



GOMOS
 **BCIE** we present our
member countries

Kingdom of

18 years of cooperation between Spain and CABEI have demonstrated the firm commitment to regional development.

About the Kingdom of Spain: with more than 47 million inhabitants, Spain is a cosmopolitan country with a surface area of 505,990 km², including its insular area composed of the Balearic Islands and the Canary archipelago, as well as the cities located in North Africa: Ceuta and Melilla.

Located in the southwest of Europe, it occupies 80% of the Iberian Peninsula, and is bordered to the north by the Cantabrian Sea, France and Andorra, to the east by the Mediterranean Sea, to the south by the Mediterranean Sea and the Atlantic Ocean, and to the west by the Atlantic Ocean and Portugal.

Cultural richness: Spain is full of traditions, history and culture.

In gastronomy it has stood out for its paellas and tapas, characterizing its flavors by a style that oscillates between rural and coastal. It also has a great variety of fruits, vegetables, fish, seafood, meats, game, sausages, wines and cheeses, which allows it to capture in its dishes the diversity of cultures, landscapes and climates that coexist in its lands.

Economy: Spain's economy is the fourth largest in the European Union and the fourteenth largest worldwide in nominal terms. Its gross domestic product in the second quarter of 2022 was €323.81 billion, 1.5% higher than in the previous quarter, and its GDP per capita reached €6,827.

The structure of the Spanish economy is that of a developed country, with the services (74%) and industry (17%) sectors making the largest contribution to Gross Domestic Product (GDP).

Fostering development in Central America

The Kingdom of Spain joined the Central American Bank for Economic Integration (CABEI) in 2005, becoming its fifth extra-regional member. As of 2023, it has subscribed capital of US\$280 million and a 4.21% shareholding, with capital payments of US\$70 million.

After 18 years of relationship, the Iberian country's support to the region has been permanent through the signing of several agreements for an amount of US\$702.75 million from the Official Credit Institute (ICO), the Honduran Debt Conversion Program with Spain, the Fund to Promote Development

(FONPRODE) of the Spanish International Cooperation Agency for Development (AECID), which allocated US\$1.19 million to the CABEI's Central American Resilient Reconstruction Program's Climate Change Innovation Project Preparation Fund (FCC) and microcredit funds from the Spanish government.

The funds from Spain are managed in a responsible, rational and transparent manner by the Bank, with the aim of investing them in programs and projects that promote the development and well-being of the entire population. It is in our interest to place Latin America at the center of the European Union's action and our role will be to identifier initiatives that promote this integration.



Strengthening its cooperation ties, CABEI's representative office in Madrid will be inaugurated in 2023, promoting greater opportunities and resource mobilization for the benefit of Central Americans.

Dr. Dante Mossi

CABEI Executive President



Honduras-Spain debt conversion fund

The CABEI administers the Debt Conversion Fund for Honduras' debt conversion with Spain to support various cooperation initiatives, with an allocated amount of US\$138,300,000.

The total investment made in Honduras thanks to this Fund amounts to L1,229 million (approximately US\$49.6 million) in the first phase, and US\$62.6 million in the second phase, which benefited more than 1.3 million Hondurans.

During the first stage, finalized in 2019, 23 projects were successfully executed, which supported the development of 24 municipalities located in 13 of the 18 departments of Honduras, some representative projects being the following:

Project Name	No. people benefited (direct and indirect)	Investment (Millions)
 El Pinalito Sanitary Landfill Construction and Equipment Project in Gracias Lempira	 92,000	L68,700 (US\$ 2.7 million approx.)
 Strengthening the educational management of the Universidad Nacional Pedagógica Francisco Morazán through the use and exploitation of photovoltaic energy.	 12,600	L70.7 (US\$ 2.8 million approx.)
 Technological Strengthening of the National University of Agriculture for the Development of Inclusive and Modern Higher Education" (UNA/FOTESIM)	 5,000	L152.6 (US\$ 6.1 million approx.)
 Construction of a clean water system for the city of Catacamas.	 47,000	L85.0 (US\$ 3.4 million approx.)
 Construction and Implementation of Craft and Coffee Production and Processing Workshops in San Nicolás, Santa Bárbara.	 11,200	L35.5 (US\$ 1.4 million approx.)
 Project to Improve the Sanitary Infrastructure for Water Supply and Solid Waste Treatment in the City of Choluteca.	 78,000	L37.0 (US\$ 1.5 million approx.)

The second stage of the Debt Conversion Program begins its execution in 2020, highlighting the following projects:

Project Name	No. people benefited (direct and indirect)	Investment (Millions)
 Water and sanitation program for the city of La Paz. In execution	 24,035	US\$ 9.4
 Design, Construction, Financing, Operation and Maintenance of the Palmerola International Airport. In Execution	 Country level and foreign visitors	US\$ 53.2

Thanks to these initiatives, Hondurans now have access to clean water systems, sanitary landfills, ecotourism facilities, educational centers built and equipped for pre-basic, elementary, high school and university levels, as well as laboratories and workshops for different specialties.

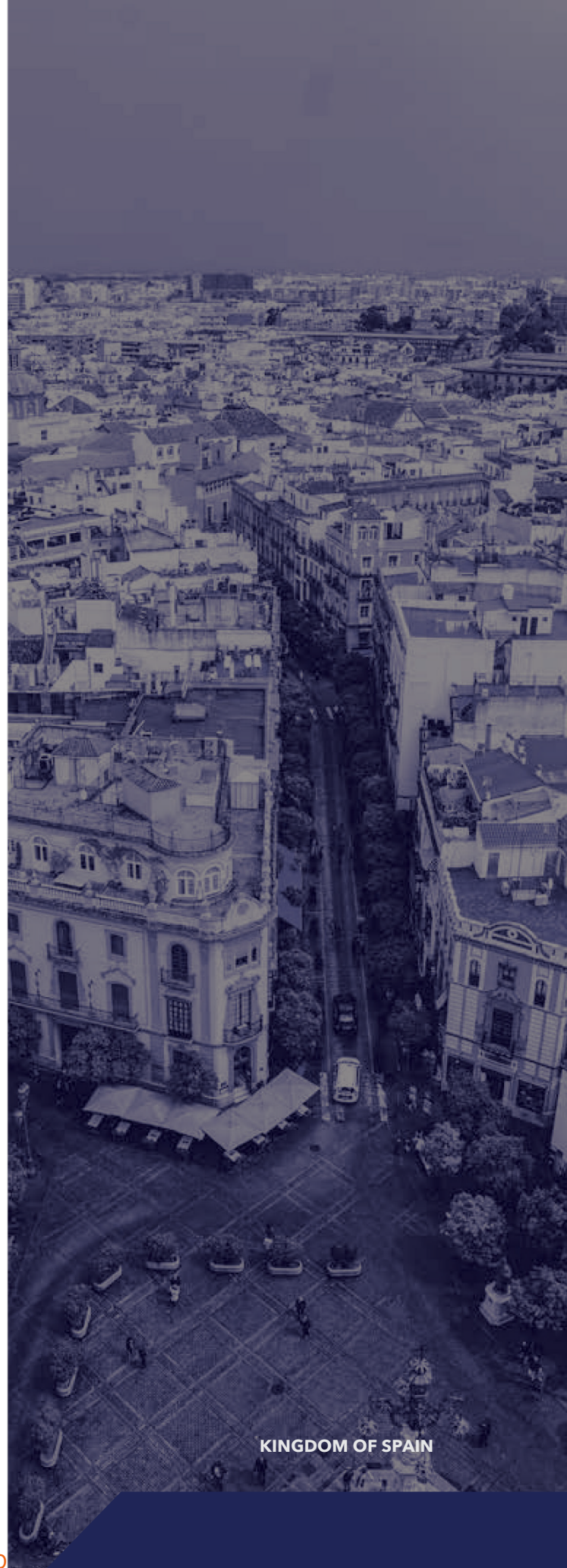
Mutual development opportunities

Spain has entered into various agreements with the region focused on country development and investment. From 1991 to 2022, various Iberian entities have signed agreements for a total of \$702,753,735.

In addition, loans have been granted with Spanish funds in the amount of US\$496,984,526, which have supported the development of various countries in the region in the areas of road infrastructure, clean water and sanitation systems, hospital construction and equipment, improvement of the hydroelectric sector and solar photovoltaic plants, and support for MSMEs.

Central America, as a developing economy, presents continuous investment opportunities for Spanish companies interested in the area, where CABEL can contribute to generate the necessary links for their arrival in the region thanks to its role as the main multilateral financier in the area.

The experience gained since 2005 with the incorporation of Spain as a CABEL member has facilitated the execution of development and trade projects, which can generate economic growth and employment on both sides of the Atlantic, as well as contribute to the diversification of economic activities, contribute to regional integration and improve social cohesion.



KINGDOM OF SPAIN