

May 11, 2007

1. CAS Data

Country: Chile

CAS Year: FY2002

CAS Period: FY2002 – FY2006

CASCR Review Period: FY2002 – FY2006

Date of this review: May 11, 2007

2. Executive Summary

This review examines the implementation of the FY02-06 CAS and evaluates the FY07 CASCR.

The CAS sought to support activities that sustained and deepened Chile's success in reducing poverty. Under the CAS, Bank assistance was to seek to further three objectives: (I) sustaining overall economic growth and social progress; (II) heightening inclusion, especially of rural populations and vulnerable groups, emphasizing opportunity and social services; and (III) modernizing the state as the underpinning for development. These objectives were aligned with those of the government's program. The CAS proposed to lend \$500-\$650 million over the period.

The CASCR does not rate the outcome of the assistance, but this review rates it as *satisfactory*.

- Under objective I, Bank assistance was associated with an improvement-to a partial extent- in public-private partnerships and in the quality of labor. The other CAS targets of an increase in research and development expenditure to 1.0 percent of GDP or in the participation of women in the labor force to 43 percent were not achieved. This review rates the outcome of the Bank's program under this objective as *satisfactory*.
- Under objective II, Bank assistance was associated with an increase in coverage of water supply and electricity. The reforms sought in some aspects of the social protection system and in decentralization were not carried out. This review rates the outcome of Bank assistance under this objective as *moderately satisfactory*.
- Under objective III, most of the goals sought by Bank assistance were achieved, especially those related to improving the quality and access of information to the public and to Congress. Most of the inputs and outputs associated with this objective seem to have been delivered, but there is little information on how this has led to better services, although, indirect information gathered from external sources indicates some improvement in the overall quality of governance. This review rates the outcome of the assistance under this objective as *satisfactory*.

In terms of findings and lessons, the CASCR illustrates how difficult it is to evaluate an assistance program when the links among objectives, inputs, outputs and outcomes are not well-established. In particular, the outcome indicators and targets put forward in the previous CAS for Chile to help gauge progress were in general too "distant" (in a casual sense) from planned Bank interventions. These deficiencies detracted from its usefulness as a reference frame in assessing the effectiveness of the Bank's program and its constituent parts and in rating the outcome of Bank assistance. This also explains why, "knife-edge" sub-ratings corresponding to each of the three CAS objectives notwithstanding, this CASCR review recognizes that, viewed holistically and assessed against reasonable criteria, the overall outcome of the Bank's program in Chile over FY02-06 was satisfactory. One indication of this is the country's demand for Bank funding/project work as well as (reimbursable) AAA. In advanced MICS like Chile with a good record of economic management, the Bank should be able to do a better job of designing an appropriate, realistic and monitorable results framework, which would have provided a proper frame within which to evaluate Bank assistance and its possible contribution to targeted outcomes.

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3. CASCR Summary

Overview of CAS Relevance:

In 2002 Chile had a per capita income of \$4,630, comparable to that of Mexico and Brazil, and poverty stood at 17 percent. Income inequality remained high, despite policies aimed at reducing it, and marked differences existed between urban and rural areas. Although Chile had relatively developed universal systems of education, health insurance and social security, plus a wide variety of targeted social programs, many people still lacked adequate housing and access to services in education and health. Chilean policy-makers faced three broad challenges: sustaining growth and social progress, making that process more inclusive, and modernizing the state. These challenges shaped the Government's program, key underpinnings of which were good macro-economic management, strong public institutions, and investment in human capital and social protection.

The CAS sought to support activities that would help sustain and deepen Chile's success in reducing poverty. Given Chile's progress during the 1990s, the program had three main objectives: (a) sustaining overall economic growth and social progress; (b) heightening inclusion, especially of rural populations and vulnerable groups, emphasizing opportunity and social services; and (c) modernizing the state as the underpinning for development. The CAS proposed to lend \$500-\$650 million, which would be delivered in two parts. The first part, for \$250-\$300 million, consisted of up to six investment loans and, possibly, one APL. The second part, for about \$250-\$350 million, consisted of two SALs, with the possibility of using the Deferred Draw-Down (DDO) option. The choice of the DDO reflected the heightened risks Chile faced in the external environment at the time, and constituted a precautionary move to manage these risks. The second block of Bank support would materialize if there was agreement on a strong reform package and a satisfactory macro-economic framework. Otherwise, the program did not have lending triggers, and the Bank would prepare projects if there was agreement on their goals and the country had a satisfactory macroeconomic program. The CAS also proposed to carry out a selective AAA program featuring one major piece of analytical work per year with cost-sharing as appropriate, and a combination of GEF and other grants supporting Bank loans and other government investment programs.

The objectives of the assistance were consistent with the government's program, the strategy was relevant for the challenges Chile faced at the time, and the loans and AAA were consistent with the strategy. The logic underlying the links between the planned Bank interventions and the two groups of results indicators provided in Table 8 in the CAS (country performance and Bank performance/self-evaluation) was unclear (see section on Bank performance for a further discussion of this issue). Moreover, there are some inconsistencies between the main text of the CAS and the "results" matrix in the assignment of interventions to objectives, although these do not impede an analysis of CAS results.

Overview of CAS Implementation:

The Bank granted nine loans for a total of \$445 million, below the planned \$500-600 million. Six of the nine loans granted had been planned. The planned Watershed Management APL loan (\$150 million) was dropped at government request and the Social Protection SAL (Deferred Draw-Down Option) was reduced from \$300 million to \$200 million.

Fourteen reports were delivered, five of them planned. The planned poverty assessment was dropped, and the fiduciary assessment was split into two reports, procurement and financial accountability. The studies supported the lending program and policy reforms in areas of interest to the Government.

IEG rated the outcome of the five loans closed in FY03-06 as satisfactory or highly satisfactory, their institutional development substantial and their sustainability as likely. None of the seven on-going projects is at risk.

Overview of Achievement by Objective:

The CAS report specified country and CAS goals. The country goals were a growth rate of 5 percent per year or higher, an unemployment rate below 10 percent and a poverty rate below 17 percent. These goals were attained. The economy grew at 5.3 percent per year, and unemployment stood at 6.1 percent in November 2006-January 2007. There is no information yet on poverty rates from the 2006 household survey, but the Bank estimates that at end-2005 the poverty rate stood at 15 percent.

Objective I - Sustaining Overall Economic Growth and Social Progress

Six loans supported this objective, of which three were already active and three for \$151 million were new, planned, loans (life-long learning, rural electrification, and technology and innovation.) New lending fell short of the planned \$276 million because one loan, Watershed Management for \$150 million, was dropped at the government's request. Three of the four planned reports supporting this objective were delivered, but the poverty assessment update was postponed. Three other non-planned studies/TA activities (on contingent liabilities, on private participation in non-traditional public services, and on air quality) were also carried out.

Two country performance indicators were achieved (the government incorporated contingent liabilities in the national budget, and agreed to a public-private partnership to administer prisons), but the other indicators (share of research and development in GDP, participation of women in labor force and improved international education scores) were not achieved.

The assistance was associated with the achievement of some of the objectives sought, even though the evidence on results associated with the self-evaluation indicators tends to be weak.

- First, the government has developed a new system to assess skills of the labor force, and has defined standards for nine sectors that account for 60 percent of GDP.
- Second, the government has also increased the public funding for student aid by 50 percent between 1999 and 2005 (no data are provided on absolute levels or expenditure shares). According to the CASCR such funding has resulted in a substantial increase in school enrollment, but it does not say where the enrollment took place (primary, secondary, technical or tertiary education) nor does it provide data to support the statement. With the information presented it is not possible to gauge whether the resources really went to higher education and are more equally distributed.
- Third, the Bank prepared two studies (New Economy, Development Policy Review) that focused on the role of knowledge, innovation, education, social protection and development finance, topics that have direct bearing upon convergence of income with OECD countries. The government seems to have received the studies well, although the CASCR does not provide information on the situation "before" and "after" to support its claim that a coherent approach to the new economy has been adopted.
- Fourth, the government has established an innovation council, although it is unclear from the limited information presented in the CASCR whether the innovation sought in research and development has been generalized. A pilot initiative financed through the Millennium Science Initiative loan has shown that giving autonomy to researchers and adopting transparent, merit-based allocation procedures for funding research improves the quality of scientific research and of advanced training; for example, the researchers funded under the project trained 50 percent more PhD and post-doctoral students than colleagues.
- Fifth, with regard to successful cases of multi-actor collaboration on environmental issues, the Bank financed (under the Prototype Carbon Fund) a hydropower plant that has reduced emissions of CO₂ equivalent to 80,000 tons per year. The Bank also financed the studies and some of the works for the transport system in the metropolitan region of Santiago, which is expected to reduce the number of bus-kilometers by 30 percent and the particulate contamination of buses by 75 percent. The system started operations in February this year, but its start has been plagued by problems and lack of transport to many commuters, overburdening Santiago's metro

system. The problems have led to the dismissal of four ministers responsible for the implementation of the new system. As a result, it would be premature to infer that this system is delivering its expected benefits.

The CASCR does not rate this overall objective; it rated 7 out of 11 individual subcomponents as achieved. This review rates the achievement as *satisfactory*.

Objective II – Inclusion

Five loans were intended to support this objective, four of which for \$555 million would be new (lifelong learning, watershed management, rural electrification, social service delivery and social protection). In the event, the Bank advanced five loans for \$362 million, of which two were not planned (a TA for social protection, and one for tertiary education). For ESW the CAS proposed four studies, of which three were delivered; the proposed poverty assessment was postponed.

The results associated with this objective are mixed. As regards the *country performance indicators*, the targets for coverage in rural water supply and electricity were fully achieved; the coverage for water reached 77 percent (target was 75 percent) and for electricity 92 percent (target was 90 percent). Other targets were not achieved, including that of increasing the coverage of targeted programs, the participation rate in private pension plans and the test scores in Spanish and mathematics in municipal schools. For the *self-evaluation indicators*, the clear success was the expansion of services like electricity and water in rural communities, which exceeded the targets; rural mobile telecoms also expanded, covering 62 percent of the population while the fixed lines cover 21 percent. On other aspects, the results have been uneven. The Bank's AAA arguably helped to reform the social risk framework, which has now been extended to include the elderly, but the reforms sought in the Ficha CAS system, aimed at improving the targeting of social programs, have not been carried out. The municipalities now have broad responsibility for health and education, but the planned pilot programs in selected municipalities have yet to be carried out and the monitoring and evaluation system of the municipal programs is not yet in place.

The Bank approved a Social Protection Loan (a SAL) for US\$200 million and a Social Protection TA loan for \$10.7 million, together accounting for 58 percent of the lending for this objective. The government requested the SAL as a DDO, which also permitted to use it to hedge against risk. Three months after being effective the government drew down the entire loan amount, pre-paid earlier Bank loans and effectively closed it. The loan, expected to last three years, supported an on-going reform program and, among other things, *Chile Solidario*, a program announced in 2002 which the Lagos administration started implementing shortly after taking office. Under this program social workers go door to door and invite indigent families to participate in a two-year program of social support. About 225,000 families participate in the program.

The CASCR does not rate this overall objective; it rated 6 out of 13 individual subcomponents as achieved or over-achieved. This review rates the outcome of Bank support under this objective as *moderately satisfactory*.

Objective III – Modernizing the State

In the CAS, four loans were expected to support this objective. Of the four, one was active and three, for \$343 million, would be new (public expenditure management, strengthening local institutions, and social service delivery and social protection). The Bank gave three loans for \$223 million, of which one was not planned (a TA for social protection), and the SAL was scaled down from \$300 million to \$200 million. Four studies were expected to support the objective, but three were delivered: the social risk and two fiduciary assessments, one on procurement and the other on financial accountability.

Most of the goals for both country performance and self-evaluation indicators were met, although the CASCR presents little information on the impact of the interventions. With regard to *country performance* the following targets were achieved. (i) The government introduced new regulations governing human

resources in 2004; (ii) concluded the concessions for prison construction and administration; and (iii) advanced in improving real-time financial information and putting in place performance-based management systems. As a result of some of these actions, Congress now has full information on government expenditure within 30 days of its execution, and the public has access to the information for central government expenditure. The government also advanced in the electronic management of income tax returns, and now more than 90 percent of them are filed on-line. The objective of increasing the share of public funding managed by regions has not been achieved because central government offices operating in the regions still manage the budget for regional expenditures. With regard to *program performance*, the CASCR notes that some advances have been made with respect to the outcome targeted under the objective, but in most cases it fails to present evidence to support its statements. Of the targets for the *self-evaluation indicators*, the government has improved the availability of information to the public since now all ministries and public agencies have websites documenting progress in their programs. Also, the government gives more weight to poverty criteria in the formula used to distribute funds from the central government to municipalities. On gender and indigenous people the CASCR states, based on the Bank's evaluation of the "Equal Opportunities Plan", that significant progress has been achieved.

Overall, while the targets for the country performance and self-evaluation indicators appear to have been largely achieved, the CASCR overlooks discussing the links between these results and the Bank's interventions. In particular, the CASCR omits to discuss whether the changes carried out led to a better use of public resources (less cost per unit of output or more output per unit of expenditure) which, in the final instance, is the purpose of *modernizing the state*. Only once, when discussing the municipal component of the Second Municipal Development Project (par. 96), does the CASCR mention results, but without presenting evidence, such as the amount of time saved or the cost savings. While the CASCR states that gains were achieved, it falls short of giving a concrete measure of what these gains were.

Overall, most of the inputs and outputs associated with this objective appear to have been delivered but there is little information on how their achievement was (or was not) associated with the making of a more modern state and better services at the local and national level. Some indirect information can be brought to bear on the discussion of how the Chilean state evolved over FY02-06. Indicators from the International Country Risk Group (ICRG) can be used to shed light on the evolution of governance and the quality of the state over the period. The ICRG indicator for the quality of bureaucracy shows no change over the period (level is 3 over 4, the highest), while the indicator for corruption shows a deterioration in 2003 and 2004 but an improvement in 2005 and 2006, ending up higher than in 2002 (4.5 at the end versus 4.0 at the beginning over a maximum of 6, for lowest corruption). The indicator for democratic accountability, on the other hand, has improved (from 4 to 5 over a maximum of 6, for highest accountability) while that for law and order has remained unchanged (5 over a maximum of 6, for best). The evidence from these indicators points towards some positive change over the period, but given the relatively small size of the Bank's program asking for a large impact from its assistance would be unwarranted.

The CASCR does not rate this overall objective; it rated 8 out of 11 individual subcomponents under it as achieved. This review rates the overall achievement of outcomes targeted under this objective as *satisfactory*.

Achievement of CAS Objectives			
Objectives	CASCR Rating	IEG Rating	Explanation / Comments
Objective I: Growth and Social Progress	Not rated	Satisfactory	Country outcomes (e.g., growth, poverty reduction, etc.) were good, but CAS program outcomes fell short of target in some cases.
Objective II: Inclusion	Not rated	Moderately satisfactory	Program had mixed results, less favorable for the country performance than for the self-evaluation indicators. The quality

			of the results indicators needs improvement.
Objective III: Modernizing the State	Not rated	Satisfactory	Limited information on results or impact of actions and interventions carried out.

Comments on Bank Performance:

The Bank's strategy sought to further objectives that would help Chile to reduce poverty and inequality and converge with the OECD economies in the medium term. The objectives pursued under the strategy reflected well the government's objectives: recovering growth to create an enabling environment for poverty reduction, improving the delivery of social services and reaching the poor more effectively, and enhancing government efficiency.

The objectives pursued under the strategy were relevant, and the combination of AAA and lending proposed were consistent with the objectives, but the logic that linked objectives, results sought, and Bank interventions tends to be weak and, occasionally, flawed. The mapping of interventions to objectives was appropriate, but some of the indicators selected to monitor performance lack clear links to the objectives on the one hand, and to interventions on the other. In other cases, the performance indicators chosen are inadequate to measure and monitor results, while in yet other cases no specific results and targets are even considered. The links in Table 8 in the CAS exemplify the inconsistencies among CAS development goals, results targeted by the planned Bank interventions and Bank performance indicators. The latter is a confusing concept in the sense used in the table, as its meaning can range from how effectively the Bank delivers its program to how well the Bank program achieves the results that are targeted.

In sum, the CAS selected appropriate objectives and interventions for Chile's needs and consistent with its demands for assistance. As a general rule, it failed to identify good results indicators for several interventions and objectives, and for some results indicators (like the growth rate, poverty reduction and participation of women in the labor force) the links to the Bank's planned interventions were, at best, tenuous. While use of the Bank's results framework was nascent in 2002, this cannot excuse faulty logic.

The Bank delivered the planned program with minimal problems, although the amount of lending delivered fell short of plan because the government reduced the amount for one of the planned loans and decided not to take another. Most projects were well-prepared and supervised, but in some the Bank could have better defined their development objectives and their monitoring and evaluation indicators. Most of the AAA was delivered according to plan and delivered at government request, on a fee-for-service basis. The fee-for-service basis indicates the value that the authorities place on the Bank's contribution, although the arrangement applied to only two assignments which were a small fraction of Bank and donor resources devoted to AAA over the period.

Chile has one of the most advanced and sophisticated systems for selecting investment projects of any country in the world. It also has a fairly large group of sophisticated economic analysts and social scientists for countries of similar size and level of development. Why the Bank does not avail itself of that institutional and intellectual infrastructure to help it strengthen the quality of its results indicators and the logical consistency of its assistance program is puzzling. While the Bank's assistance can still bring value to a country like Chile, Chile can also add value to the Bank's assistance, both in increasing the development effectiveness of its assistance to Chile and in transferring to other countries what it learns from its experience in Chile.

4. Overall IEG Assessment

Outcome:	<i>Satisfactory</i>
Bank Performance:	<i>Satisfactory</i>

The financial assistance of the Bank was geared somewhat more to supporting Objectives I and II than to supporting objective III. Abstracting from the difficulty that certain loans catered to more than one objective, the financial assistance for objectives I and II reached \$312 million and \$362 million, respectively, while for objective III it reached \$234 million.

The government managed its economic policy well, and Chile's good economic performance over the period and the fall in poverty attest to that. The potential risks from an unfavorable external environment did not materialize, and Chile was able to use the DDO option to reduce the cost of servicing its debt, replacing more expensive debt with a less expensive loan.

5. Assessment of CAS Completion Report

The CASCR presents a comprehensive account of all the Bank and IFC interventions, and gives almost the same weight and importance to all of them. The CASCR pays a lot of attention to describing interventions and their associated inputs and outputs, but its discussion of associated outcomes is more cursory. For example, it is common to see the report counting how many people received TA or how many protected areas were established, but it is difficult to find what was achieved or is likely to be achieved from the actions taken and the associated inputs and outputs. The CASCR could also have explicitly considered the extent to which the Bank delivered on new ideas and innovative approaches based on world-wide experience, which arguably represents the Bank's value-added in Chile. Similarly, the CASCR could have discussed whether the Bank's support for projects led to demonstration effects and/or scaling up of resources.

By choosing to focus on inputs and outputs the report fails to provide the full picture of what results that the Bank assistance achieved or was likely to have achieved. While it is true that the CAS had a weak results and monitoring and evaluation framework (both in terms of logic and choice of indicators), the CASCR should have been able to improve over what was in the CAS. This improvement should have been possible, since Chile has a good information base at the municipal, regional and national levels, a good statistical information system, long experience in evaluating government investments and budget decisions, and a strong collection of researchers doing economic and social analysis. The CASCR makes little effort to try to push the reasoning beyond outputs and discuss the Bank's potential contribution to outcomes, if necessary using coarse indicators to provide some sense of direction of possible impact of interventions. If that was not possible, the CASCR could have explained why it lacked results indicators for interventions where having an estimate of the value of the direct and indirect net economic benefits would have been desirable and expected, such as in the Valdivia Forest Zone project or in the TRANSANTIAGO project.

The CASCR is arguably longer than needed for a thorough discussion of a relatively small program. With some extra effort to go beyond the CAS results indicators and find better ones, the report could have been shorter and more substantive.

6. Findings and Lessons

The Bank's program in Chile exemplifies a situation where individual projects are good and rated well, but the overall CAS objectives extend well beyond the scope of individual projects, and some of those objectives were not achieved.

The CASCR also illustrates the difficulty of evaluating an assistance program when the links among objectives, inputs, outputs and outcomes are not logically tight-knit and results indicators are poorly selected or defined. In such cases it is arguably incumbent on CASCRs to refine these links and/or define better results indicators. If CAS objectives and results are properly linked to specific Bank activities, then in countries like Chile, with good statistical systems, a competent bureaucracy and sophisticated policymakers, it should be easier for the Bank to design an appropriately-pitched strong and monitorable results framework.

It is worth recognizing the value to the Bank (and thus ultimately other clients) of learning from Chile's experience, which is often path-breaking.

Annex Table 1: Actual vs. Planned Lending

Annex Table 2: Analytical and Advisory Work: actual vs planned

Annex Table 3: IEG Project Ratings

Annex Table 4: Portfolio Status Indicators by Year

Annex Table 5: IBRD / IDA Net Disbursements and Charges

Annex Table 6: Net Aid Flows (net or gross, ODA or ODA+OOD, as relevant)

Annex Table 7: Economic and Social Indicators

Annex Table 8: Millennium Development Goals

Annex Table 1: Planned and Actual Lending FY2002-2006 (Base Case Scenario)

	Proposed FY	Approval FY	Proposed Amount	Approved Amount
<i>Programmed Projects</i>				
Public Expenditure Management	2002	2002	23.2	23.2
Lifelong Learning and Training	2002	2002	75.7	75.8
Watershed Management APL	2003	Dropped ^{1/}	150	
Social Protection SAL (Deferred Draw-Down Option)	2003	2004	300	200.0
Technology-Innovation	2004	2003	20	25.3
Rural Electrification/Infraestructre	2004	2005	30	50.3
Local Service Delivery	2005	Dropped ^{2/}	20	
Total FY02-05			618.9	374.6
<i>Non programmed projects</i>				
Social Protection TA Loan		2004		10.7
Santiago Urban Transport Adj Loan		2006		30.2
Santiago Urban Transport TAL		2006		4.8
Tertiary Education Fin. for Results APL1		2006		25.1
Total FY02-06			618.9	445.4

1/ At government request.

2/ Government will finance project

Source: Chile CAS FY03 and WB Business Warehouse as of January 28, 2007.

Annex Table 2: Planned Non-lending Services and Actual Deliveries

	Proposed FY	Delivered to Client FY
<i>Planned</i>		
Small and Micro businesses	2003	2004
Fiduciary Assessment	2003	
CFAA		2005
CPAR		2004
Rural Services	2004	2004
Rural Infrastructure		2004
Zonas Extremas Policies and Beyond		2006
Rural ICT Study		2004
Poverty Assessment	2005	Dropped
<i>Non-planned</i>		
New Economy Study		2003
Household Risk Mgmt. & Social Protection		2003
ROSC Corporate Governance		2003
ROSC Insolvency & Creditor Rights		2004
ROSC Accounting & Auditing		2004
Incentives for Regional Development		2004
FSAP		2004
Evaluation of Evaluation System		2005
Policy Notes		2006
Development Policy Review		2006
Investment Climate Assessment		2006
Country Gender Assessment		2006

Source: CAS FY03 and WB Business Warehouse as of March 9, 2007.

Annex Table 3: IEG Project Ratings for Chile, FY03-06

	Approval FY	Exit FY	IEG Outcome	IEG Sustainability	IEG ID Impact
Road Sector III	1995	2003	SATISFACTORY	LIKELY	SUBSTANTIAL
Social Protection Adjustment Loan DDO	2004	2004	SATISFACTORY	HIGHLY LIKELY	SUBSTANTIAL
Municipal Development II	1999	2005	SATISFACTORY	HIGHLY LIKELY	SUBSTANTIAL
Higher Education Improvement	1999	2006	HIGHLY SATISFACTORY	HIGHLY LIKELY	HIGH

Region	Total Evaluated (\$M)	Total Evaluated (No)	Outcome % Sat (\$)	Outcome % Sat (No)	Inst Dev Impact % Subst (\$)	Inst Dev Impact % Subst (No)	Sustainability % Likely (\$)	Sustainability % Likely (No)
Chile	473.9	4	100.0	100.0	100	100.0	100.0	100.0
LAC	21,859.6	221	77.2	82.9	56	59.0	74.7	81.9
Overall average	67,215.8	997	82.4	78.3	59	54.8	83.4	79.2

Source: WB Business Warehouse Tables 4a.5 and 4a.6 as of January 28, 2007.

Annex Table 4: Portfolio Status Indicators by FY, 2000 - 2006

Fiscal year	2000	2001	2002	2003	2004	2005	2006
Chile							
# Proj	6	4	5	5	6	5	7
# Proj At Risk	0	1	0	0	0	0	0
% At Risk	0.0	25.0	0.0	0.0	0.0	0.0	0.0
Net Comm Amt	318.7	280.6	374.5	303.0	290.3	185.2	215.1
Comm At Risk	0.0	10.1	0.0	0.0	0.0	0.0	0.0
% Commit at Risk	0.0	3.6	0.0	0.0	0.0	0.0	0.0
Argentina							
# Proj	37	38	35	30	31	29	25
# Proj At Risk	5	6	24	25	12	14	13
% At Risk	13.5	15.8	68.6	83.3	38.7	48.3	52.0
Net Comm Amt	6,389.9	6,590.2	6,234.5	3,854.7	5,169.3	4,569.3	3,437.9
Comm At Risk	616.0	643.4	3,121.3	3,386.0	1,600.3	1,714.3	1,312.1
% Commit at Risk	9.6	9.8	50.1	87.8	31.0	37.5	38.2
Costa Rica							
# Proj	5	3	4	3	2	3	4
# Proj At Risk	0	0	0	0	0	1	2
% At Risk	0.0	0.0	0.0	0.0	0.0	33.3	50.0
Net Comm Amt	141.6	70.6	87.6	65.6	49.6	79.6	106.6
Comm At Risk	0.0	0.0	0.0	0.0	0.0	17.0	44.0
% Commit at Risk	0.0	0.0	0.0	0.0	0.0	21.3	41.3
Colombia							
# Proj	26	20	22	20	16	18	17
# Proj At Risk	2	1	3	2	0	2	0
% At Risk	7.7	5.0	13.6	10.0	0.0	11.1	0.0
Net Comm Amt	2,053.0	1,346.4	1,472.7	1,096.7	1,146.9	1,351.4	1,322.9
Comm At Risk	142.1	75.0	104.5	120.0	0.0	48.0	0.0
% Commit at Risk	6.9	5.6	7.1	10.9	0.0	3.6	0.0
Mexico							
# Proj	24	23	22	20	18	16	18
# Proj At Risk	3	3	1	3	2	1	2
% At Risk	12.5	13.0	4.5	15.0	11.1	6.3	11.1
Net Comm Amt	5,772.1	5,877.1	4,928.2	4,139.9	3,527.4	2,766.7	2,630.2
Comm At Risk	771.8	743.1	404.1	954.1	750.0	350.0	371.3
% Commit at Risk	13.4	12.6	8.2	23.0	21.3	12.7	14.1
Poland							
# Proj	14	14	11	10	10	10	9
# Proj At Risk	1	0	1	1	2	0	0
% At Risk	7.1	0.0	9.1	10.0	20.0	0.0	0.0
Net Comm Amt	1,600.0	1,380.1	1,063.7	996.7	1,160.2	1,232.5	1,172.8
Comm At Risk	22.0	0.0	160.0	160.0	76.7	0.0	0.0
% Commit at Risk	1.4	0.0	15.0	16.1	6.6	0.0	0.0
Uruguay							
# Proj	8	8	8	11	10	10	7
# Proj At Risk	0	0	0	1	0	0	0
% At Risk	0.0	0.0	0.0	9.1	0.0	0.0	0.0
Net Comm Amt	403.6	378.1	382.0	873.1	845.1	616.4	345.0
Comm At Risk	0.0	0.0	0.0	27.0	0.0	0.0	0.0
% Commit at Risk	0.0	0.0	0.0	3.1	0.0	0.0	0.0
LAC							
# Proj	305	293	298	285	265	268	256
# Proj At Risk	43	36	54	70	46	59	44
% At Risk	14.1	12.3	18.1	24.6	17.4	22.0	17.2
Net Comm Amt	26,312.4	24,961.0	24,403.9	19,480.0	18,911.1	18,595.3	16,208.0
Comm At Risk	3,342.9	3,004.5	4,945.9	5,836.2	3,580.1	3,831.7	2,557.7
% Commit at Risk	12.7	12.0	20.3	30.0	18.9	20.6	15.8

Source: WB Business Warehouse Table 3a.4 as of January 28, 2007.

Annex Table 5: IBRD/IDA Net Disbursements and Charges Summary Report for Chile

Year	Disb. Amt.	Repay Amt.	Net Amt.	Charges	Fees	Net Transfer
2000	52.6	109.4	-56.8	10.6	1.7	-69.1
2001	38.3	120.2	-81.9	32.9	0.2	-115.1
2002	31.7	117.2	-85.5	56.9	0.3	-142.7
2003	44.1	190.8	-146.7	38.0	3.0	-187.7
2004	217.2	347.4	-130.1	24.3	7.1	-161.5
2005	72.9	32.2	40.7	8.9	0.5	31.3
2006	70.7	193.5	-122.8	16.6	1.0	-140.3
Total (2000-06)	527.6	1110.8	-583.2	188.2	13.7	-785.1

Source: WB Loan Kiosk, Net Disbursements and Charges Report as of January 29, 2007.

**Annex Table 6: Total Net Disbursements of Official Development Assistance and Official Aid
Calendar Year 2000-2005 ((US\$ million))**

	2000	2001	2002	2003	2004	2005	2000-05
<i>Bilateral Donors</i>							
Australia	0.0	0.0	-	0.0	0.0	0.1	0.1
Austria	0.3	0.3	0.2	0.2	0.1	0.1	1.2
Belgium	2.5	2.6	2.4	3.5	2.2	1.9	15.1
Canada	0.8	0.7	1.6	2.8	3.5	3.8	13.2
Denmark	0.8	0.0	0.0	0.0	-	0.0	0.8
Finland	-0.6	0.1	0.1	0.1	0.1	0.1	-0.1
France	8.5	8.0	11.8	12.9	15.1	14.4	70.7
Germany	21.9	18.0	18.7	31.0	27.4	35.2	152.2
Greece	-	-	-	0.0	0.0	0.0	0.1
Ireland	0.0	0.0	0.2	0.1	0.3	0.2	0.8
Italy	0.6	-0.2	-0.6	-0.7	-0.4	-1.3	-2.6
Japan	21.4	21.9	-39.6	7.1	-34.6	10.6	-13.3
Luxembourg	1.3	0.7	1.7	0.7	1.0	0.5	5.9
Netherlands	0.6	4.0	3.3	1.3	1.4	0.8	11.3
New Zealand	0.2	0.2	0.3	0.5	0.6	0.4	2.1
Norway	0.7	0.8	0.5	0.6	3.9	0.2	6.6
Portugal	-	0.1	0.1	0.1	0.1	0.1	0.3
Spain	-1.6	-2.9	1.7	2.0	3.4	4.1	6.7
Sweden	2.2	2.3	0.9	0.8	0.8	2.4	9.5
Switzerland	0.4	1.3	1.1	1.2	1.7	1.1	6.7
United Kingdom	0.2	-	0.3	0.4	1.1	1.1	3.0
United States	-19.1	-18.1	-18.4	-3.0	-1.7	-0.1	-60.5
<i>Multilateral Donors</i>							
EC	5.4	7.9	7.1	10.5	16.7	23.3	70.8
GEF	-	0.3	0.6	0.5	2.9	1.0	5.2
Global Fund (GFATM)	-	-	-	3.5	7.8	9.2	20.5
MONTREAL PROTOCOL	0.8	1.2	0.1	0.1	0.1	39.3	41.5
IDA	-0.7	-0.7	-0.7	-0.7	-0.7	-0.7	-4.1
IDB Spec. Fund	-1.6	3.2	0.4	0.2	0.3	-0.3	2.1
UNDP	1.1	3.2	-4.6	0.2	0.5	0.7	1.1
UNFPA	0.1	0.1	0.2	0.1	0.2	0.2	0.8
UNHCR	-	-	-	-	-	-	0.0
UNICEF	0.8	0.8	0.6	0.6	0.5	0.5	3.7
UNTA	1.4	1.4	1.2	1.7	1.6	1.9	9.2
WFP	-	-	-	-	-	-	0.0
DAC Countries	41.0	39.6	-13.8	61.4	25.9	75.6	229.7
Multilateral	7.3	17.1	4.9	16.6	29.7	75.0	150.7
G7	34.2	30.2	-26.2	50.4	10.5	63.6	162.7
DAC EU Members	36.6	33.0	40.8	52.3	52.5	59.6	274.7
Non-DAC Bilateral Donors	0.6	0.6	0.5	0.8	1.0	1.1	4.5
All Donors	48.9	57.3	-8.4	78.8	56.6	151.7	384.9

Source: OECD DAC Online database, table 2a. Destination of Official Development Assistance and Official Aid - Disbursements, as of January 29, 2007.

Annex Table 7: Economic and Social Indicators, 2000 - 2005

Series Name	Chile						Chile	Argentina	Colombia	Costa Rica	Mexico	Poland	Uruguay	LAC	Upper middle income
	2000	2001	2002	2003	2004	2005									
Growth and Inflation															
GDP growth (annual %) ^{1/}	4.5	3.4	2.2	3.9	6.2	6.3	4.4	1.8	3.4	3.7	2.7	3.2	0.8	2.8	..
GDP per capita growth (annual %)	3.2	2.2	1.0	2.6	4.9	5.2	3.2	0.8	1.7	1.4	1.5	3.4	0.1	1.2	3.1
GNI per capita, PPP (current international \$)	8,780	9,180	9,430	9,850	10,610	11,470	9,887	11,898	6,598	8,648	9,247	11,690	8,592	7,330	9,337
GNI per capita, Atlas method (current US\$)	4,850	4,610	4,330	4,320	4,930	5,870	4,818	5,042	1,995	4,107	6,218	5,450	4,697	3,563	4,230
Inflation, consumer prices (annual %)	3.8	3.6	2.5	2.8	1.1	3.1	2.8	8.6	6.9	11.2	5.7	4.0	9.4	..	..
Composition of GDP (%)															
Agriculture	6.1	5.4	5.7	5.9	5.8	5.5	5.7	8.4	13.1	8.7	4.0	4.8	8.8	7.8	6.3
Industry	38.4	39.1	39.5	41.1	44.6	46.8	41.6	31.6	31.7	29.6	26.6	30.2	26.1	32.7	32.0
Services, etc.	55.5	55.5	54.8	53.0	49.6	47.7	52.7	60.0	55.2	61.7	69.4	65.0	65.0	59.6	61.6
External Accounts															
Exports of goods and services (% of GDP)	31.6	33.3	34.0	36.6	40.8	41.8	36.4	20.1	21.0	46.2	28.8	31.8	23.0	23.4	35.6
Imports of goods and services (% of GDP)	29.7	31.8	31.6	32.5	31.9	33.6	31.9	13.4	20.9	48.4	30.6	34.9	22.4	21.9	33.2
Current account balance (% of GDP)	-1.2	-1.6	-0.9	-1.3	1.7	0.6	-0.5	2.5	-1.0	-4.8	-1.9	-3.2	-0.8	..	..
External debt (% of GNI)	51.1	58.7	63.7	61.8	48.0	..	56.7	104.9	43.6	30.8	23.2	41.2	76.9	42.6	35.7
Total debt service (% of GNI)	8.5	10.1	12.0	11.7	11.0	..	10.7	8.3	8.5	4.4	7.9	8.9	9.1	8.6	8.1
Total reserves in months of imports	6.9	6.8	7.4	6.4	4.9	4.0	6.1	5.5	6.3	2.1	3.0	4.8	6.3	5.3	6.3
Gross fixed capital formation (% of GDP)	20.7	21.7	21.3	21.1	20.2	22.1	21.2	15.3	15.9	18.8	19.7	19.6	11.4	18.7	19.0
Fiscal Accounts (% of GDP) ^{2/}															
1. Total Revenue and grants	21.7	21.8	21.1	20.8	22.2	24.5	22.0								
Tax revenue	16.5	16.6	16.7	15.9	15.7	17.3	16.5								
Grants	0.2	0.3	0.2	0.2	0.1	0.1	0.2								
2- Total Expenditure	22.3	22.3	22.4	21.3	20.1	19.8	21.4								
Gross investment	2.2	2.2	2.2	2	1.8	1.9	2.1								
3. Overall Balance	-0.6	-0.5	-1.2	-0.4	2.1	4.7	0.7								
Social Indicators															
Health															
Life expectancy at birth, total (years)	76.9	..	77.7	77.9	78.0	..	77.6	74.3	72.2	78.3	74.5	74.3	74.9	71.8	69.0
Immunization, DPT (% of children ages 12-23 mo.)	97.0	99.0	99.0	96.0	94.0	..	97.0	83.0	83.8	90.2	93.0	98.6	93.0	88.9	89.6
Improved sanitation fac. (% of pop. with access)	..	..	..	..	91.0	..	91.0	91.0	86.0	92.0	79.0	..	100.0	77.2	84.0
Improved water source (% of pop. with access)	..	..	..	..	95.0	..	95.0	96.0	93.0	97.0	97.0	..	100.0	91.0	93.9
Mortality rate, infant (per 1,000 live births)	8.9	..	..	..	7.6	..	8.3	16.7	18.8	11.9	23.8	7.5	14.6	28.1	24.5
Population															
Population, total (million)	15.4	15.6	15.8	16.0	16.1	16.3	15.9	37.8	43.9	4.1	100.5	38.3	3.4	533.2	591.0
Population growth (annual %)	1.2	1.2	1.1	1.1	1.1	1.1	1.1	1.0	1.6	2.0	1.1	-0.2	0.7	1.4	0.6
Urban population (% of total)	85.9	86.2	86.6	86.9	87.3	87.6	86.8	89.7	72.0	60.4	75.4	61.9	91.7	76.2	71.4
Education															
School enrollment, preprimary (% gross)	79.2	..	52.6	50.4	51.7	..	58.5	61.1	37.4	57.9	78.1	50.5	62.6	59.7	57.8
School enrollment, primary (% gross)	100.3	..	99.8	99.2	103.7	..	100.8	116.3	110.8	108.7	108.9	99.2	109.0	121.4	105.7
School enrollment, secondary (% gross)	82.7	..	85.6	87.8	89.1	..	86.3	95.4	70.2	67.1	75.9	101.1	103.3	84.9	84.7

1/ IMF World Economic Outlook September 2006.

2/ IMF Chile: 2006 Article IV Consultation - Staff Report, September 2006

Source: WB World Development Indicators (September 2006 update) for all indicators excluding those noted.

Annex Table 8: Chile - Millennium Development Goals

	1990	1995	1998	2001	2004
Goal 1: Eradicate extreme poverty and hunger					
Income share held by lowest 20%	..	..	..	3	..
Malnutrition prevalence, weight for age (% of children under 5)	..	1	1	1	1
Poverty gap at \$1 a day (PPP) (%)	1	1	1	1	..
Poverty headcount ratio at \$1 a day (PPP) (% of population)	5	2	2	2	..
Poverty headcount ratio at national poverty line (% of population)	..	20	17	..	..
Prevalence of undernourishment (% of population)	..	..	5	..	4
Goal 2: Achieve universal primary education					
Literacy rate, youth total (% of people ages 15-24)	98	..	..	..	99
Persistence to grade 5, total (% of cohort)	92	..	100	99	99
Primary completion rate, total (% of relevant age group)	..	88.4	90.8	100.3	95.4
School enrollment, primary (% net)	89	..	..	..	..
Goal 3: Promote gender equality and empower women					
Proportion of seats held by women in national parliament (%)	..	..	8	11	13
Ratio of girls to boys in primary and secondary education (%)	100.2	..	100	99.5	98.2
Ratio of young literate females to males (% ages 15-24)	100.4	..	..	..	100.4
Share of women employed in the nonagricultural sector (% of total nonagricultural employment)	36	36	37	37	37
Goal 4: Reduce child mortality					
Immunization, measles (% of children ages 12-23 months)	82	97	94	99	95
Mortality rate, infant (per 1,000 live births)	17	12	..	9	8
Mortality rate, under-5 (per 1,000)	21	14	..	10	8
Goal 5: Improve maternal health					
Births attended by skilled health staff (% of total)	..	99.5	99.7	100	99.8
Maternal mortality ratio (modeled estimate, per 100,000 live births)	..	..	..	31	..
Goal 6: Combat HIV/AIDS, malaria, and other diseases					
Children orphaned by HIV/AIDS	..	..	..	..	..
Contraceptive prevalence (% of women ages 15-49)	56	..	..	..	..
Incidence of tuberculosis (per 100,000 people)	52.7	..	..	..	15.9
Prevalence of HIV, female (% ages 15-24)	..	..	..	..	..
Prevalence of HIV, total (% of population ages 15-49)	..	..	..	..	0
Tuberculosis cases detected under DOTS (%)	..	70.7	88.4	94.9	113.7
Goal 7: Ensure environmental sustainability					
CO2 emissions (metric tons per capita)	2.7	3.1	4	3.5	..
Forest area (% of land area)	20	..	..	21	22
GDP per unit of energy use (constant 2000 PPP \$ per kg of oil equivalent)	5	6	6	6	6
Improved sanitation facilities (% of population with access)	84	..	..	..	91
Improved water source (% of population with access)	90	..	..	..	95
Nationally protected areas (% of total land area)	..	..	..	..	18.9
Goal 8: Develop a global partnership for development					
Aid per capita (current US\$)	7.9	10.9	7.1	3.7	3
Debt service (PPG and IMF only, % of exports of G&S, excl. workers' remittances)	18	16	3	5	4
Fixed line and mobile phone subscribers (per 1,000 people)	66.6	140	266.9	561	799.1
Internet users (per 1,000 people)	0	3.5	16.6	198.9	266.7
Personal computers (per 1,000 people)	9.3	32.9	62.3	105.2	132.6
Total debt service (% of exports of goods, services and income)	26	25	18	28	24
Unemployment, youth female (% of female labor force ages 15-24)	12.4	12.7	18.2	22.1	22.5
Unemployment, youth male (% of male labor force ages 15-24)	13.4	10.8	15.9	17.1	17.1
Unemployment, youth total (% of total labor force ages 15-24)	13.1	11.5	16.7	18.8	19
Other					
Fertility rate, total (births per woman)	2.6	2.3	2.2	2	2
GNI per capita, Atlas method (current US\$)	2250	4340	5270	4610	4930
GNI, Atlas method (current US\$) (billions)	29.6	62.4	79.1	71.9	79.5
Gross capital formation (% of GDP)	25.2	26.2	26.9	22.1	21.4
Life expectancy at birth, total (years)	73.7	75.1	75.7	77.7	78
Literacy rate, adult total (% of people ages 15 and above)	94	..	..	..	95.7
Population, total (millions)	13.2	14.4	15	15.6	16.1
Trade (% of GDP)	64.5	56.4	55.9	65.1	72.6

Source: World Development Indicators database, September 2006.