Implementation Status & Results
Nicaragua
Nicaragua Rural Telecom (P089989)

Operation Name: Nicaragua Rural Telecom (P089989)  Project Stage: Implementation  Seq.No: 12  Status: ARCHIVED  Archive Date: 10-Nov-2012

Country: Nicaragua  Approval FY: 2006
Product Line: IBRD/IDA  Region: LATIN AMERICA AND CARIBBEAN  Lending Instrument: Specific Investment Loan
Implementing Agency(ies): TELCOR

Key Dates
Board Approval Date 27-Apr-2006  Original Closing Date 30-Jun-2011  Planned Mid Term Review Date 06-Jul-2010  Last Archived ISR Date 07-Feb-2012
Effectiveness Date 05-Jan-2007  Revised Closing Date 31-Mar-2015  Actual Mid Term Review Date 06-Jul-2010

Project Development Objectives
The project development objective is to increase access to and reduce costs of telecommunications services in rural areas of Nicaragua.

Has the Project Development Objective been changed since Board Approval of the Project?
○ Yes  ○ No

Component(s)
Component Name Component Cost
1. Rural Access 5.30
2. Regulatory Capacity Strengthening and Technical Assistance to Communities 0.60
3. Project Management and Audit 0.60

Overall Ratings

<table>
<thead>
<tr>
<th>Category</th>
<th>Previous Rating</th>
<th>Current Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Progress towards achievement of PDO</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
</tr>
<tr>
<td>Overall Implementation Progress (IP)</td>
<td>Satisfactory</td>
<td>Satisfactory</td>
</tr>
<tr>
<td>Overall Risk Rating</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Implementation Status Overview
Access to Internet, mobile and phone services have increased in all rural areas of the country at affordable prices.

Broadband internet points of presence have been installed in 101 municipalities. Currently, all but three municipalities in Nicaragua have access to broadband services at the same prices as in Managua (the pending municipalities do not have energy and will be added to the program once rural electrification initiatives reach them). 36 radio base stations and 104 telecenters have been installed in municipalities across the country, providing access to mobile and internet at affordable rates. Most of the telecommunications infrastructure as well as the telecenters have been identified as financially and operationally sustainable and all are being closely monitored by the Government. Additionally, more than 600 public payphones...
have been installed in towns and villages surrounding existing coverage areas that did not have access. Finally, the project has installed e-government application packages in more than 50 municipalities and is working to improve functionality of the municipal budget system within the financial administration system of the central government.

Locations
No Location data has been entered

Results

<table>
<thead>
<tr>
<th>Project Development Objective Indicators</th>
<th>Core</th>
<th>Unit of Measure</th>
<th>Baseline</th>
<th>Current</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase in the number of minutes of use of telephone service</td>
<td></td>
<td>Text</td>
<td>Value</td>
<td>380,000</td>
<td>1,765,087,000</td>
</tr>
<tr>
<td>Date</td>
<td></td>
<td>Date</td>
<td>17-Feb-2006</td>
<td>31-Aug-2012</td>
<td>30-Jun-2012</td>
</tr>
<tr>
<td>Comments</td>
<td></td>
<td>Comments</td>
<td>Original indicator replaced for AF by core sector indicator.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase in the number of hours of use of Internet access</td>
<td></td>
<td>Text</td>
<td>Value</td>
<td>0</td>
<td>1,472,640</td>
</tr>
<tr>
<td>Date</td>
<td></td>
<td>Date</td>
<td>17-Feb-2006</td>
<td>31-Aug-2012</td>
<td>30-Jun-2012</td>
</tr>
<tr>
<td>Comments</td>
<td></td>
<td>Comments</td>
<td>Original indicator replaced for AF by core sector indicator.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduction in the average distance that residents in rural Nicaragua have to travel to the nearest public telephone</td>
<td></td>
<td>Text</td>
<td>Value</td>
<td>19km</td>
<td>5.68km</td>
</tr>
<tr>
<td>Date</td>
<td></td>
<td>Date</td>
<td>17-Feb-2006</td>
<td>31-Aug-2012</td>
<td>30-Jun-2012</td>
</tr>
<tr>
<td>Comments</td>
<td></td>
<td>Comments</td>
<td>Original indicator replaced for AF by core sector indicator.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduction in the price of international calls due to increased competition</td>
<td></td>
<td>Text</td>
<td>Value</td>
<td>US$0.80</td>
<td>US$0.06</td>
</tr>
<tr>
<td>Date</td>
<td></td>
<td>Date</td>
<td>17-Feb-2006</td>
<td>30-Jun-2012</td>
<td>30-Jun-2011</td>
</tr>
<tr>
<td>Comments</td>
<td></td>
<td>Comments</td>
<td>Original indicator replaced for AF by core sector indicator.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to Telephone Services (fixed mainlines plus cellular phones per 100 people)</td>
<td>Number</td>
<td>Value</td>
<td>71.50</td>
<td>90.00</td>
<td></td>
</tr>
<tr>
<td>Date</td>
<td></td>
<td>Date</td>
<td>17-Feb-2006</td>
<td>31-Dec-2011</td>
<td>31-Mar-2015</td>
</tr>
<tr>
<td>Comments</td>
<td></td>
<td>Comments</td>
<td>New core sector indicator approved for the AF. Baseline for Original Project start not available.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to Internet Services (number of subscribers per 100 people)</td>
<td></td>
<td>Number</td>
<td>Value</td>
<td>4.00</td>
<td>4.30</td>
</tr>
<tr>
<td>Date</td>
<td></td>
<td>Date</td>
<td>17-Feb-2006</td>
<td>31-Dec-2011</td>
<td>31-Mar-2015</td>
</tr>
<tr>
<td>Comments</td>
<td></td>
<td>Comments</td>
<td>New core sector indicator approved for the AF. Baseline for Original Project start not available.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Retail Price of Internet Services (per Mbit/s per Month, in US$)

<table>
<thead>
<tr>
<th>Date</th>
<th>Value 1</th>
<th>Value 2</th>
<th>Value 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>17-Feb-2006</td>
<td>18.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>31-Dec-2011</td>
<td></td>
<td>13.00</td>
<td></td>
</tr>
<tr>
<td>31-Mar-2015</td>
<td></td>
<td></td>
<td>13.00</td>
</tr>
</tbody>
</table>

**Comments:** New ICT core sector indicator approved for the AF. Baseline for Original Project start not available.

### Direct project beneficiaries

<table>
<thead>
<tr>
<th>Date</th>
<th>Value 1</th>
<th>Value 2</th>
<th>Value 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>17-Feb-2006</td>
<td>0.00</td>
<td>1300.00</td>
<td>1408.00</td>
</tr>
<tr>
<td>31-Dec-2011</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31-Mar-2015</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Comments:** no interim measurement available yet for 2012

### Female beneficiaries

<table>
<thead>
<tr>
<th>Date</th>
<th>Value 1</th>
<th>Value 2</th>
<th>Value 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>17-Feb-2006</td>
<td>0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>31-Dec-2011</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31-Mar-2015</td>
<td></td>
<td></td>
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</tbody>
</table>

**Comments:**

### Intermediate Results Indicators

<table>
<thead>
<tr>
<th>Indicator Name</th>
<th>Core</th>
<th>Unit of Measure</th>
<th>Baseline</th>
<th>Current</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Municipal Heads with Internet access</td>
<td></td>
<td>Text</td>
<td>3</td>
<td>105</td>
<td>108</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>17-Feb-2006</td>
<td>31-Aug-2012</td>
<td>31-Mar-2015</td>
</tr>
<tr>
<td>Increase in percentage of international traffic to/from the USA</td>
<td></td>
<td>Text</td>
<td>0</td>
<td>(not feasible to obtain data)</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>17-Feb-2006</td>
<td>31-Aug-2012</td>
<td>30-Jun-2012</td>
</tr>
<tr>
<td>Number of towns with access to public phone</td>
<td></td>
<td>Number</td>
<td>347.00</td>
<td>575.00</td>
<td>765.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>17-Feb-2006</td>
<td>31-Dec-2011</td>
<td>31-Mar-2015</td>
</tr>
<tr>
<td>Reduction in the average distance that residents in rural Nicaragua have to travel to the nearest public phone</td>
<td></td>
<td>Kilometers</td>
<td>19.00</td>
<td>7.20</td>
<td>4.20</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>17-Feb-2006</td>
<td>31-Dec-2011</td>
<td>31-Mar-2015</td>
</tr>
<tr>
<td>Number of e-Government and E-Commerce applications designed for the Caribbean Coast implemented</td>
<td></td>
<td>Number</td>
<td>0.00</td>
<td>0.00</td>
<td>4.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>17-Feb-2006</td>
<td>31-Dec-2011</td>
<td>31-Mar-2015</td>
</tr>
</tbody>
</table>

**Comments:**
- No change
- Original indicator replaced for AF
- Dropped from PDO indicator and moved to intermediate results indicator for the AF
- New indicator approved for the AF
### Data on Financial Performance (as of 09-Oct-2012)

#### Financial Agreement(s) Key Dates

<table>
<thead>
<tr>
<th>Project</th>
<th>Ln/Cr/Tf</th>
<th>Status</th>
<th>Approval Date</th>
<th>Signing Date</th>
<th>Effectiveness Date</th>
<th>Original Closing Date</th>
<th>Revised Closing Date</th>
</tr>
</thead>
</table>

#### Disbursements (in Millions)

<table>
<thead>
<tr>
<th>Project</th>
<th>Ln/Cr/Tf</th>
<th>Status</th>
<th>Currency</th>
<th>Original</th>
<th>Revised</th>
<th>Cancelled</th>
<th>Disbursed</th>
<th>Undisbursed</th>
<th>% Disbursed</th>
</tr>
</thead>
<tbody>
<tr>
<td>P089989</td>
<td>IDA-41680</td>
<td>Effective</td>
<td>XDR</td>
<td>4.90</td>
<td>4.90</td>
<td>0.00</td>
<td>4.85</td>
<td>0.05</td>
<td>99.00</td>
</tr>
<tr>
<td>P089989</td>
<td>IDA-51300</td>
<td>Not Effective</td>
<td>XDR</td>
<td>3.30</td>
<td>3.30</td>
<td>0.00</td>
<td>0.00</td>
<td>3.30</td>
<td>0.00</td>
</tr>
</tbody>
</table>

#### Key Decisions Regarding Implementation

An Additional Financing of SDR3.3 million (US$5 million equivalent) was approved by the Board on June 14, 2012 and signed by the Government of Nicaragua on July 11, 2012. The AF aims to scale up activities to provide telecommunications services in the Caribbean Coastal Region and Rio San Juan. Following the Board’s approval, the closing date of the project was extended until March 31, 2015.

#### Restructuring History

Level two Approved on 17-May-2011

#### Related Projects