3/28/2001	750,000
Reforming Technical Education in Upper Primary and Secondary School	Honduras	Social	5/11/2001	448,400
Support to the Infrastructure Fund in Argentina	Argentina	Other	6/1/2001	750,000
Sustainable Cultivation and Harvesting of the Sempre-Vivas Flower Species in Brazil	Brazil	Productive	6/19/2001	149,000
Program to Support the modernization of Secondary Education and Teacher Training	Uruguay	Social	7/6/2001	597,000
Support for an Indigenous Bilingual and Intercultural Basic Education Pedagogy Bachelor's Program	Colombia	Social	7/20/2001	739,505
Spatial Information System for National Infrastructure Management and Planning	Uruguay	Infrastructure	7/27/2001	750,000
Reform of Drug Treatment Center	Colombia	Social	8/1/2001	322,500
Design of a Sustainable Development program for the Lower Rio Lempa	El Salvador	Environment	8/20/2001	298,650
Model program for the Prevention, Detection and Treatment of Domestic Violence in the Health and Early Childhood Education Sectors	Colombia	Social	8/27/2001	748,000
Sustainable Development Strategy for Bocas del Toro Province	Panama	Environment	9/10/2001	450,000
Support to Housing Policy for Low-Income Population	Dominican Rep	Social	9/28/2001	746,820
Coastal Resource Management Program Phase II - Feasibility Studies -	Ecuador	Environment	10/30/2001	550,000
Support for the Implementation and Monitoring of the Reconstruction Program	El Salvador	Social	11/21/2001	750,000
Consultation and Project Design, Socioenvironmental Component of the Mesoamerican Biological Corridor	Regional	Environment	12/3/2001	745,000
Strengthening the Trinational System of the Program for Sustainable Development in the Upper Rio Lempa River	Regional	Environment	12/3/2001	700,000
Comprehensive Project for at Risk Infants and Adolescents of the Uruguayan Family	Uruguay	Social	12/17/2001	500,000
TOTAL (CY2001)			23	14,073,875
Support to the Preparation of Youth Development Program	Jamaica	Social	2/19/2002	403,000
Establishment of a Caribbean Regional Technical Assistance Center	Regional	Modernization of the State	2/28/2002	650,000
Urban Crime and Impunity in Colombia	Colombia	Modernization of the State	3/4/2002	350,400
San Pedro Sula Water and Sewerage Project	Honduras	Environment	3/15/2002	148,830
Institutional Development for Information Technology	Dominican Rep	Modernization of the State	5/8/2002	200,000
Mainstreaming Domestic and Social Violence Prevention into Primary Education Policy	Regional	Social	6/7/2002	750,000
Science and Technology Program : Program Preparation	Peru	Infrastructure	6/12/2002	620,000
Program to Combat Desertification in Brazil and Neighboring Countries	Regional	Environment	6/12/2002	1,000,000
Information and Indicators Program for Disaster Risk Management (1)	Regional	Environment	6/12/2002	795,000
Information and Indicators Program for Disaster Risk Management (2)	Regional	Environment	6/12/2002	505,000

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JSF Projects	Country	Bank Sector	Bank Approval	Approval Amount (US\$)
Developing a National Sustainable Market for Clean Rural Energy Services	El Salvador	Infrastructure	6/24/2002	750,000
Girl's Education in Latin America	Regional	Social	7/15/2002	600,000
Corporate Restructuring of ISSSTE	Mexico	Social	8/12/2002	750,000
Design of Low-Income Housing Program	Nicaragua	Social	9/20/2002	327,550
Design and Formulation of the Country Environmental Strategy for Sustainable Development in ES	El Salvador	Environment	10/24/2002	348,700
Design and Implementation of the Strategic Plan for the National Program for Microenterprise Financing	Mexico	Productive	11/15/2002	600,000
Support for the preparation of the Integrated program for Citizens Security	Guatemala	Modernization of the State	11/19/2002	380,000
TOTAL (CY2002)			17	9,178,480
Support for Coordination between the Special Indigenous Judicial System and the National Judicial System	Colombia	Social	1/22/2003	650,000
Developing a Coordinated Water Action Plan for Latin America and the Caribbean	Regional	Environment	2/13/2003	600,000
Modernization of Expenditure and Taxation and Investment Fund for Growth and Competitiveness	Costa Rica	Modernization of the State	4/18/2003	325,000
National Strategy for Environmental Management	Costa Rica	Environment	4/21/2003	470,000
Slum Upgrading Program	Costa Rica	Social	5/29/2003	500,000
Support for the Program of Culture and Citizenship for Social Inclusion	Brazil	Social	6/5/2003	450,080
Support for the Preparation of Mundo Maya Program	Regional	Infrastructure	6/6/2003	750,000
Sustainable Development of the Huetar Atlantica Region	Costa Rica	Environment	7/7/2003	600,000
Analysis of the Social Strategy	Mexico	Social	8/7/2003	377,000
Analisis of Housing market and Initial Development of Financing Mechanisms for Low-income Households	Colombia	Infrastructure	10/1/2003	390,574
Integrity Indexes for Public Institutions	Colombia	Modernization of the State	11/7/2003	600,000
Strategic Environmental Assessment Evaluation of the Northern Corridor of Bolivia from La Paz to Guayaramerin	Bolivia	Infrastructure	11/26/2003	750,000
Support for the Preparation of the Citizens Security Program	Nicaragua	Modernization of the State	12/12/2003	300,000
TOTAL (CY2003)			13	6,762,654
Caribbean Education Sector HIV/AIDS Response Capacity Building Program	Regional	Social	2/11/2004	565,000
Support for a Social Rental Housing Program	Brazil	Infrastructure	4/1/2004	465,000
Symposium on Strengthening Business Relations Between Latin America and Japan	Regional	Productive	4/22/2004	230,000
Technical Cooperation for the Privatization of four international airports	Honduras	Infrastructure	5/11/2004	123,000
Strengthening the Territorial Public Investment System	Dominican Rep	Social	5/14/2004	452,813
Enhancing Ecuador's Demographic and Mother-Child Health Information	Ecuador	Social	6/22/2004	270,000
TOTAL (CY2004)			6	2,105,813
Peru Border Crossing	Peru	Infrastructure	1/21/2005	610,000
Support for the Preparation of the Water Supply Program for Medium Size Cities Program	Ecuador	Environment	2/18/2005	464,000
Investment Opportunities in Central America and the Dominican Republic	Regional	Other	3/23/2005	250,000
Seminar "Meeting the MDGs: Sharing Best Practices Between Asia and LAC"	Regional	Social	3/30/2005	90,000

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JSF Projects	Country	Bank Sector	Bank Approval	Approval Amount (US\$)
Formulation of the Sustainable Development Program for the Province of Chiriquí	Panama	Environment	6/23/2005	550,000
Sustainable Development Program for the Central Pacific – Brunca Region	Costa Rica	Environment	6/23/2005	250,000
Design of a Solid Waste Disposal Solution for the Eastern Region	Dominican Rep	Environment	7/12/2005	567,000
Support for the Preparation of the Citizen Security Program in Panama	Panama	Modernization of the State	7/28/2005	250,194
Bank Action Plan for Improving Disaster Risk Management (1)	Regional	Environment	8/10/2005	720,000
Bank Action Plan for Improving Disaster Risk Management (2)	Regional	Environment	8/10/2005	100,000
Multi Issuer Subordinated Debt (Tier II Capital) Issuance	Brazil	Other	8/30/2005	200,000
Guayaquil International Airport	Ecuador	Infrastructure	8/30/2005	125,000
Technical Cooperation for the Investment in the Red Vial 6 Toll Road Project	Peru	Infrastructure	8/30/2005	124,410
Technical Cooperation for the Investment Program at Carrasco International Airport in Montevideo	Uruguay	Infrastructure	8/30/2005	140,000
Support for a National Census of School Infrastructure and Equipment	Guatemala	Social	9/1/2005	750,000
Seamless Education System Beginning at Early Childhood Care	Trinidad & Tobago	Social	10/4/2005	630,000
Citizen Security and Justice – Focusing on Trafficking in Persons	Jamaica	Social	10/14/2005	120,000
Technical Cooperation for the Investment Program of ATE II Transmission Project	Brazil	Infrastructure	11/30/2005	91,350
Central American Infrastructure Investment Fund	Regional	Other	11/30/2005	150,000
Development of Innovative Financing Instruments for Small and Medium-Sized Municipalities	Mexico	Modernization of the State	12/1/2005	384,000
Support the Antioquia Alliance for Equity	Colombia	Social	12/2/2005	600,000
Preparation of Rural Water and Sanitation Feasibility Studies	Haiti	Environment	12/13/2005	488,000
Development of the Rural Economy in the Sierra	Peru	Productive	12/22/2005	600,000
TOTAL (CY2005)			23	8,253,954
Pilot Program on Adolescent Reproductive Health in Medellin	Colombia	Social	1/18/2006	749,000
Institutional Capacity Strengthening and Pre-Investment Support for Indigenous Entrepreneurial Development	Guatemala	Social	5/9/2006	637,000
Energy Efficiency Development in Nicaragua	Nicaragua	Infrastructure	6/30/2006	726,350
Technical Cooperation for the Charrua-Temuco Transmission Project	Chile	Infrastructure	6/14/2006	146,000
Implementation of the Mandatory Health Care Quality Assurance System	Colombia	Social	6/22/2006	750,000
Support for 3x1 Program for Migrants	Mexico	Social	6/30/2006	571,200
Seminar on Enhancing Private Sector Partnership between Japan - Latin American and the Caribbean	Regional	Other	8/3/2006	29,200
Absenteeism in Jamaica's Primary Schools	Jamaica	Social	8/7/2006	120,000
Support to the Social Protection System	Panama	Social	9/7/2006	407,000
Road Program for Territorial Integration and Social Equity of the Department of Antioquia	Colombia	Infrastructure	9/20/2006	480,000
Improving Targeting of the Universal Health Insurance Program in Ecuador	Ecuador	Social	9/28/2006	750,000
Environment Management Capacities of the Ministry of Environment and Energy - MINAE	Costa Rica	Environment	10/20/2006	148,000

**JSF Projects Approved by the Bank
(CY1988-2007)**

JSF Projects	Country	Bank Sector	Bank Approval	Approval Amount (US\$)
Developing Citizenship Competencies to Prevent Violence and Build Democracy	Colombia	Social	10/23/2006	600,000
Studies for the Olmos Irrigation Project	Peru	Productive	11/21/2006	1,280,000
Support to the Program against Extreme Poverty (PEP)	Colombia	Social	12/15/2006	679,825
Preparation of the Social Development Program	Costa Rica	Social	12/20/2006	300,000
TOTAL (CY2006)			16	8,373,575
Preparation of the Sustainable Development Program for the Colón Province	Panama	Environment	1/29/2007	680,000
Support to Execution of Phase 2 of FORTEM and Additional Feasibility Studies	Mexico	Social	2/7/2007	1,500,000
Development of the Provinces Coclé, Herrera, Los Santos and Veraguas	Panama	Productive	2/8/2007	740,000
Strengthening of Grupos Gestores	Guatemala	Social	2/21/2007	1,500,000
Technical Cooperation for the Investment Program of ATE III Transmission Project	Brazil	Infrastructure	2/22/2007	96,600
Sustainable Tourism Plans and Investment Designs in Protected Natural Areas	Costa Rica	Environment	3/6/2007	240,000
Institutional Strengthening Program for the Urban, Housing and Environmental Ministry	Uruguay	Infrastructure	3/22/2007	745,000
Support for the Sustainable Development of the Interior	Suriname	Social	4/9/2007	720,000
Support for Persons with Disability	Colombia	Social	4/12/2007	550,000
Sustainable Development Program for the North Huetar and Chorotega Regions	Costa Rica	Environment	5/7/2007	600,000
Master Plan for Revitalizing Veracruz Historic Center (1)	Mexico	Infrastructure	5/9/2007	1,104,000
Master Plan for Revitalizing Veracruz Historic Center (2)	Mexico	Infrastructure	5/9/2007	216,000
Technical Cooperation for the Investment in the El Dorado International Airport Project	Colombia	Infrastructure	5/25/2007	220,800
Support to the Design of the Comprehensive Crime Prevention and Combat on Delinquency Strategy (EIPDCD)	Mexico	Modernization of the State	7/12/2007	600,000
Tourism and HIV/AIDS : Strengthening protection and understanding among the tourism industry and its members to combat HIV/AIDS	Belize	Social	7/17/2007	106,020
Support the Sustainable Development of the Lower Urubamba	Peru	Social	9/18/2007	750,000
Development of Monitoring and evaluation systems for indigenous peoples in Chile	Chile	Social	9/26/2007	750,000
Support to the Ministry of Social Welfare to Institutionalize a Special Protection Program	Ecuador	Social	11/8/2007	517,000
Support for the Health System of São Bernardo do campo	Brazil	Social	12/18/2007	85,000
TOTAL (CY2007)			19	11,720,420
TOTAL			297	206,812,900

**JCF Projects Approved by the Bank
(CY1996-2007)**

JCF Projects	Country	Bank Sector	Bank Approval	Approval Amount (US\$)
Support in the Preparation of a National GIS System Project	Bahamas	Environment	10/28/1996	40,000
TOTAL (CY1996)			1	40,000
Technical Cooperation for the Donor Coordination Unit	Bolivia	Other	4/14/1997	134,760
The Conference of the Challenge for the Industry of technological change and innovation	Chile	Other	4/18/1997	6,000
The Conference of the Development of Securities Markets in Emerging Markets: Obstacles and Reconditions for Success	Regional	Modernization of the State	9/30/1997	6,000
Development of National Geographical Information System	Bahamas	Other	11/5/1997	992,000
TOTAL (CY1997)			4	1,138,760
Ground Water Recharge Project for the Ecological Conservation Zone in Mexico City	Mexico	Environment	2/11/1998	960,000
Renewal Manizales City	Colombia	Infrastructure	4/1/1998	12,000
Adolescent Reproductive Health Education	Bahamas	Social	7/22/1998	1,240,800
Hiring of Consulting Services to Support the MIF Program	Regional	Other	11/11/1998	90,000
Business Plan for the City of Knowledge in Panama	Panama	Infrastructure	11/20/1998	750,000
TOTAL (CY1998)			5	3,052,800
Support for Developing a Sustainable Public Transit System in a Pilot City, Cuenca	Ecuador	Infrastructure	1/6/1999	750,000
Training Reform Transition	Haiti	Social	5/5/1999	750,000
Sustainable Municipal Forestry Management	Guatemala	Productive	9/7/1999	149,000
Decentralization and Effective Citizen Participation : Lessons Learned	Regional	Modernization of the State	11/8/1999	605,000
Design of Maternal and Child Health Insurance in Peru	Peru	Social	12/23/1999	150,000
TOTAL (CY1999)			5	2,404,000
Environmental Management and Water Quality Improvements in Coal Mining Operations in Santa Catarina	Brazil	Environment	1/19/2000	750,000
Feasibility Study for a Portable and Wastewater Treatment Facility on Caye Caulker	Belize	Environment	1/19/2000	195,250
Feasibility Studies of the Azufral Geothermal Field -Phase 1-	Colombia	Infrastructure	3/1/2000	1,500,000
Feasibility Studies of an Expansion of the Electricity Transmission Network	Ecuador	Infrastructure	10/3/2000	750,000
Pre-feasibility Study for Hydrological Works on the Puyang-Tumbes River	Regional	Infrastructure	10/4/2000	687,000
Promotion of Stock Exchange Transaction and Capital Market in Central America, Panama & Dominican Republic (MIF)	Regional	Modernization of the State	10/20/2000	120,000
SME Development through Entrepreneurship Enhancement	Regional	Productive	10/27/2000	355,000
TOTAL (CY2000)			7	4,357,250
Program for the Improvement of Surveys and the Measurement of Living Conditions in Guatemala	Guatemala	Social	2/6/2001	640,000
Integration of INE and Cadastral Spatial Data Base to Support Rural Infrastructure Planning and Management	Uruguay	Infrastructure	10/4/2001	350,000

Developing a Sustainable Urban Transportation System for Arequipa Peru		Infrastructure	10/17/2001	1,000,000
Plan for the Development of the Artisan Fishery Sector of the Vth Region of Chile	Chile	Productive	10/31/2001	200,000
Pilot Project for the Educational Connectivity Program and Preparation of an Expansion Strategy	Uruguay	Social	12/19/2001	748,200
TOTAL (CY2001)			5	2,938,200
Mathematical models for Billings and Barra Bonita Reservoirs and comprised Tiete River sketches within the state of Sao Paulo	Brazil	Environment	3/1/2002	750,000
Support to the Preparation of Information and Communication Technology Project	Guyana	Infrastructure	6/3/2002	400,000
Hydrologic Modeling and Pollution Control Study for the Cocepcion and San Vicente Bays	Chile	Environment	9/4/2002	1,200,000
Municipal Benchmarking System for Central America	Regional	Infrastructure	9/13/2002	640,000
Technical Assistance for the Preparation and Implementation of the Information and Communication Technology Loan Project	Jamaica	Infrastructure	11/11/2002	400,000
TOTAL (CY2002)			5	3,390,000
Urban Transportation Planning in La Paz	Bolivia	Infrastructure	1/13/2003	750,000
Policy Studies and Environmental Management for Groundwater in Asuncion Metropolitan Area	Paraguay	Environment	2/24/2003	750,000
Review and Modernization of the Drainage Master Plan for the Urban Area of La Paz	Bolivia	Environment	12/9/2003	750,000
TOTAL (CY2003)			3	2,250,000
Design of the Wastewater Interception, Treatment and Disposal System for Panama City	Panama	Environment	4/21/2004	1,500,000
Regional Transportation Planning Information System	Brazil	Infrastructure	8/9/2004	750,000
Support the Water Resources Management in El Salvador	El Salvador	Environment	9/17/2004	600,000
TOTAL (CY2004)			3	2,850,000
Support for the Amazon Protection System (SIPAM)	Brazil	Environment	12/2/2005	750,000
TOTAL (CY2005)			1	750,000
Sustainable Development Plan for the Rio Uruguai Watershed	Brazil	Environment	8/9/2006	1,200,000
Support to the Preparation of the Montevideo Urban Transport Program	Uruguay	Infrastructure	9/7/2006	720,000
Road Program for Territorial Integration and Social Equity of the Department of Antioquia	Colombia	Infrastructure	9/20/2006	600,000
TOTAL (CY2006)			3	2,520,000
CEDAE's Commercial and Operative Efficiency Improvement Program	Brazil	Environment	1/17/2007	960,000
Support to Execute Feasibility Studies for Metropolitan and City Centers	Mexico	Infrastructure	4/11/2007	1,500,000
Water Resources Management Plan for the Mashcón and Chonta Watersheds, with Emphasis on Ensuring Water Availability in the Sub-Basins Paccha, Azufre and Río Grande	Peru	Environment	10/24/2007	1,200,000
Strengthening of the provision of electricity service in non-interconnected areas	Colombia	Infrastructure	12/19/2007	960,000
TOTAL (CY2007)			4	4,620,000
TOTAL			46	30,311,010

**JPO Projects Approved by the Bank
(CY2001-2007)**

JPO Projects	Country	Bank Sector	Bank Approval	Approval Amount (US\$)
Social Indicators for the Monitoring of Poverty Alleviation	Mexico	Social	5/22/2001	569,000
National System for Monitoring Poverty Indicators (SINASIP)	Honduras	Social	7/5/2001	150,000
Support of a Social Reform Program	Colombia	Social	8/8/2001	227,575
Program to Elaborate a Poverty Reduction Strategy for the Dominican Republic	Dominican Rep	Social	9/4/2001	610,400
Preparation of the Poverty Reduction Strategy	Guatemala	Social	9/12/2001	750,000
Reorganization of Health Services Networks in Colombia	Colombia	Social	10/1/2001	209,000
TOTAL (CY2001)			6	2,515,975
Development of Organization of Older Adults	Regional	Social	1/28/2002	750,000
Support the Population of Active and Disabled Lobster Divers in the Honduran Moskitia	Honduras	Social	7/12/2002	350,000
Management of Environmental Risk in Low Income Human Resettlement in Central America's Urban Areas	Regional	Environment	8/19/2002	210,000
Support for the Preparation of a Vulnerable Neighborhood Intervention Program	Chile	Social	10/7/2002	745,000
Women in Rural Area	Mexico	Social	11/20/2002	749,000
Design of a Subsidy Program for the Water and Sanitation Sector	Colombia	Environment	12/18/2002	191,000
Strengthening Civil Society Organization Networks through Information Technology	Chile	Modernization of the State	12/20/2002	500,000
TOTAL (CY2002)			7	3,495,000
Support to the Design and Implementation of the Sector Program of Fiscal and Social Reform	Peru	Social	3/20/2003	748,000
Instruments and Methodologies for Targeting Children, Adolescents and Women who Depends on the Streets and Garbage Dumps for their Survival	Honduras	Social	7/10/2003	625,000
Support the Upgrading and Completion of the Poverty Elimination Strategy and Action Plan in Belize	Belize	Social	8/8/2003	300,000
Accelerating Rural Energy Coverage in Panama	Panama	Infrastructure	9/30/2003	400,000
Regional Ethno-Tourism Project Targeting Areas of Extreme Poverty in Central America	Regional	Infrastructure	12/16/2003	750,000
TOTAL (CY2003)			5	2,823,000
Prevention and Assistance System for Domestic Violence, Gender and Child Abuse	Ecuador	Social	3/21/2005	149,500
Training of Trainers on Indigenous Land Demarcation – Support to Indigenous Communities	Venezuela	Social	4/4/2005	90,000
Junior Achievement Program to Low Income Youth in Santiago	Chile	Social	5/2/2005	130,928
Increasing Access to Primary Health Care for Amerindian Communities	Guyana	Social	6/13/2005	750,000
A Cervical Cancer Prevention Program for Extreme Poverty Areas in Rural Michoacan	Mexico	Social	7/26/2005	149,995
Overcoming Barriers in Family Micro-Ranching	El Salvador	Social	8/18/2005	130,000
Promotion and Consolidation of Rights-Based Sexual and Reproductive Health through Piloting Community and Local Participation Experiences	Chile	Social	9/14/2005	120,000
Support to Vulnerable Population through the Provision of Social Basic Services and Creation of Opportunities for Social and Economic Insertion	Peru	Social	10/3/2005	110,100
Growing Well Program - Creciendo Bien	Guatemala	Social	11/7/2005	308,000

**JPO Projects Approved by the Bank
(CY2001-2007)**

JPO Projects	Country	Bank Sector	Bank Approval	Approval Amount (US\$)
Social Indicators for the Monitoring of Poverty Alleviation	Mexico	Social	5/22/2001	569,000
Program for Underprivileged Communities with Interactive Participation in the Municipality of Guatajiagua, Department of Morazán	El Salvador	Social	12/7/2005	144,208
Support the National Strategic Plan for HIV/AIDS	Suriname	Social	12/15/2005	750,000
TOTAL (CY2005)			11	2,832,731
The Community Providing Health and Development for All	Guatemala	Social	1/3/2006	125,000
Creating Connections for Children and Youth without Families	Colombia	Social	1/6/2006	150,000
Pilot Project for Supporting Disabled Women's Labor Insertion, in the Municipality of Managua	Nicaragua	Social	1/6/2006	113,900
Kwamalasamutu Community Rural Development	Suriname	Social	2/27/2006	149,000
Pilot Program to Provide Beekeeping Training and a Support Fund for Small Rural Producers	Paraguay	Productive	2/28/2006	149,400
Promoting Youth Employment and Socio-Environmental Responsibility to Reduce Poverty in the Lurín River Basin Valley, Located in Metropolitan Lima	Peru	Productive	4/10/2006	143,000
Strengthening of the Local Capabilities and Tourist Operation for the Areas of La Palma and El Real de Santa Maria, Province of Darien	Panama	Infrastructure	4/13/2006	134,733
Learning Together: Strengthening of Education and Community through Service-Learning Action	Uruguay	Modernization of the State	4/21/2006	150,000
Occupational Support Center "Citizen of Tomorrow"	Colombia	Social	5/11/2006	148,500
Strengthening of Citizen Monitoring on Indigent Families Social Protection Efforts	Argentina	Social	5/12/2006	150,000
Economical Sustainable Alternatives for Barranco do Mundo Settlement	Brazil	Productive	5/19/2006	147,420
Community Building through Opportunities for At Risk Youths in the Municipality of Santa Tecla	El Salvador	Social	6/2/2006	150,000
Prevention and Control of the Vector Transmission of the Chagas Disease in the Lenca Indigenous Communities in the Department of La Paz	Honduras	Social	6/5/2006	149,000
Support to Poor People with Disabilities (PwD) of the City of Buenos Aires	Argentina	Social	7/6/2006	149,100
Teenage Girls Polytechnic Center	Uruguay	Social	6/14/2006	150,000
HIV/AIDS Prevention in Vulnerable Afro-Ecuadorian Population	Ecuador	Social	7/21/2006	132,100
Promoting Healthy Communities together with Healthy Schools - Strengthening Community Based Actions for Preventive Health Care	Guatemala	Social	7/14/2006	143,800
Local Capacity Building to Reduce Displaced Children Vulnerability in Suba, Bogotá	Colombia	Social	7/31/2006	150,000
Creation of Micro-Businesses for the Integration of the Indigenous Population of Sonsonate into Local Economic Development	El Salvador	Social	8/8/2006	148,300
Supporting Community Action to Reduce Child Labor in Artisanal Gold-Mining Communities in Puno	Peru	Social	8/16/2006	148,000
Supporting Socio-Economic Development for the Chaco Central Indigenous Communities	Paraguay	Social	8/23/2006	122,900
Project Rainbow: Health and Opportunities for Vulnerable Children, Youth and Women through Community Capacity Building, Training and Mobilization	Dominican Rep	Social	8/29/2006	150,000

**JPO Projects Approved by the Bank
(CY2001-2007)**

JPO Projects	Country	Bank Sector	Bank Approval	Approval Amount (US\$)
Social Indicators for the Monitoring of Poverty Alleviation	Mexico	Social	5/22/2001	569,000
Ethnic Development of the Indigenous Quechuan Communities of Cuicuno, Tilipulo and Santo Samán: Strengthening of the Production Chain and Commercialization of Handcrafted Textiles	Ecuador	Productive	9/25/2006	149,240
Local Economic Development Support of the Balsamo Micro Region to Increase Poor Families Income throughout Eco-Tourism Micro Business Promotion	El Salvador	Social	9/12/2006	148,761
Strengthening the Financial, Technical and the Administrative Capacities of Tobati's Craft Workers	Paraguay	Social	9/27/2006	116,600
Solidarity Youth	Ecuador	Social	10/23/2006	149,900
Increased Nutrition for Children in the Southern Province of Bahoruco	Dominican Rep	Social	11/3/2006	149,582
The Training of Artisans and Youths in the Community Working toward the Expansion of Tourism, Culture, and Ecological Advancement for Lake Titikaka, Guaqui	Bolivia	Infrastructure	11/20/2006	149,475
Environmental Sanitation for Huambi Parish	Ecuador	Environment	11/28/2006	126,064
AraucaníAprende: Improving Educational Outcomes in Low-Income Primary Schools	Chile	Social	11/29/2006	149,915
Local Development Window	Peru	Infrastructure	11/29/2006	1,500,000
Rural Supply Chain Development Program	Haiti	Productive	11/29/2006	500,000
Alimentary and Financial Self-Support for Aché and Ava Guaraní Indigenous Communities	Paraguay	Social	11/28/2006	148,663
TOTAL (CY2006)			33	6,442,353
Strengthening of Skills for Paid Work of Women Victims of Violence in Poverty Situations	Chile	Social	1/10/2007	149,455
Promotion of accessible culture, art and recreation for at-risk youth	Ecuador	Social	1/8/2007	149,000
Strengthening of the Local Capacities to Prevent and assist Domestic Violence	Ecuador	Social	1/11/2007	149,700
Implementation of Hospital Management Model	Guatemala	Social	2/28/2007	1,600,000
Capacity Building of Scavengers Families of the Open Dump Located in the City of San Miguel to Enhance their Access to Social Services and Economic Opportunities	El Salvador	Social	3/8/2007	137,500
Capacity building process and strategic pilot experiences for Afro-Brazilian Women's Organizations in the Metropolitan Area of Rio de Janeiro	Brazil	Social	3/23/2007	141,775
Pilot program for the poverty reduction in rural families with economic and social vulnerability, within 4 HJC of 4 Antioquian rural cities	Colombia	Social	4/19/2007	118,181
"Child Friendly Schools": Pilot Project for Intercultural Rural Education	Bolivia	Social	5/2/2007	143,010
Community Cottage and Kitchen Enterprises	Trinidad & Tobago	Social	5/2/2007	72,125
Development opportunities for youth at social risk	Chile	Social	5/7/2007	144,200
Local Capacity Building to improve education performance in Guanajuato and Aguascalientes	Mexico	Social	5/23/2007	149,143
Early Childhood Development in 3 Villas of Northern Córdoba	Argentina	Social	5/17/2007	149,580
Ecotourism as a development alternative for areas under illicit crops substitution programs	Colombia	Infrastructure	6/6/2007	150,000
Trabajando sobre ruedas	Venezuela	Social	6/12/2007	100,235

**JPO Projects Approved by the Bank
(CY2001-2007)**

JPO Projects	Country	Bank Sector	Bank Approval	Approval Amount (US\$)
Social Indicators for the Monitoring of Poverty Alleviation	Mexico	Social	5/22/2001	569,000
Community Prevention and Control of the Vector Transmitted Chagas Disease in the Municipalities of Nueva Granada and Estanzuelas, Department of Usulután	El Salvador	Social	6/4/2007	132,250
Managerial solutions and information technology to improve healthcare to the poor: The Pathway House of Araxá	Brazil	Social	8/13/2007	150,000
Development of Small Communities supported for the Grupos Gestores Network	Guatemala	Social	9/5/2007	150,000
Proyecto "Recuperar" : preventing and eradicating child labor in migrant families, especially favoring those working in waste recovery and recycling	Argentina	Social	9/13/2007	149,964
Emprende Rural	Guatemala	Social	9/26/2007	149,820
Multimedia Community Centers for Development	Uruguay	Infrastructure	10/24/2007	150,000
ASSISTED SCHOOL TRAJECTORIES – Improving social and productive integration through increasing graduation rates at the end of primary and secondary school for aboriginal children and youngsters	Argentina	Social	11/7/2007	149,650
Strengthening of Socio-productive Alliances in Argentina	Argentina	Social	11/7/2007	149,000
Hands-on training for rural young entrepreneurs in eastern Chalatenango	El Salvador	Productive	11/26/2007	150,000
Creating and Strengthening Micro enterprises for the Integrated Management of Solid Waste Generated in the San Andrés Valley	El Salvador	Environment	12/5/2007	149,500
Strengthening the capacities of the civil society to reduce the poverty in Colombia	Colombia	Modernization of the State	12/12/2007	150,000
Program of prevention and support against risk factors to vulnerable youth in Bogotá through formal education	Colombia	Social	12/18/2007	149,680
Competitiveness and Trade Program	Panama	Social	12/19/2007	1,600,000
TOTAL (CY2007)			27	6,733,768
TOTAL			89	24,842,827

Annex V

AUDITORS' REPORT AND FINANCIAL STATEMENTS

Japan Special Fund
Established by the Government of Japan
December 31, 2007 and 2006

REPORT OF INDEPENDENT AUDITORS

To the Inter-American Development Bank,
Administrator of the Japan Special Fund
Established by the Government of Japan:

We have audited the accompanying balance sheet of the Japan Special Fund Established by the Government of Japan (the Fund), administered by the Inter-American Development Bank (the Bank), as of December 31, 2007 and 2006, and the related statements of changes in fund balance and cash flows for the years then ended. These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Fund's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund at December 31, 2007 and 2006, and the changes in its fund balance and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States.

Ernst + Young LLP

Washington, D.C.
March 21, 2008

JAPAN SPECIAL FUND
ESTABLISHED BY THE GOVERNMENT OF JAPAN
(Administered by the Inter-American Development Bank)

BALANCE SHEET

	December 31,	
	2007	2006
ASSETS		
Cash	\$ 87,123	\$ 43,897
Investments	88,683,510	92,581,605
Total assets	\$ 88,770,633	\$ 92,625,502
 LIABILITIES AND FUND BALANCE		
Due to Administrator	\$ 911,297	\$ 532,484
Undisbursed grants	40,598,323	32,835,048
Fund balance	47,261,013	59,257,970
Total liabilities and fund balance	\$ 88,770,633	\$ 92,625,502

STATEMENT OF CHANGES IN FUND BALANCE

	For the years ended December 31,	
	2007	2006
ADDITIONS		
Contributions	\$ 6,313,407	\$ 5,599,407
Income on cash and investments	4,111,520	4,811,483
Total additions	10,424,927	10,410,890
 DEDUCTIONS		
Grants, net	18,802,053	13,932,528
Direct and indirect expenses	509,346	198,746
Administrative commissions	110,485	97,990
Transfer to another fund	3,000,000	-
Total deductions	22,421,884	14,229,264
Change in Fund balance	(11,996,957)	(3,818,374)
Fund balance, beginning of year	59,257,970	63,076,344
Fund balance, end of year	\$ 47,261,013	\$ 59,257,970

The accompanying notes are an integral part of these financial statements.

JAPAN SPECIAL FUND
ESTABLISHED BY THE GOVERNMENT OF JAPAN
(Administered by the Inter-American Development Bank)

STATEMENT OF CASH FLOWS

	For the years ended	
	December 31,	
	<u>2007</u>	<u>2006</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Fund balance	\$(11,996,957)	\$ (3,818,374)
Adjustments to reconcile Change in Fund balance to Net cash used in operating activities:		
Net unrealized gains on investments	(1,822,562)	(3,818,160)
Increase in Due to Administrator	378,813	9,154
Increase in Undisbursed grants	<u>7,763,275</u>	<u>5,728,402</u>
Net cash used in operating activities	<u>(5,677,431)</u>	<u>(1,898,978)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Net decrease in Investments	<u>5,720,657</u>	<u>1,540,330</u>
Net cash provided by investing activities	<u>5,720,657</u>	<u>1,540,330</u>
Net increase (decrease) in Cash	43,226	(358,648)
Cash, beginning of year	<u>43,897</u>	<u>402,545</u>
Cash, end of year	<u><u>\$ 87,123</u></u>	<u><u>\$ 43,897</u></u>

The accompanying notes are an integral part of these financial statements.

JAPAN SPECIAL FUND
ESTABLISHED BY THE GOVERNMENT OF JAPAN
(Administered by the Inter-American Development Bank)

NOTES TO FINANCIAL STATEMENTS

December 31, 2007

NOTE A - NATURE OF THE FUND

On April 26, 1988, the Government of Japan (the Government) and the Inter-American Development Bank (the Bank) signed an agreement (the Agreement) to establish the Japan Special Fund (the Fund), which is funded by the Government and administered by the Bank.

The purpose of the Fund is to provide grants to help developing member countries of the Bank accelerate the process of economic and social development.

Resources are contributed by the Government to the Fund in Japanese yen and are immediately converted into United States dollars. As of December 31, 2007, the Government has contributed ¥27,523,813,000 (equivalent to approximately \$228,025,263).

In 1998, the Bank approved the establishment of the Japan Program. The objectives of the Japan Program are to create opportunities for providing expertise, knowledge, and best practices of Asia to the countries of Latin America and the Caribbean and vice-versa, and to the Bank in the formulation of economic and social development strategies, priorities, and policies. The Japan Program also promotes partnerships and supports comparative studies between entities interested and involved in economic and social development in Latin America, the Caribbean and those in Japan and the rest of Asia, such as public agencies, universities, non-governmental organizations, and research institutes.

The Japan Program serves as an umbrella for activities funded in accordance with the above-mentioned objectives. In order to finance the Japan Program, a special window of the Fund was established in 1999, for which the amount of \$29.7 million was transferred from the Japan Special Main Account to cover approximately \$2.0 million per year in non-reimbursable grants.

In 2001, the Government approved the establishment of the Japan Poverty Reduction Program (JPO Program) under the framework of the Fund and set aside \$30 million for this purpose. The JPO Program was established in order to increase the focus of the Fund towards the financing of poverty reduction initiatives to support the Bank's initiatives in this respect.

The specific objectives of the JPO Program are to: (a) support well-targeted poverty reduction and social development activities that would have a direct impact on the population affected by poverty and those vulnerable groups that are socially and/or economically disadvantaged; (b) stimulate the capacity of the poor to help themselves; (c) stimulate widespread stakeholder participation at the community level; and (d) provide a systematic impact on operations and programs in the Bank's borrowing member countries towards sustainable poverty reduction. Pursuant to the agreement establishing the JPO Program, as amended, funding will be provided for grants approved over the period from 2001 to 2010.

The accompanying Appendixes I and II present separately the operations of the Japan Program and the JPO Program from the remaining operations of the Fund, which are reflected in the Japan Special Main Account.

On March 19, 2007, the Government and the Bank signed a letter of Contribution to accept the terms and conditions of the Multidonor Disaster Prevention Trust Fund (the MDP TF), and to transfer \$3.0 million from the Fund to the MDP TF.

Pursuant to the Agreement, as amended in 1991, the Bank is authorized to charge an administrative commission of 1.75% of funds contributed by the Government during each year. During 2007, administrative commissions were charged to the Fund in the amount of \$110,485 (2006 - \$97,990).

Audit costs of the Fund are paid by the Bank. During 2007, the Bank paid audit fees in the amount of \$13,000 (2006 - \$13,470).

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Fund are prepared in conformity with accounting principles generally accepted in the United States. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of additions to and deductions from the fund balance during the reporting period. Actual results could differ from these estimates.

Investments

Investments are carried and reported at fair value. Realized and unrealized gains and losses are included in Income on cash and investments in the Statement of Changes in Fund Balance.

Grants

Technical cooperation grants are recorded as deductions from the fund balance when approved. Cancellations of the undisbursed portion of grants approved are recorded as an offset to Grants in the period in which they occur.

Translation of currencies

The United States dollar is the functional currency of the Fund. Assets and liabilities denominated in Japanese yen, if any, are translated to United States dollars at market rates of exchange prevailing at the Balance Sheet dates. The adjustments resulting from the translation of assets and liabilities into United States dollars are shown in the Statement of Changes in Fund Balance as Translation adjustments.

Fair values of financial instruments

The following methods and assumptions were used in estimating the fair value of financial instruments:

Cash: The carrying amount reported in the Balance Sheet for cash approximates fair value.

Investments: Fair values for investments are based on quoted prices, where available; otherwise they are based on quoted prices of comparable instruments or discounted cash flows.

NOTE C - INVESTMENTS

The Bank invests the Fund's resources in the same type of securities in which it invests its own funds under its investment authority. The Fund's resources are invested in high quality securities through an investment pool managed by the Bank. Investments may include government, agency, corporate and bank obligations, and asset- and mortgage-backed securities with credit quality equivalent to ratings ranging from AAA to A+.

The Bank limits the Fund's activities of investing in securities to a list of authorized dealers and counterparties. Credit limits have been established for each counterparty and the Bank, as the Administrator of the Fund, does not anticipate non-performance by any of the counterparties.

Net unrealized gains on investments, held at December 31, 2007, in the amount of \$1,822,562 (2006 – \$3,818,160) were included in Income on cash and investments. The average return on investments, including realized and unrealized gains and losses, during 2007 and 2006 was 4.38% and 5.15%, respectively.

NOTE D - UNDISBURSED GRANTS

The following is a summary of changes in Undisbursed grants for the years ended December 31, 2007 and 2006:

	<u>2007</u>	<u>2006</u>
Undisbursed grants as of January 1	\$ 32,835,048	\$ 27,106,646
Grants approved.	20,995,612	16,084,600
Cancellations.	<u>(2,193,559)</u>	<u>(2,152,072)</u>
Grants, net.	18,802,053	13,932,528
Disbursements.	<u>(11,038,778)</u>	<u>(8,204,126)</u>
Undisbursed grants as of December 31.	<u><u>\$ 40,598,323</u></u>	<u><u>\$ 32,835,048</u></u>

JAPAN SPECIAL FUND
ESTABLISHED BY THE GOVERNMENT OF JAPAN
 (Administered by the Inter-American Development Bank)

SUPPLEMENTARY BALANCE SHEET BY PROGRAM

	December 31,							
	2007				2006			
	Japan Special Main Account	Japan Program	Poverty Reduction Program	Total	Japan Special Main Account	Japan Program	Poverty Reduction Program	Total
ASSETS								
Cash	\$ 54,668	\$ 16,953	\$ 15,502	\$ 87,123	\$ 14,365	\$ 15,900	\$ 13,632	\$ 43,897
Investments	39,232,164	24,991,737	24,459,609	88,683,510	40,671,198	25,052,363	26,858,044	92,581,605
Total assets	\$ 39,286,832	\$ 25,008,690	\$ 24,475,111	\$ 88,770,633	\$ 40,685,563	\$ 25,068,263	\$ 26,871,676	\$ 92,625,502
LIABILITIES AND FUND BALANCE								
Liabilities								
Due to Administrator	\$ 560,802	\$ 74,708	\$ 275,787	\$ 911,297	\$ 337,410	\$ 119,924	\$ 75,150	\$ 532,484
Undisbursed grants	24,251,164	3,892,482	12,454,677	40,598,323	19,176,853	3,288,788	10,369,407	32,835,048
	24,811,966	3,967,190	12,730,464	41,509,620	19,514,263	3,408,712	10,444,557	33,367,532
Fund balance	14,474,866	21,041,500	11,744,647	47,261,013	21,171,300	21,659,551	16,427,119	59,257,970
Total liabilities and fund balance	\$ 39,286,832	\$ 25,008,690	\$ 24,475,111	\$ 88,770,633	\$ 40,685,563	\$ 25,068,263	\$ 26,871,676	\$ 92,625,502

JAPAN SPECIAL FUND
ESTABLISHED BY THE GOVERNMENT OF JAPAN
 (Administered by the Inter-American Development Bank)

SUPPLEMENTARY STATEMENT OF CHANGES
IN FUND BALANCE BY PROGRAM

For the years ended December 31,

	2007				2006			
	Japan Special Main Account	Japan Program	Poverty Reduction Program	Total	Japan Special Main Account	Japan Program	Poverty Reduction Program	Total
ADDITIONS								
Contributions	\$ 6,313,407	\$ -	\$ -	\$ 6,313,407	\$ 5,599,407	\$ -	\$ -	\$ 5,599,407
Income on cash and investments	1,884,626	1,089,586	1,137,308	4,111,520	2,123,382	1,286,996	1,401,105	4,811,483
Total additions	8,198,033	1,089,586	1,137,308	10,424,927	7,722,789	1,286,996	1,401,105	10,410,890
DEDUCTIONS								
Grants, net	11,274,636	1,707,637	5,819,780	18,802,053	6,616,527	899,654	6,416,346	13,932,527
Direct and indirect expenses	509,346	-	-	509,346	198,747	-	-	198,747
Administrative commissions	110,485	-	-	110,485	97,990	-	-	97,990
Transfer to another fund	3,000,000	-	-	3,000,000	-	-	-	-
Total deductions	14,894,467	1,707,637	5,819,780	22,421,884	6,913,264	899,654	6,416,346	14,229,264
Change in Fund balance	(6,696,434)	(618,051)	(4,682,472)	(11,996,957)	809,525	387,342	(5,015,241)	(3,818,374)
Fund balance, beginning of year	21,171,300	21,659,551	16,427,119	59,257,970	20,361,775	21,272,209	21,442,360	63,076,344
Fund balance, end of year	\$ 14,474,866	\$ 21,041,500	\$ 11,744,647	\$ 47,261,013	\$ 21,171,300	\$ 21,659,551	\$ 16,427,119	\$ 59,257,970

Annex VI

AUDITORS' REPORT AND FINANCIAL STATEMENTS

Japanese Consultants Fund
Established by the Government of Japan
December 31, 2007 and 2006

REPORT OF INDEPENDENT AUDITORS

To the Inter-American Development Bank,
Administrator of the Japanese Consultants Fund
Established by the Government of Japan:

We have audited the accompanying balance sheet of the Japanese Consultants Fund Established by the Government of Japan (the Fund), administered by the Inter-American Development Bank (the Bank), as of December 31, 2007 and 2006, and the related statements of changes in fund balance and cash flows for the years then ended. These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Fund's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund at December 31, 2007 and 2006, and the changes in its fund balance and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

Ernst & Young LLP

Washington, D.C.
March 21, 2008

JAPANESE CONSULTANTS FUND
ESTABLISHED BY THE GOVERNMENT OF JAPAN
(Administered by the Inter-American Development Bank)

BALANCE SHEET

	December 31,	
	2007	2006
ASSETS		
Cash	\$ 56,115	\$ 10,435
Investments	18,860,645	18,345,264
Total assets	\$ 18,916,760	\$ 18,355,699
 LIABILITIES AND FUND BALANCE		
Due to Administrator	\$ 8,040	\$ -
Accrued expenses	13,000	13,470
Undisbursed grants	7,966,024	5,538,933
Fund balance	10,929,696	12,803,296
Total liabilities and fund balance	\$ 18,916,760	\$ 18,355,699

STATEMENT OF CHANGES IN FUND BALANCE

	For the years ended December 31,	
	2007	2006
ADDITIONS		
Contributions	\$ 2,085,424	\$ 4,198,873
Income from investments	858,343	968,443
Total additions	2,943,767	5,167,316
 DEDUCTIONS		
Grants, net	4,737,491	2,739,073
Administrative commissions	41,708	83,977
Accountant fees	13,000	13,470
Transfer to another fund	25,168	-
Total deductions	4,817,367	2,836,520
 Change in Fund balance	 (1,873,600)	 2,330,796
Fund balance, beginning of year	12,803,296	10,472,500
Fund balance, end of year	\$ 10,929,696	\$ 12,803,296

The accompanying notes are an integral part of these financial statements.

JAPANESE CONSULTANTS FUND
ESTABLISHED BY THE GOVERNMENT OF JAPAN
(Administered by the Inter-American Development Bank)

STATEMENT OF CASH FLOWS

	For the years ended December 31,	
	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Fund balance	\$(1,873,600)	\$ 2,330,796
Adjustments to reconcile Change in Fund balance to Net cash provided by operating activities:		
Net unrealized gains on investments	(488,217)	(654,912)
Decrease in Due from Administrator	-	681
Increase in Due to Administrator	8,040	-
(Decrease) increase in Accounts payable	(470)	638
Increase in Undisbursed grants	2,427,091	58,828
Net cash provided by operating activities	72,844	1,736,031
 CASH FLOWS FROM INVESTING ACTIVITIES		
Net increase in Investments	(27,164)	(1,861,268)
Net cash used in investing activities	(27,164)	(1,861,268)
 Net increase (decrease) in Cash	 45,680	 (125,237)
Cash, beginning of year	10,435	135,672
Cash, end of year	\$ 56,115	\$ 10,435

The accompanying notes are an integral part of these financial statements.

JAPANESE CONSULTANTS FUND
ESTABLISHED BY THE GOVERNMENT OF JAPAN
(Administered by the Inter-American Development Bank)

NOTES TO FINANCIAL STATEMENTS
December 31, 2007

NOTE A - NATURE OF THE FUND

On February 15, 1995, the Government of Japan (the Government) and the Inter-American Development Bank (the Bank) signed an agreement (the Agreement) to establish the Japanese Consultants Fund (the Fund), which is funded by the Government and administered by the Bank.

The purpose of the Fund is to finance: (i) the fees and related travel expenses of individual Japanese consultants performing medium-term assignments (up to one year, with a possibility of further extension) in support of the Bank's activities; and (ii) the professional fees and related travel expenses for short-term consulting services performed at Bank headquarters or in the Bank's borrowing member countries by Japanese nationals, acting as individual consultants, or on behalf of specialized institutions and consulting firms (all such consulting services referred to collectively as the Consultancy Services).

On November 1, 2006, the Government and the Bank signed an agreement to transfer resources from the Fund to the Inter-American Investment Corporation (IIC) to finance professional fees and related expenses for consultancy services performed by Japanese individual consultants in cases related to development assistance and support activities at the IIC. On October 22, 2007, the Fund transferred to IIC \$25,168.

Resources are contributed by the Government to the Fund in Japanese yen and are immediately converted into United States dollars. As of December 31, 2007, the Government has contributed ¥4,574,067,000 (equivalent to approximately \$39,732,950).

Pursuant to the Agreement, the Bank is authorized to charge an administrative commission of 2% of funds contributed by the Government during each year. During 2007, administrative commissions were charged to the Fund in the amount of \$41,708 (2006 - \$83,977).

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Fund are prepared in conformity with accounting principles generally accepted in the United States. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of additions to and deductions from the fund balance during the reporting period. Actual results could differ from these estimates.

Investments

Investments are carried and reported at fair value. Realized and unrealized gains and losses are included in Income from investments in the Statement of Changes in Fund Balance.

Grants

Technical cooperation grants are recorded as deductions from the fund balance when approved. Cancellations of the undisbursed portion of grants approved are recorded as an offset to Grants in the period in which they occur.

Foreign currencies

The financial statements are expressed in United States dollars, which is the functional and reporting currency of the Fund.

Fair values of financial instruments

The following methods and assumptions were used in estimating the fair value of financial instruments:

Cash: The carrying amount reported in the Balance Sheet for cash approximates fair value.

Investments: Fair values for investments are based on quoted prices, where available; otherwise they are based on quoted prices of comparable instruments or discounted cash flows.

NOTE C - INVESTMENTS

The Bank invests the Fund's resources in the same type of securities in which it invests its own funds under its investment authority. The Fund's resources are invested in high quality securities through an investment pool managed by the Bank. Investments may include government, agency, corporate, and bank obligations, and asset- and mortgage-backed securities with credit quality equivalent to ratings ranging from AAA to A+.

The Bank limits the Fund's activities of investing to a list of authorized dealers and counterparties. Credit limits have been established for each counterparty and the Bank, as Administrator of the Fund, does not anticipate non-performance by any of the counterparties.

Net unrealized gains on investments, held at December 31, 2007, in the amount of \$488,217 (2006 - \$654,912) were included in Income from investments. The average return on investments, including realized and unrealized gains, during 2007 and 2006 was 4.36% and 5.21%, respectively.

NOTE D - UNDISBURSED GRANTS

The following is a summary of changes in Undisbursed grants for the years ended December 31, 2007 and 2006:

	<u>2007</u>	<u>2006</u>
Undisbursed grants as of January 1.	\$ 5,538,933	\$ 5,480,105
Grants approved.	4,749,290	2,832,520
Cancellations.	<u>(11,799)</u>	<u>(93,447)</u>
Grants, net.	4,737,491	2,739,073
Disbursements.	<u>(2,310,400)</u>	<u>(2,680,245)</u>
Undisbursed grants as of December 31.	<u><u>\$ 7,966,024</u></u>	<u><u>\$ 5,538,933</u></u>

AUDITORS' REPORT AND FINANCIAL STATEMENTS

Japanese Scholarship Fund
Established by the Government of Japan
December 31, 2007 and 2006

REPORT OF INDEPENDENT AUDITORS

To the Inter-American Development Bank,
Administrator of the Japanese Scholarship Fund
Established by the Government of Japan:

We have audited the accompanying balance sheet of the Japanese Scholarship Fund Established by the Government of Japan (the Fund), administered by the Inter-American Development Bank (the Bank), as of December 31, 2007 and 2006, and the related statements of changes in fund balance and cash flows for the years then ended. These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Fund's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund at December 31, 2007 and 2006, and the changes in its fund balance and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

Ernst + Young LLP

Washington, D.C.
March 21, 2008

JAPANESE SCHOLARSHIP FUND
ESTABLISHED BY THE GOVERNMENT OF JAPAN
(Administered by the Inter-American Development Bank)

BALANCE SHEET

	December 31,	
	2007	2006
ASSETS		
Cash	\$ 387,820	\$ 800,945
Investments	7,909,756	7,108,584
Total assets	\$ 8,297,576	\$ 7,909,529
 LIABILITIES AND FUND BALANCE		
Due to Administrator	\$ 34,514	\$ 123,579
Accounts payable and accrued expenses	64,229	22,666
Undisbursed scholarships	4,563,272	4,221,661
Fund balance	3,635,561	3,541,623
Total liabilities and fund balance	\$ 8,297,576	\$ 7,909,529

STATEMENT OF CHANGES IN FUND BALANCE

	For the years ended December 31,	
	2007	2006
ADDITIONS		
Contributions	\$ 2,302,122	\$ 2,368,054
Income on cash and investments	374,891	386,458
Total additions	2,677,013	2,754,512
 DEDUCTIONS		
Scholarships, net	2,333,087	2,563,205
Administrative expenses	161,671	103,583
Total deductions	2,494,758	2,666,788
Change in Fund balance before translation adjustments	182,255	87,724
Translation adjustments	(88,317)	11,179
Net change in Fund balance after translation adjustments	93,938	98,903
Fund balance, beginning of year	3,541,623	3,442,720
Fund balance, end of year	\$ 3,635,561	\$ 3,541,623

The accompanying notes are an integral part of these financial statements.

JAPANESE SCHOLARSHIP FUND
ESTABLISHED BY THE GOVERNMENT OF JAPAN
(Administered by the Inter-American Development Bank)

STATEMENT OF CASH FLOWS

	For the years ended	
	December 31,	
	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Fund balance before translation adjustments	\$ 182,255	\$ 87,724
Adjustments to reconcile Change in Fund balance before translation adjustments to Net cash provided by operating activities:		
Net unrealized (gains) losses on investments	(274,842)	86,221
Increase (decrease) in Accounts payable and accrued expenses	41,023	(19,939)
Increase in Undisbursed scholarships	225,575	404,101
Decrease in Due to Administrator	(88,821)	(51,066)
Net cash provided by operating activities	85,190	507,041
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net increase in Investments	(526,330)	(1,023,522)
Net cash used in investing activities	(526,330)	(1,023,522)
Effect of exchange rate fluctuations on Cash	28,015	(668)
Net decrease in Cash	(413,125)	(517,149)
Cash, beginning of year	800,945	1,318,094
Cash, end of year	\$ 387,820	\$ 800,945
Supplemental disclosure of noncash activities:		
Increase (decrease) resulting from exchange rate fluctuations:		
Undisbursed scholarships	\$ 116,036	\$ (11,947)
Accounts payable and accrued expenses	540	194
Due to Administrator	(244)	(94)

The accompanying notes are an integral part of these financial statements.

JAPANESE SCHOLARSHIP FUND
ESTABLISHED BY THE GOVERNMENT OF JAPAN
(Administered by the Inter-American Development Bank)

NOTES TO FINANCIAL STATEMENTS

December 31, 2007

NOTE A - NATURE OF THE FUND

On February 18, 1991, the Government of Japan (the Government) and the Inter-American Development Bank (the Bank) signed an agreement (the Agreement) to establish the Japanese Scholarship Fund (the Fund) which is funded by the Government and administered by the Bank.

The purpose of the Fund is to offer a Scholarship Program which affords the opportunity to selected individuals, essentially from developing member countries of the Bank, with a public or private sector background, to pursue further studies at national or international institutions renowned for their programs in development-related fields. The scholars trained under the Scholarship Program are required to return to their countries to apply their enhanced knowledge and skills to help accelerate economic and social development.

Resources are contributed by the Government to the Fund in Japanese yen, and are immediately converted into United States dollars, to the extent not needed to fund yen operations. As of December 31, 2007, the Government has contributed ¥3,923,612,000 (equivalent to approximately \$34,007,589).

Pursuant to the Agreement, the Bank is authorized to charge the Fund direct costs of administration. During 2007, \$161,671 was charged to the Fund for direct administrative costs (2006 - \$103,583).

The Bank, as Administrator, makes disbursements during the year on behalf of the Fund for scholarships and direct administrative costs. At December 31, 2007, amounts Due to Administrator were \$34,514 (2006 - \$123,579).

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Fund are prepared in conformity with accounting principles generally accepted in the United States. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the

reported amounts of additions to and deductions from the fund balance during the reporting period. Actual results could differ from these estimates.

Investments

Investments are carried and reported at fair value. Realized and unrealized gains and losses are included in Income on cash and investments in the Statement of Changes in Fund Balance.

Scholarships

The amounts approved under scholarships are recorded as deductions from the fund balance when approved. Cancellations of the undisbursed portion of scholarships approved for students who have completed their participation in the Scholarship Program, are recorded as an offset to scholarships in the period in which they occur. Repayments of scholarships from students who have selected not to return to their home country, are recorded as an offset to scholarships in the period in which they are made.

Translation of currencies

The United States dollar is the functional currency of the Fund. The Fund approves and disburses a portion of its scholarships and administration expenses in Japanese yen. Assets and liabilities denominated in Japanese yen, if any, are translated to United States dollars at market rates of exchange prevailing at the Balance Sheet dates. The adjustments resulting from the translation of assets and liabilities into United States dollars are shown in the Statement of Changes in Fund Balance as Translation adjustments.

Fair values of financial instruments

The following methods and assumptions were used in estimating the fair value of financial instruments:

Cash: The carrying amount reported in the Balance Sheet for cash approximates fair value.

Investments: Fair values for investments are based on quoted prices, where available; otherwise they are based on quoted prices of comparable instruments or discounted cash flows.

NOTE C - INVESTMENTS

The Bank invests the Fund's resources in the same type of securities in which it invests its own funds under its investment authority. The Fund's resources are invested in high quality securities through an investment pool managed by the Bank. Investments may include government, agency, corporate and bank obligations, and asset-and mortgage-backed securities with credit quality equivalent to ratings ranging from AAA to A+.

The Bank limits the Fund's activities of investing in securities to a list of authorized dealers and counterparties. Credit limits have been established for each counterparty and the Bank, as the Administrator of the Fund, does not anticipate non-performance by any of the counterparties.

Net unrealized gains on investments, held at December 31, 2007, in the amount of \$274,842 (2006 – losses of \$86,221) were included in Income on cash and investments. The average return on investments, including realized and unrealized gains and losses, during 2007 and 2006 was 4.40% and 5.31%, respectively.

NOTE D - UNDISBURSED SCHOLARSHIPS

The following is a summary of changes in Undisbursed scholarships for the years ended December 31, 2007 and 2006:

	<u>2007</u>	<u>2006</u>
Undisbursed scholarships as of January 1.	\$ 4,221,661	\$ 3,829,507
Scholarships approved.	2,595,824	2,876,380
Cancellations.	(202,744)	(233,504)
Disbursements	(2,167,505)	(2,238,775)
Translation adjustments.	<u>116,036</u>	<u>(11,947)</u>
Undisbursed scholarships as of December 31. . .	<u>\$ 4,563,272</u>	<u>\$ 4,221,661</u>

NOTE E - SCHOLARSHIPS

Scholarships, net for the years ended December 31, 2007 and 2006 consist of the following components:

	<u>2007</u>	<u>2006</u>
Scholarships approved.	\$ 2,595,824	\$ 2,876,380
Cancellations.	(202,744)	(233,504)
Recuperations	<u>(59,993)</u>	<u>(79,671)</u>
Scholarships, net.	<u>\$ 2,333,087</u>	<u>\$ 2,563,205</u>

NOTE F - CONCENTRATION OF CREDIT RISK

Credit risk represents the accounting loss that would be recognized at the reporting date if counterparties fail completely to perform as contracted. At December 31, 2007 and 2006, the Fund had cash in two financial institutions, one in the United States and one in Japan. The total cash balance of both accounts as of December 31, 2007 and 2006 was \$387,820 and \$800,945, respectively. The Bank, as the Administrator of the Fund, does not anticipate non-performance by any of the counterparties. The amount of credit risk shown, therefore, does not represent expected losses.

