

**STATUS OF PROJECTS IN EXECUTION – FY06**  
**SOPE**  
**REGION: AFRICA**  
**COUNTRY: ERITREA**

**Operations Policy and Country Services**  
**SEPTEMBER 19, 2006**



**Report on the Status of Projects in Execution - FY06**  
**SOPE**  
**Region: Africa**  
**Country: Eritrea**

**Introduction**

The Status of Projects in Execution (SOPE) Report for FY06 provides information on all IBRD/IDA projects that were active on June 30, 2006.

The World Bank has issued a SOPE Report every year as an internal communication to the Board of Executive Directors. In accordance with the Bank's revised disclosure policy, since FY02, the SOPE Report is available to the public.

The report is intended to bridge the gap in information available to the public between the Project Appraisal Document, disclosed after the Bank approves a project, and the Implementation Completion Report, disclosed after the project closes.

In addition to the project progress description, the FY06 SOPE report<sup>1</sup> contains project level comparisons of disbursement estimates and actual disbursements, and a table showing the loan/credit/grant amount and disbursements to date for all active projects.

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<sup>1</sup> Notes:

- Amounts for Projects in currencies other than U.S. dollars may not match exactly due to exchange rate fluctuations over the life of the project.
- Disbursement graphs are not included for Development Policy Loans, which provide quick-disbursing external financing to support policy and institutional reforms. For these loans, funds are disbursed in one or more stages (tranches), released when the borrower complies with agreed conditions.
- Projects which are not yet effective may not have a planned disbursement schedule and thus may not include a graph.



**Country: Eritrea**

**Project Name (ID):** ER-Ports Rehab SIL (FY98) ( P034154 )

**Country:** Eritrea

**Board Approval Date :** 11/18/1997

**Midterm Review Date :** 12/07/1999

**Closing Date :** 06/30/2007

**Loan/Credit/Grant Number :** IDA-30050, IDA-P9760, ITAL-22024

**Sector(s):** Ports, waterways and shipping (97%), Solid waste management (2%), Central government administration (1%)

**Theme(s):** Infrastructure services for private sector development (P), Pollution management and environmental health (S)

**Project Development Objectives:**

The objectives of the Project are to: (a) address the urgent port capacity requirement; (b) optimize the use of existing facilities by rehabilitating and upgrading the two ports of Massawa and Assab; and (c) increase substantially the productivity and capacity of the two ports to international standards.

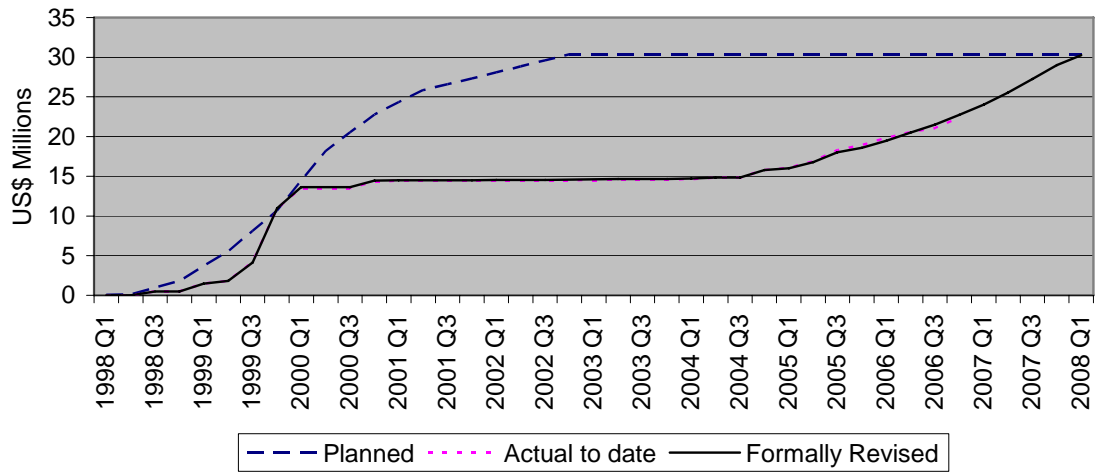
**Progress toward achieving development objective(s):**

The first phase of enhancement of the physical capacity has been substantially achieved at Massawa with the completion and opening to traffic of the rehabilitated and extended berths 5 and 6, together with the development of the container stacking yard and the procurement of the majority of the cargo handling equipment. The Massawa Port productivity has increased and is now generally in line or close to meeting the performance targets. While port traffic remains relatively static, reflecting the level of economic activity during the on-going situation at the border, with the import/export imbalance continuing to impact the container shipping costs and thereby container traffic. The container cargo rate to Massawa is virtually double that of other ports in the region.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-30050	Effective	32.63	22.34	9.12	0.00
IDA-P9760	Closed	0.40	0.00	0.00	0.40
ITAL-22024	Effective	21.39	19.38	2.01	0.00





**Project Name (ID):** ERITREA POWER DISTRIBUTION AND RURAL ELECTRIFICATION PROJECT ( P057929 )

**Country:** Eritrea

**Board Approval Date :** 07/06/2004

**Midterm Review Date :** 12/29/2006

**Closing Date :** 06/30/2009

**Loan/Credit/Grant Number :** IDA-39490, IDA-H1140, IDA-Q2630

**Sector(s):** Power (90%), Central government administration (10%)

**Theme(s):** Infrastructure services for private sector development (P), Rural services and infrastructure (P), Access to urban services and housing (P), Regulation and competition policy (S)

**Project Development Objectives:**

In support of broad-based economic growth, the project's development objectives are to: (a) establish a sustainable program for expanding the population's access to electricity; (b) improve the security of electricity supply; and (c) strengthen the institutional capacity of energy sector agencies, including: regulatory, fiscal, and institutional reforms in the sector to increase efficiency and attract private participation.

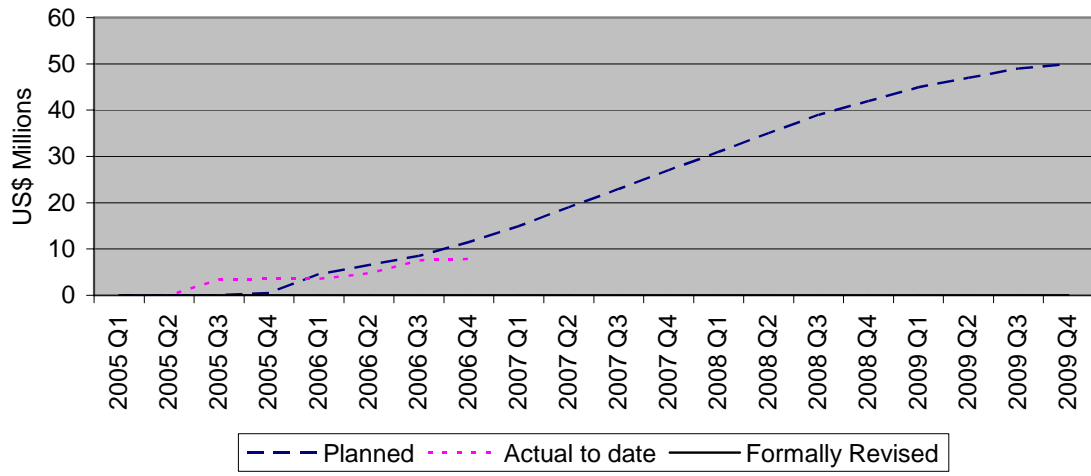
**Progress toward achieving development objective(s):**

Implementation is on track. Contracts were awarded for two rural electrification sub-projects and for the rehabilitation of the Asmara city distribution system that will expand the population's access to electricity. The electricity tariff design, the implementation of new electricity sector regulatory framework, and the design of rural electrification framework and financing mechanism are under way. The Tariff study is nearing completion.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-39490	Effective	29.40	4.15	25.26	0.00
IDA-H1140	Effective	21.31	3.75	17.62	0.00
IDA-Q2630	Closed	1.00	0.00	0.00	1.00





**Project Name (ID):** Cultural Assets Rehabilitation Project ( P058724 )

**Country:** Eritrea

**Board Approval Date :** 07/06/2001

**Midterm Review Date :** 04/13/2004

**Closing Date :** 07/31/2007

**Loan/Credit/Grant Number :** IDA-35470

**Sector(s):** Other social services (95%), Central government administration (5%)

**Theme(s):** Conflict prevention and post-conflict reconstruction (P), Participation and civic engagement (S)

**Project Development Objectives:**

The objective is to test and develop approaches, on a pilot basis, for more fully integrating the conservation and management of cultural assets into local and national economic development. This will be achieved through a focus in part on the architectural heritage in Asmara and other urban centers, on selected historical sites and on written, oral and artistic traditions.

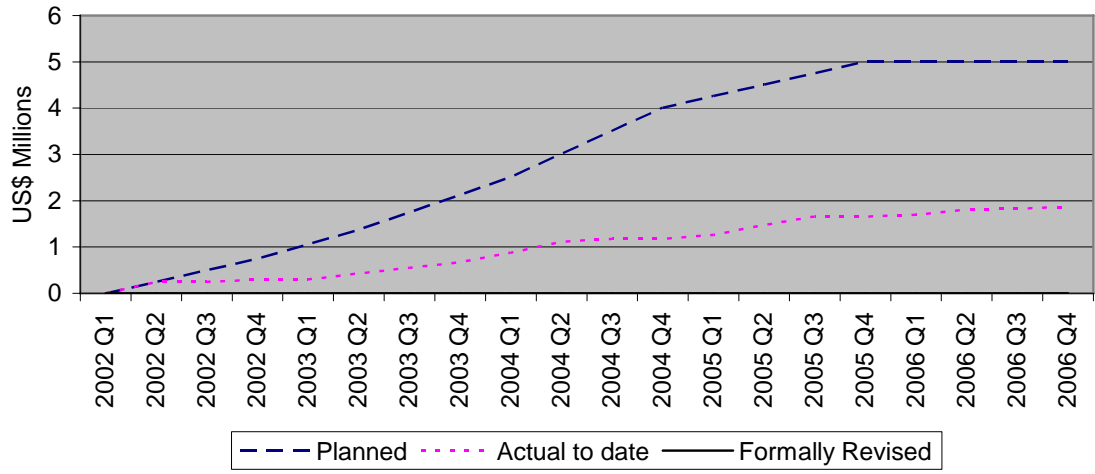
**Progress toward achieving development objective(s):**

The project is on course to achieving its objectives. Bids for the preparation of a site plan for the archaeological site of Qohaito, for establishing the structure of the Eritrean Conservation Fund and carrying out of restoration civil works for two theatres in Asmara are underway. Historical perimeter guidelines for Asmara have been completed and are being used by the Municipality. Three monuments are on the World Monuments Fund endangered list and this has elicited restoration funds. Historical perimeter of Asmara is on the tentative UNESCO heritage site list. The archeological survey of Greater Asmara has been completed, as has the inventory of the Pavoni Library. The National Archives was provided with all agreed equipment, and training for its use is almost completed. Collection of oral traditions of nine ethnic groups is completed and transcriptions are underway. A TV drama has been recorded using some of this material for broadcast locally and internationally. A book on the oral history of the historic Federal Period has been published as well as a school reader on urban architecture of Eritrea in 3 languages.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-35470	Effective	5.88	1.86	3.94	0.00





**Project Name (ID):** Integrated Early Childhood Development Project ( P068463 )  
**Country:** Eritrea  
**Board Approval Date :** 07/27/2000  
**Midterm Review Date :** 01/19/2004  
**Closing Date :** 12/31/2006  
**Loan/Credit/Grant Number :** IDA-34030, ITAL-24927  
**Sector(s):** Health (35%), Other social services (25%), Pre-primary education (23%), Primary education (13%), General public administration (4%)  
**Theme(s):** Child Health (P), Nutrition and food security (P), Improving labor markets (S), Social safety nets (S), Education for all (S)

**Project Development Objectives:**

The Project's objectives are to promote healthy growth and development of children under six years of age, expand access to and improve the quality of services that address the basic needs of young children, support orphans and children facing especially difficult circumstances, and improve health and nutrition of children in primary schools.

**The Project was restructured during the 2006 Fiscal Year**

The restructuring resulted in the change of the initial indicator for reduced malnutrition ("% reduction of underweight children under 6 years of age in project areas") which had been created on the basis of unrealistic assumptions, to a more realistic one ("% reduction of underweight children under 3 years of age in project areas").

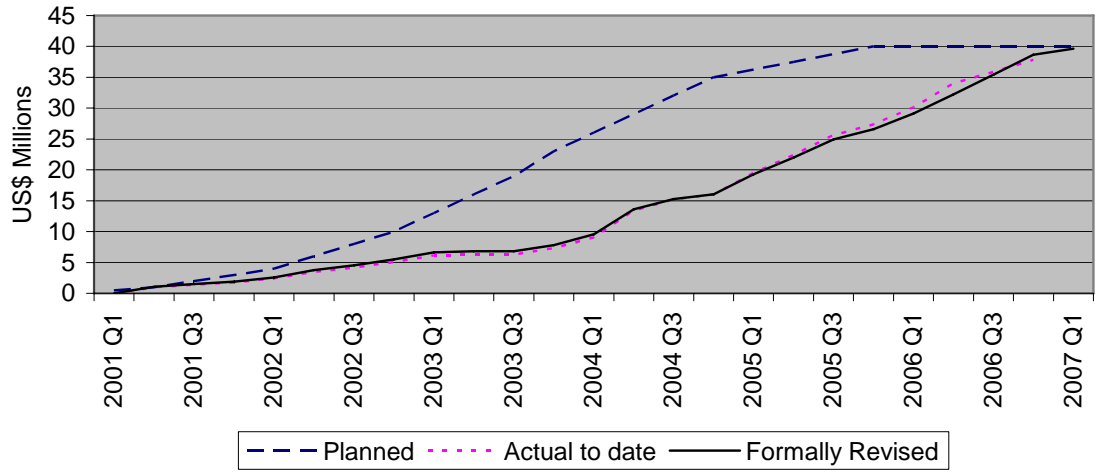
**Progress toward achieving development objective(s):**

The Project has maintained the adequate implementation pace set during FY 2004/5. As a result progress towards the achievement of the Project Development Objective was registered in three of the four outcome indicators: Death from five key diseases; students who move from Grade 1 to Grade 2; and orphan reunification. As of the end of December, 2005, the mortality rates from two of the five causes had reached the end-of-project target (20% reduction), the second measure of success had made considerable progress, and the third one had fully reached the end-of-project target.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-34030	Effective	42.63	37.84	3.77	0.00
ITAL-24927	Closed	5.00	5.00	0.00	0.00





**Project Name (ID):** Eritrea Education Sector Investment Project ( P070272 )

**Country:** Eritrea

**Board Approval Date :** 06/19/2003

**Midterm Review Date :** 04/19/2006

**Closing Date :** 02/28/2009

**Loan/Credit/Grant Number :** IDA-37940, JPN-26711

**Sector(s):** Primary education (62%), Secondary education (30%), General education (8%)

**Theme(s):** Education for all (P)

**Project Development Objectives:**

The objective is to increase and arrive at a more equitable enrollment in basic education, and to enhance the quality of basic and secondary education.

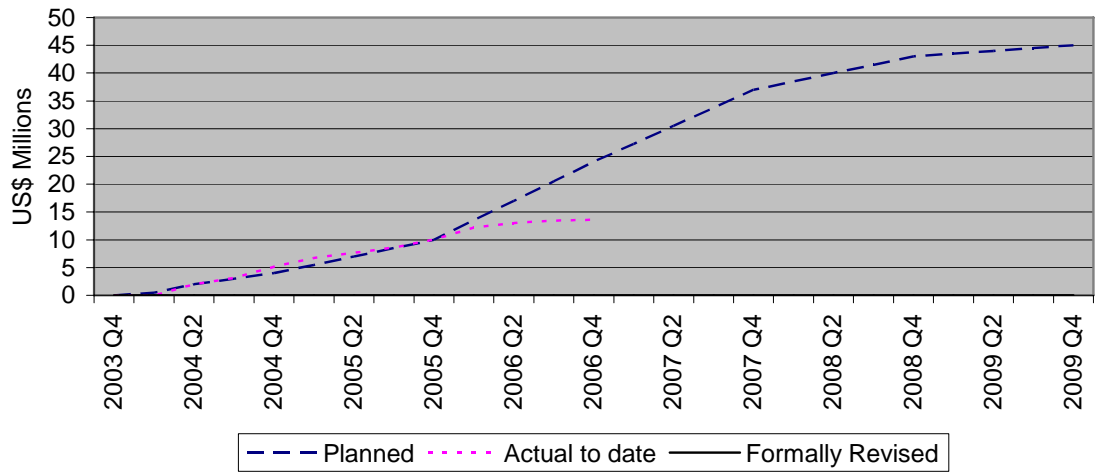
**Progress toward achieving development objective(s):**

Despite some implementation delays, the project's development objective is still attainable. In FY06, the project activities aiming at the improved quality of basic and secondary education - like for example curriculum development, provision of textbooks and other learning materials, educational testing & evaluation, and information communication and technology in secondary education - all progressed well. The replacement of expatriate teachers by Eritrean nationals, however, has taken longer than expected at appraisal. Progress as to the enhancement of capacity for service delivery and sector-wide planning and monitoring is mixed: Technical, policy, and capacity studies are all done and will be used for further development of the Education Sector Development Program, to which this project contributes. Yet, some well-needed sub-sector studies such as for tertiary education were not implemented. Also, activities in view of increasing equitable enrolment in basic education and supporting equitable provision of education are in a serious delay.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-37940	Effective	48.07	13.64	34.40	0.00
JPN-26711	Closed	0.14	0.00	0.00	0.14





**Project Name (ID):** Emergency Demobilization & Reintegration ( P073604 )

**Country:** Eritrea

**Board Approval Date :** 05/16/2002

**Midterm Review Date :** 07/16/2005

**Closing Date :** 12/31/2007

**Loan/Credit/Grant Number :** IDA-36410, MULT-50023

**Sector(s):** Other social services (73%), Micro- and SME finance (12%), General public administration (8%), Vocational training (5%), General agriculture, fishing and forestry (2%)

**Theme(s):** Conflict prevention and post-conflict reconstruction (P), Vulnerability assessment and monitoring (P), Improving labor markets (P), HIV/AIDS (S), Gender (S)

### **Project Development Objectives:**

The objectives are to: (a) demobilize and provide reinsertion support to about 200,000 soldiers in three phases; (b) support the social and economic reintegration of demobilized soldiers, including strengthening of institutional capacities of relevant government and local implementing partners; and (c) support macro-economic stability.

### **The Project was restructured during the 2006 Fiscal Year**

As the goals for the demobilization and reinsertion components of the project have been met, the purpose of the restructuring was on enhancing the chances for the project to reach its reintegration objectives.

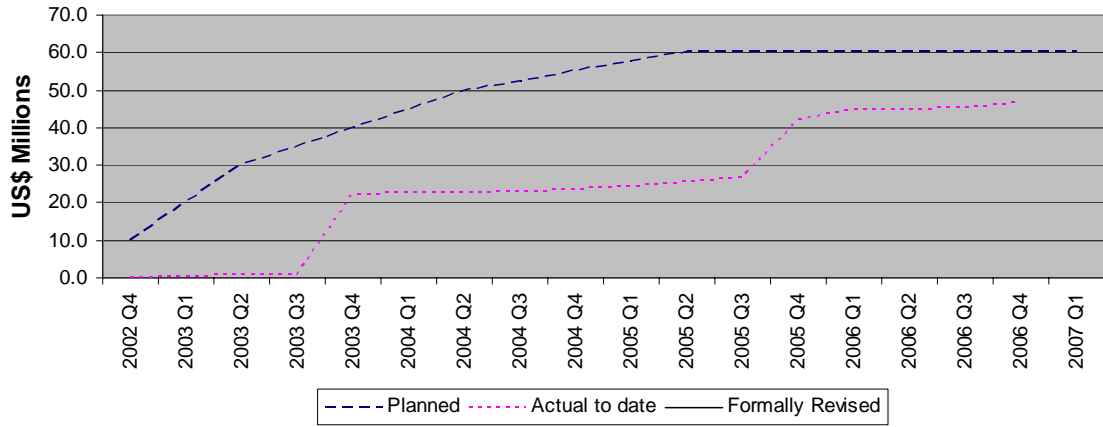
### **Progress toward achieving development objective(s):**

Following the project restructuring, the IDA credit has ceased to finance the demobilization and reinsertion components, since the project has largely achieved its targets on demobilization and reinsertion, by demobilizing 65,000 soldiers and paying each demobilized soldier a reinsertion benefit equivalent to US\$330. The focus of the project's implementation has since been entirely on the reintegration component, and over the last twelve months the project has also achieved good progress towards achieving the targets, here. The improved implementation performance should shortly start to yield the expected impact - assuming that the border situation does not further deteriorate.

### **Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-36410	Effective	70.71	46.50	22.84	0.00
MULT-50023	Effective	36.72	24.45	12.72	0.00





**Project Name (ID):** Eritrea HIV/AIDS/STI, TB, Malaria and Reproductive Health Project (HAMSET II) ( P094694 )

**Country:** Eritrea

**Board Approval Date :** 06/30/2005

**Midterm Review Date :** 06/30/2008

**Closing Date :** 06/30/2010

**Loan/Credit/Grant Number :** IDA-H1750

**Sector(s):** Health (50%), Central government administration (30%), Other social services (13%), Sub-national government administration (6%), General education (1%)

**Theme(s):** HIV/AIDS (P), Other communicable diseases (P), Population and reproductive health (P), Health system performance (S), Participation and civic engagement (S)

**Project Development Objectives:**

The objectives are to contain the spread of HIV/AIDS/STI, expand the coverage of Directly Observed Treatment for tuberculosis, reduce malaria mortality and morbidity, improve the coverage of reproductive health interventions, and strengthen the overall health system.

**Progress toward achieving development objective(s):**

The project (HAMSET II) is 10 months into implementation. However, HAMSET II is a continuation of the previous HAMSET Project and built on the success of its predecessor. HIV/AIDS prevention and treatment are being scaled up. The current cure rate for tuberculosis is 76.7% and treatment success rate is 87.1%. Direct Observed Treatment for tuberculosis is being expanded to a set of health stations. So far in this rainy season, there is no major increase in malaria morbidity and mortality. In FY06, efforts were made to: (a) increase the coverage of reproductive health services; (b) strengthen M&E; and (c) improve human resources for health. Overall, the progress toward meeting Project Development Objectives (PDOs) is satisfactory.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-H1750	Effective	23.37	4.46	18.77	0.00



