

**STATUS OF PROJECTS IN EXECUTION – FY06**  
**SOPE**  
**REGION: EAST ASIA AND PACIFIC**  
**COUNTRY: TIMOR-LESTE**

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



**Report on the Status of Projects in Execution - FY06**  
**SOPE**  
**Region: East Asia and Pacific**  
**Country: Timor-Leste**

**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: Timor-Leste**

**Project Name (ID): TP-FUNDAMENTAL SCHOOL QUALITY PROJECT ( P072647 )**

**Country:** Timor-Leste

**Board Approval Date :** 09/28/2001

**Midterm Review Date :** 01/28/2003

**Closing Date :** 12/31/2006

**Loan/Credit/Grant Number :** MULT-50152

**Sector(s):** Primary education (44%), Secondary education (44%), Central government administration (12%)

**Theme(s):** Education for all (P), Education for the knowledge economy (P), Participation and civic engagement (S), Conflict prevention and post-conflict reconstruction (S)

**Project Development Objectives:**

The project aims to: (i) maintain the existing level of primary education enrollment and pre-secondary enrollment with the possibility of increase due to return of refugees and growth of school-age population; and (ii) continue to recover quality of primary and junior education.

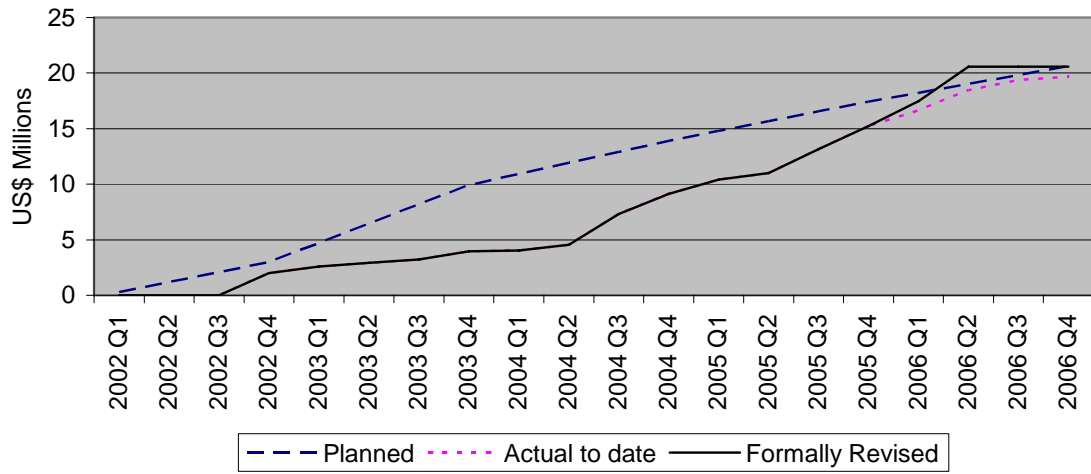
**Progress toward achieving development objective(s):**

The project is meeting its objectives. Primary enrollment has stabilized at about 177,000; junior secondary enrollment is up 11,700 since 2000; the project is providing 121 new or substantially rehabilitated schools; the project has provided an adequate number of Portuguese language texts for grades 4 and 5; and all primary and junior secondary students and their teachers now receive Lafaek children's magazine or a teachers guide every two months.

**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>
MULT-50152	Effective	20.60	19.64	0.96	0.00





**Project Name (ID):** Timor-Leste-Second Health Sector Rehabilitation and Development Project ( P072648 )

**Country:** Timor-Leste

**Board Approval Date :** 06/29/2001

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

**Loan/Credit/Grant Number :** EECT-51363, MULT-29888

**Sector(s):** Health (85%), Central government administration (15%)

**Theme(s):** Health system performance (P), Other communicable diseases (S), Population and reproductive health (S), Participation and civic engagement (S), Conflict prevention and post-conflict reconstruction (S)

**Project Development Objectives:**

The goal of the program is to meet immediate basic health needs of the population and develop appropriate health policies and systems.

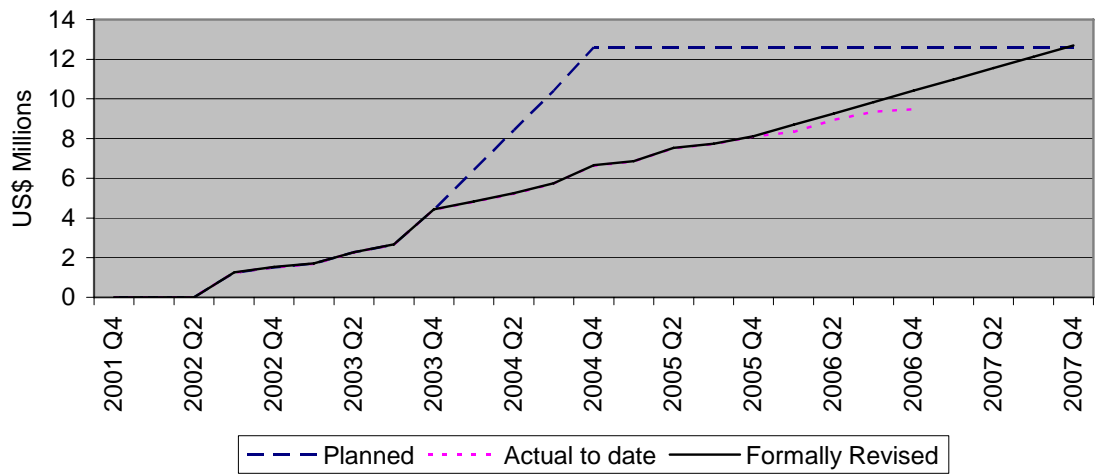
**Progress toward achieving development objective(s):**

The project has been making significant progress in responding to immediate health needs while developing and integrating service delivery policies. Major achievements in the sector include: (a) approval of legislation providing autonomy for autonomous medical services and regulating private provision; (b) procurement of US\$ 2 million of pharmaceuticals; (c) definition of the basic package of services; and (d) preparation of an inter-ministerial strategy for integrated primary health care. First steps in strengthening the links between the ministry's budget and planning have been initiated and designs completed for four hospitals. Improvements in coverage of immunization and skilled attendance at birth have stagnated over the last year, and the government is investigating the causes, while developing and expanding programs such as out-reach and health promotion.

**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>
EECT-51363	Effective	20.32	5.05	15.17	0.00
MULT-29888	Effective	12.60	9.48	3.12	0.00





**Project Name (ID):** Second Small Enterprises Project ( P072654 )

**Country:** Timor-Leste

**Board Approval Date :** 09/28/2001

**Midterm Review Date :** 05/23/2005

**Closing Date :** 12/31/2006

**Loan/Credit/Grant Number :** MULT-50153

**Sector(s):** Micro- and SME finance (67%), General industry and trade (15%), Other domestic and international trade (13%), Central government administration (5%)

**Theme(s):** Small and medium enterprise support (P), Other financial and private sector development (P), Infrastructure services for private sector development (P), Regulation and competition policy (S)

**Project Development Objectives:**

The objectives are to generate employment, accelerate economic growth, improve small and medium enterprises competitiveness, build capacity with the focus on private sector development, and rehabilitate market infrastructure.

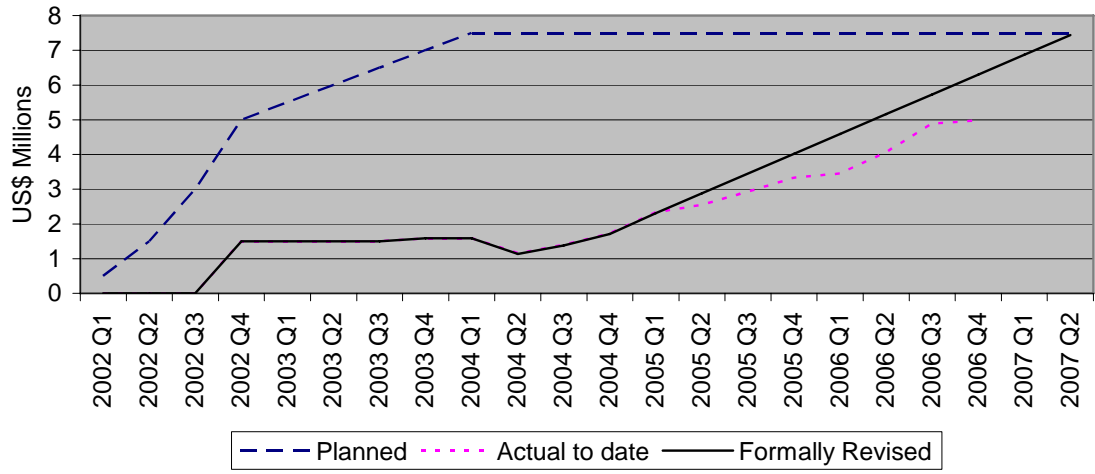
**Progress toward achieving development objective(s):**

Progress toward achieving the development objectives had been good till April 2006. The political and security crisis caused project activities to stop in May, but they restarted late June and are gathering momentum. The Special Economic Zone component will reach its objective before the closing date with the presentation of the finalized feasibility study. The Investment and Export Promotion Agency and the Business Development Services components are being taken over by the Government. A one-year extension is being requested by the Government for the remaining three components: Market Place Development, Business-Government Dialogue Promotion and Business Regulatory Environment. Progress on market rehabilitation has been good; however, the challenge of the last two components remains low involvement of the private sector. The key to success is the enhancement of public-private dialogue.

**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>
MULT-50153	Effective	7.50	4.98	2.52	0.00





**Project Name (ID):** THIRD AGRICULTURE REHABILITATION PROJECT ( P079320 )

**Country:** Timor-Leste

**Board Approval Date :** 12/29/2003

**Midterm Review Date :** 02/27/2006

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

**Loan/Credit/Grant Number :** EECT-53033, MULT-53038

**Sector(s):** General agriculture, fishing and forestry (30%), Irrigation and drainage (30%), Animal production (20%), General information and communications (15%), Agricultural marketing and trade (5%)

**Theme(s):** Water resources management (P), Other rural development (P), Participation and civic engagement (S)

**Project Development Objectives:**

The development objective is to strengthen the capacity of the Ministry of Agriculture, Forestry and Fisheries (MAFF) and its Development Partners to assist communities in increasing their production and income in a sustainable way.

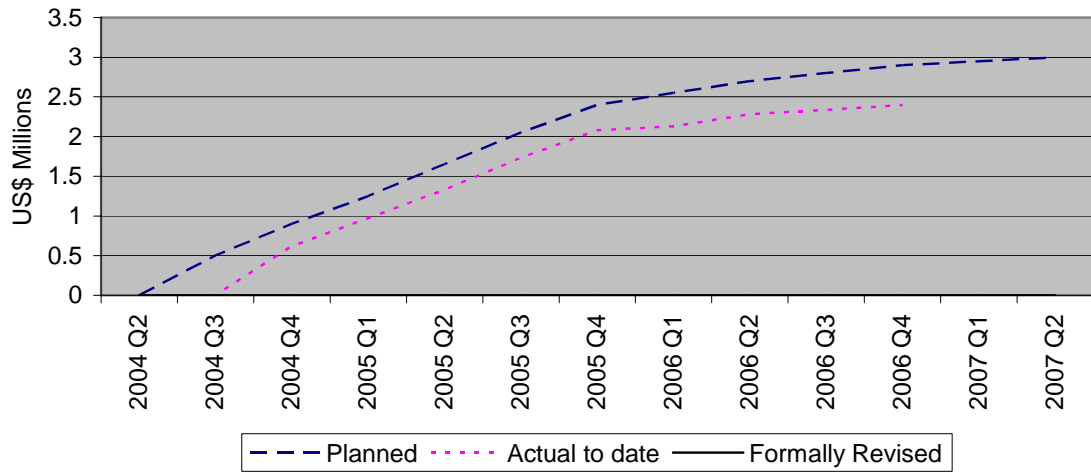
**Progress toward achieving development objective(s):**

The project became effective on March 5, 2004 and by March 2006 the project had consolidated the gains achieved during the first two phases of the country's Agricultural Rehabilitation Program, building on the foundation for future sustainable agricultural and rural development. After two years of implementation, the project is likely to achieve its objective efficiently with only moderate shortcomings. However, the recent political, social and security crisis in Timor-Leste brought all project activities to a standstill. An analysis to determine the impact of the crisis on achieving the project's development objective and deciding upon necessary adjustments will need to be undertaken.

**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>
EECT-53033	Effective	8.44	3.61	4.77	0.00
MULT-53038	Effective	3.00	2.39	0.61	0.00





**Project Name (ID):** Second Timor-Leste Petroleum TA ( P082942 )

**Country:** Timor-Leste

**Board Approval Date :** 06/18/2003

**Midterm Review Date :** 06/30/2004

**Closing Date :** 12/31/2006

**Loan/Credit/Grant Number :** MULT-52428

**Sector(s):** Oil and gas (100%)

**Theme(s):** Other economic management (P)

**Project Development Objectives:**

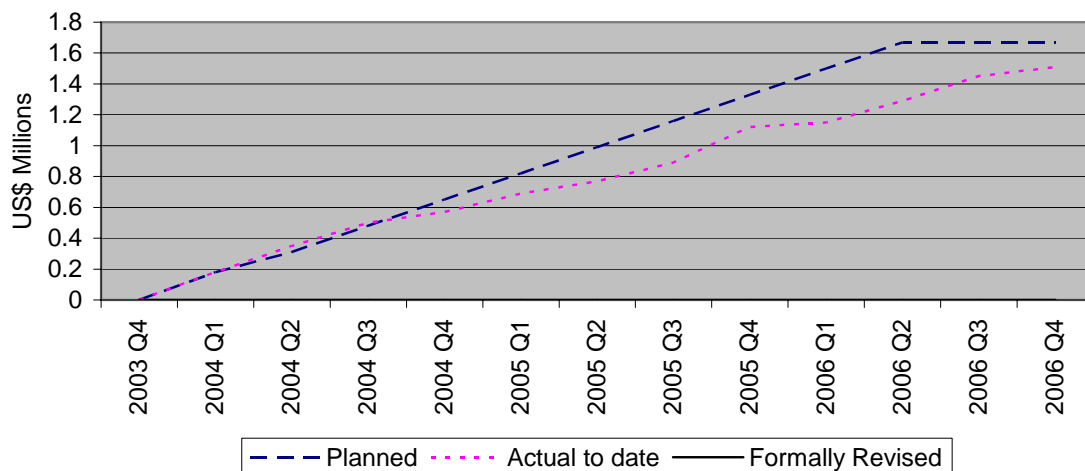
The objective is to strengthen petroleum sector management and revenue management, the legal, technical, financial and auditing capabilities, and the media and outreach functions of the Timor Sea Office, relevant departments in the Ministry of Planning and Finance, and the Oil and Gas Directorate of the Ministry of Natural Resources, Minerals and Energy Policy.

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

The objective has been achieved. Petroleum legislation governing the country's exclusive zone has been approved by Parliament and is in force. To meet the country's continuing need to strengthen petroleum sector institutions, the Project has been extended by one year (to December 31, 2006) to allow for additional training activities to be undertaken.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
MULT-52428	Effective	1.70	1.51	0.19	0.00



**Project Name (ID):** Power Sector Priority Investments ( P087801 )

**Country:** Timor-Leste

**Board Approval Date :** 07/23/2004

**Closing Date :** 03/31/2007

**Loan/Credit/Grant Number :** MULT-53898

**Sector(s):** Power (100%)

**Theme(s):** Access to urban services and housing (P), Infrastructure services for private sector development (P), Debt management and fiscal sustainability (S)

**Project Development Objectives:**

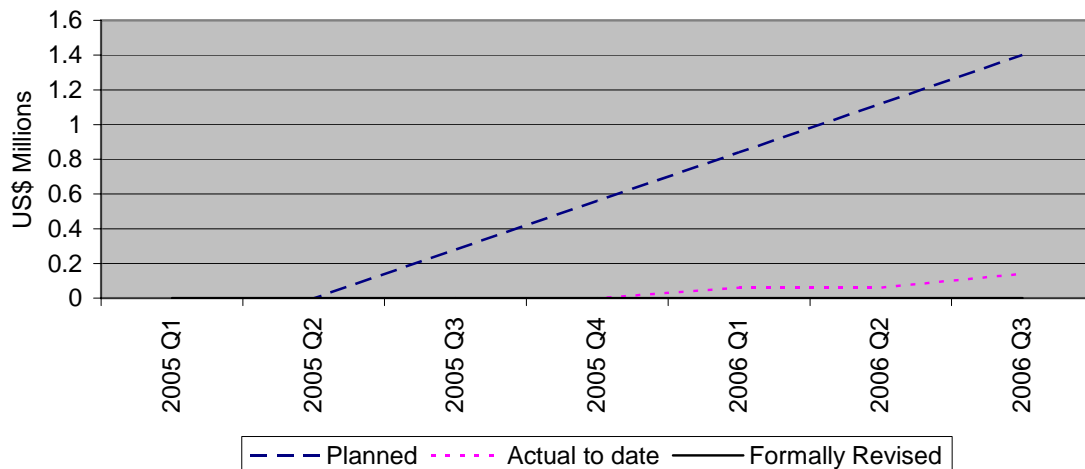
The objective is the delivery of least-cost, high-quality electricity service with minimum dependence on the government's budget.

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

Implementation has been slow primarily due to delays in procurement. Nevertheless, the project development objectives are expected to be achieved.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
MULT-53898	Effective	1.39	0.14	1.26	0.00



**Project Name (ID):** Planning and Financial Management Capacity Building Program ( P092484 )

**Country:** Timor-Leste

**Board Approval Date :** 03/21/2006

**Closing Date :** 07/10/2011

**Loan/Credit/Grant Number :** IDA-H2100

**Sector(s):** Central government administration (95%), Sub-national government administration (5%)

**Theme(s):** Public expenditure, financial management, and procurement (P), Administrative and civil service reform (P), Macroeconomic management (S), Other accountability/anti-corruption (S), Tax policy and administration (S)

**Project Development Objectives:**

The program development objective is sustainably strengthened planning, budgeting, public expenditure management and revenue administration for growth and poverty reduction, with emphasis on efficiency, effectiveness, accountability, integrity, service culture, and transparency.

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

The Project is not yet effective.

**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-H2100	Not Effective	7.10	0.00	7.10	0.00

