

STATUS OF PROJECTS IN EXECUTION – FY06
SOPE
REGION: EUROPE AND CENTRAL ASIA
COUNTRY: POLAND

Operations Policy and Country Services
SEPTEMBER 19, 2006



Report on the Status of Projects in Execution - FY06
SOPE
Region: Europe and Central Asia
Country: Poland

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 report¹ 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.

¹ 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: Poland

Project Name (ID): Roads 2 (P008593)

Country: Poland

Board Approval Date : 10/28/1997

Midterm Review Date : 10/02/2000

Closing Date : 12/31/2006

Loan/Credit/Grant Number : IBRD-42360, IBRD-42361

Sector(s): Roads and highways (96%), Central government administration (4%)

Theme(s): Infrastructure services for private sector development (P), Access to urban services and housing (S), Rural services and infrastructure (S), Public expenditure, financial management, and procurement (S)

Project Development Objectives:

The objective is to support and modernize the road sector along the lines of the environmental and traffic safety policy initiated under the first Roads Project.

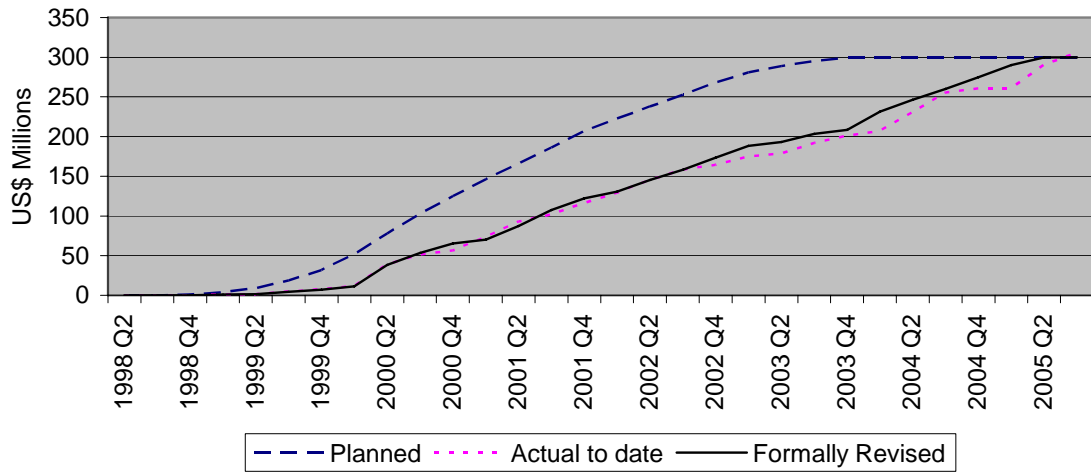
Progress toward achieving development objective(s):

The development objective has been achieved. The capacity of the Road Agency to monitor and plan investments has increased substantially. The computerized road management software (HDM-4) is fully operational and has enabled the Road Agency to issue a six-year rolling road expenditure plan. General improvements have been made to road conditions, including the repair of flood damaged infrastructure. Domestic contractors are now better prepared to compete effectively for contracts involving rehabilitation and construction of roads in the future as a result of improvements in managerial capacity and financial stability. Road casualties have not decreased as expected and rates here are still high according to European Union standards. However, international and local road safety experts have helped the government plan for future improvements in this area by identifying the most cost-effective road safety investments.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-42360	Effective	150.00	150.00	0.00	0.00
IBRD-42361	Effective	173.72	156.09	1.22	0.00





Project Name (ID): Szczecin-Swinoujscie Seaway and Port Modernization (P008615)

Country: Poland

Board Approval Date : 12/12/2000

Midterm Review Date : 12/12/2002

Closing Date : 06/30/2007

Loan/Credit/Grant Number : IBRD-70390, IBRD-70400

Sector(s): Ports, waterways and shipping (100%)

Theme(s): Infrastructure services for private sector development (P), Other financial and private sector development (P)

Project Development Objectives:

The development objective of the project is to promote Poland's trade by developing an efficient administrative/managerial structure and improving physical facilities in the ports of Szczecin-Swinoujscie. In this way they will provide efficient services in competition with the other Polish major ports of Gdansk and Gdynia and facilitate private sector involvement in commercial operations.

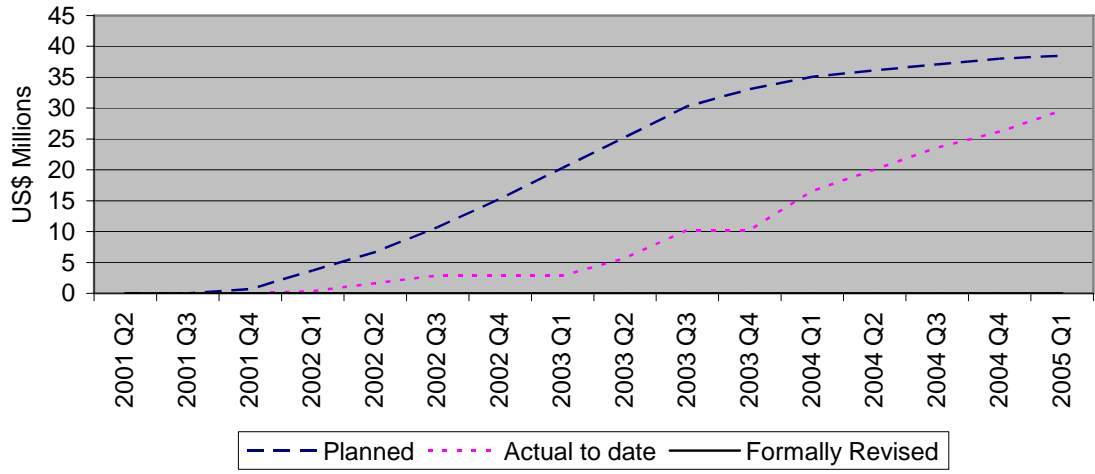
Progress toward achieving development objective(s):

The project has made substantial progress towards meeting its development objectives. The rehabilitation of the seaway between Szczecin and Swinoujscie (representing about 2/3 of the total project cost) has been completed according to schedule. Vessels servicing the port of Szczecin now benefit from a safer, wider entrance to the Piastowski canal and from rehabilitated canal. Ship traffic and cargo weight have increased by 19.2% in 2005 (16.1 MT against 13.5 MT in 2004). The two year extension of the closing date approved in 2005 has allowed the starting of the construction of new berthing facilities (with contribution from European Regional Development Fund) to be operated by the private sector to respond to the current and foreseen traffic increase.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-70390	Closed	36.82	29.52	3.82	0.00
IBRD-70400	Effective	14.70	0.11	13.05	1.56





Project Name (ID): Krakow Energy Efficiency (P065059)

Country: Poland

Board Approval Date : 06/07/2001

Midterm Review Date : 07/15/2006

Closing Date : 12/31/2007

Loan/Credit/Grant Number : IBRD-70570, JPN-25809

Sector(s): District heating and energy efficiency services (100%)

Theme(s): Climate change (P), Other urban development (P), Pollution management and environmental health (S)

Project Development Objectives:

The objective of the project is to improve energy efficiency of the heating systems in the Malopolskie Voivodship (the Krakow region).

Progress toward achieving development objective(s):

The project made good progress toward achieving its development objectives in FY06. The quality and efficiency of heat supply has improved considerably. Since 2001 the unit energy consumption (heat quantity per square meter space) of the Krakow heating company has been reduced by 10%.

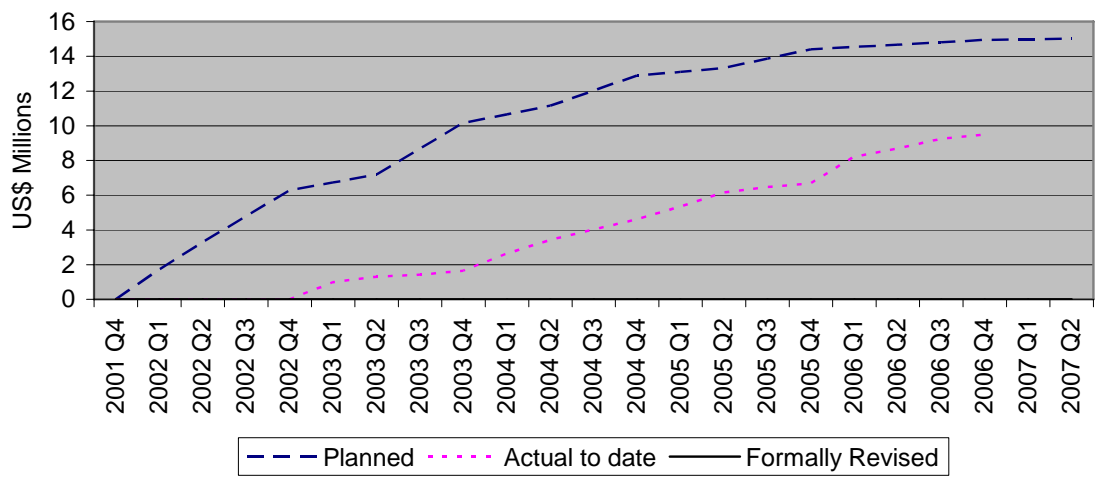
Implementation of the district heating (DH) component of the project is ahead of schedule and can be finalized by summer 2007.

There has been a slow start to the Energy Service Company (ESCO) component of the project and, even though it has now come up to speed, it will not be able to meet its quantitative targets within the original project implementation period. It is, therefore, being considered to reallocate some of the loan for the ESCO component to the DH component and to extend the implementation period to allow the project to achieve all its objectives.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-70570	Effective	18.81	9.48	9.04	0.00
JPN-25809	Closed	0.19	0.16	0.00	0.03





Project Name (ID): Post-Accession Rural Support (P065270)

Country: Poland

Board Approval Date : 01/24/2006

Closing Date : 12/31/2009

Loan/Credit/Grant Number : IBRD-73580, JPN-52685

Sector(s): Other social services (60%), Compulsory pension and unemployment insurance (30%), Sub-national government administration (10%)

Theme(s): Social analysis and monitoring (P), Other social protection and risk management (P), Participation and civic engagement (P), Rural policies and institutions (S), Administrative and civil service reform (S)

Project Development Objectives:

The main objectives of the project are (a) to increase social inclusion in underdeveloped gminas through provision of grants for financing social services and enhancing relevant institutional capacity of local governments and (b) to support the reform of the Agricultural Social Insurance Fund by improving the agency's efficiency through strengthening its administrative and analytic capacity and enabling better management of decision processes during its reform process.

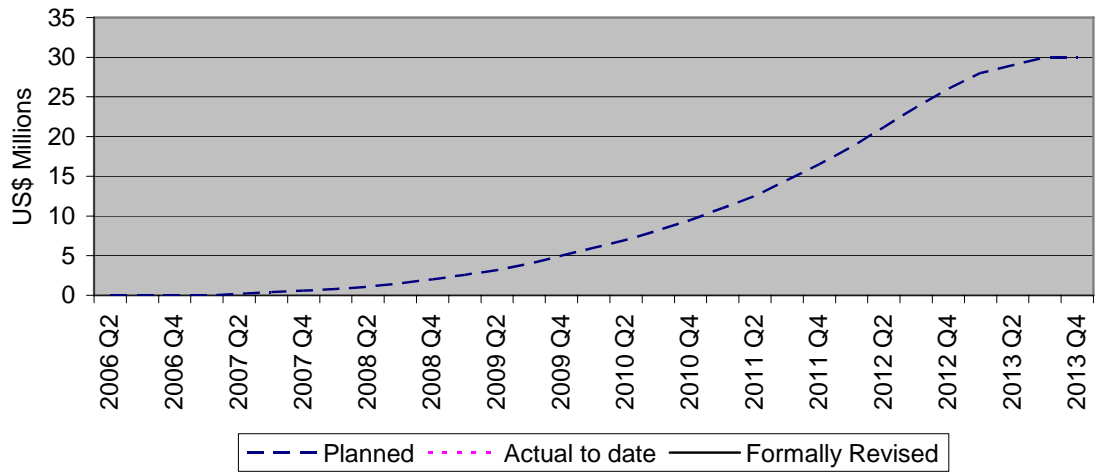
Progress toward achieving development objective(s):

The project was signed in April 2006 and declared effective in June 2006. The borrower is currently in the process of finalizing an implementation agreement between the Agricultural Social Insurance Fund and the Ministry of Labor and Social Policy. The signing and execution of the agreement is the remaining disbursement condition of the project.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-73580	Effective	90.72	0.00	90.72	0.00
JPN-52685	Closed	0.63	0.62	0.01	0.00





Project Name (ID): Hard Coal Social Mitigation (P066512)

Country: Poland

Board Approval Date : 03/30/2004

Closing Date : 12/31/2006

Loan/Credit/Grant Number : IBRD-72240

Sector(s): Mining and other extractive (50%), Other social services (30%), Vocational training (20%)

Theme(s): Small and medium enterprise support (P), Improving labor markets (P), Social risk mitigation (P), Other social protection and risk management (S), State enterprise/bank restructuring and privatization (S)

Project Development Objectives:

The objective of the project is to improve the efficiency of the hard coal industry by supporting the implementation of capacity restructuring, environmental improvement and subsidence repair for the calendar years 2004-2006 of the 2003-2006 Hard Coal Sector Restructuring Program and on-going commitments from the 1998-2002 Hard Coal Sector Reform Program.

Progress toward achieving development objective(s):

The project has had success in retrenchment as eligible underground workers have taken severance packages and left the industry. However, eligible surface workers are not taking severance packages; and, thus, there has been very little hiring of surface workers by participating employers. The project has had success in helping the coal sector to become a profitable sector that contributes to economic growth as the KW, KHW and JSW mining companies have each improved efficiency, adhered to a hard budget constraint, and improved their balance sheets. The pre-privatization analysis for the KHW Company has been completed and the analysis for the JSW Company is in progress but, with local elections coming up and not wanting to have any confrontations with the mining trade unions which oppose privatization, the new government (elected in late 2005) has put a hold on further privatization actions.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-72240	Effective	201.05	191.32	5.61	0.00



Project Name (ID): Energy Efficiency GEF (P070246)

Country: Poland

Board Approval Date : 10/14/2004

Midterm Review Date : 03/01/2007

Closing Date : 06/30/2011

Loan/Credit/Grant Number : MULT-24009, MULT-54104

Sector(s): District heating and energy efficiency services (60%), Banking (20%), Health (10%), Primary education (10%)

Theme(s): Climate change (P), Other financial and private sector development (S)

Project Development Objectives:

The objective of the project is to increase public and private sector investments in energy efficiency in buildings.

Progress toward achieving development objective(s):

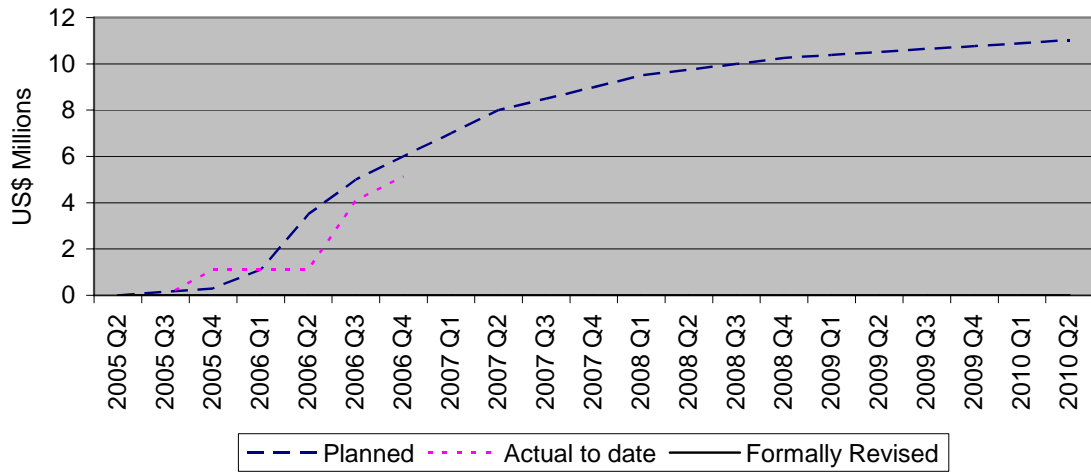
The capital grant component made good progress and is on target to achieve its project objective goals as planned. In FY06 the facility has co-financed the renovation of 12 schools in Krakow leading to very substantial energy savings.

The guarantee facility component has come off to a slow start. However, by the end of FY06 two commercial banks had signed Guarantee Framework Agreements with BGK, the state owned development bank, and they are now marketing the facility to their clients across Poland.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
MULT-24009	Closed	0.18	0.17	0.00	0.01
MULT-54104	Effective	11.00	5.13	5.87	0.00





Project Name (ID): Road Maintenance and Rehabilitation (P078170)

Country: Poland

Board Approval Date : 03/30/2004

Closing Date : 06/30/2007

Loan/Credit/Grant Number : IBRD-72230

Sector(s): Roads and highways (87%), Central government administration (12%), Sub-national government administration (1%)

Theme(s): Infrastructure services for private sector development (P), Administrative and civil service reform (P), Other financial and private sector development (P)

Project Development Objectives:

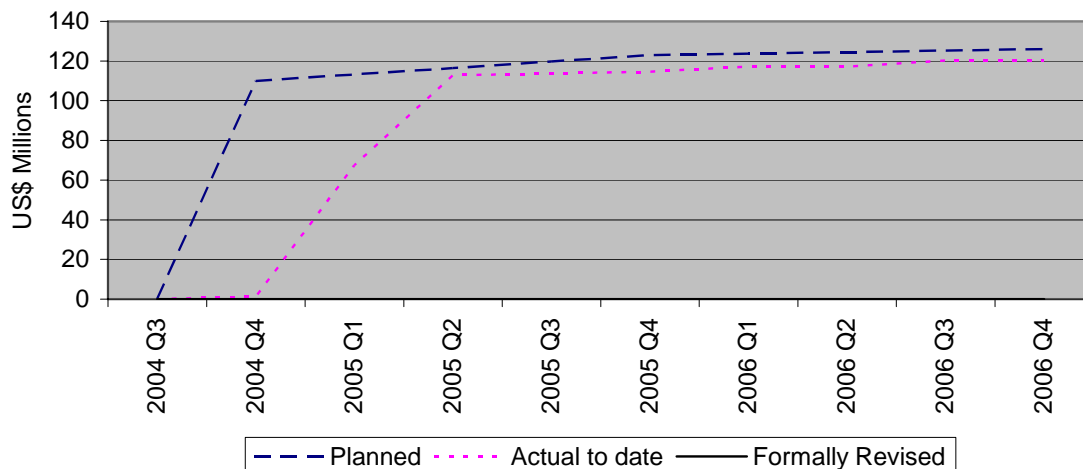
The objective of the project is to improve the effectiveness of Poland's national road rehabilitation and maintenance systems by: (a) significantly increasing the percentage of national roads in good conditions; (b) establishing reliable and stable funding for the national road maintenance and rehabilitation network and for road safety; and (c) improving the capacity within the General Directorate for National Roads and Motorways (GDDKiA) to operate efficiently and effectively and to reflect the views of road users in developing its programs.

Progress toward achieving development objective(s):

Since its launch in June 2004, the project has made progress toward meeting its development objective. GDDKiA has finalized its revised Modernization Action Plan and some of the agreed activities in project components on management and core processes have started. All the road rehabilitation works were completed during the first year of implementation.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-72230	Effective	127.76	120.30	1.92	0.00



Project Name (ID): Coal Mine Closure (P083093)

Country: Poland

Board Approval Date : 07/01/2004

Midterm Review Date : 03/31/2006

Closing Date : 03/31/2008

Loan/Credit/Grant Number : IBRD-72470, JPN-51898

Sector(s): Mining and other extractive (95%), General agriculture, fishing and forestry (5%)

Theme(s): Pollution management and environmental health (P), State enterprise/bank restructuring and privatization (P), Other financial and private sector development (S), Land administration and management (S), Regional integration (S)

Project Development Objectives:

The specific objective of the project is to improve the efficiency of the hard coal industry by supporting the implementation of capacity restructuring, environmental improvement and subsidence repair for the calendar years 2004-2006 of the 2003-2006 Hard Coal Sector Restructuring Program and on-going commitments from the 1998-2002 Hard Coal Sector Reform Program.

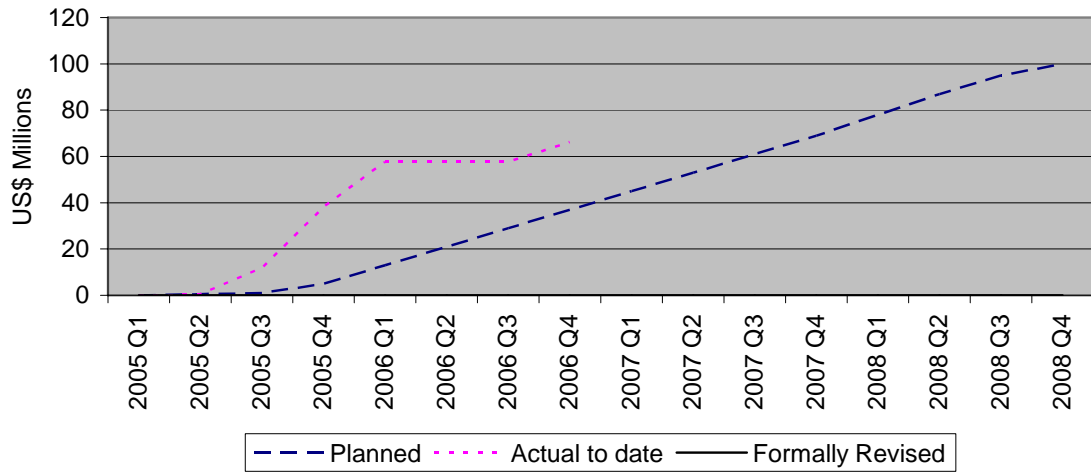
Progress toward achieving development objective(s):

Using competitive bidding to minimize costs and in compliance with environmental requirements, the SRK Company has started closure of two new mines in addition to the mines already under closure. The mining companies have prepared and are implementing environmental management plans and are undertaking subsidence repair for their operations. All mining companies are increasing productivity, making profits, adhering to a hard budget constraint and improving their balance sheets. The KW Company is making progress towards completing its restructuring which is a key step toward preparation for privatization.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-72470	Effective	105.68	66.27	34.86	4.62
JPN-51898	Closed	0.10	0.10	0.00	0.00





Project Name (ID): Road Maintenance and Rehabilitation 2 (P088824)

Country: Poland

Board Approval Date : 03/29/2005

Closing Date : 12/31/2007

Loan/Credit/Grant Number : IBRD-72820

Sector(s): Roads and highways (96%), Central government administration (4%)

Theme(s): Infrastructure services for private sector development (P), Regional integration (P), Non-communicable diseases and injury (S)

Project Development Objectives:

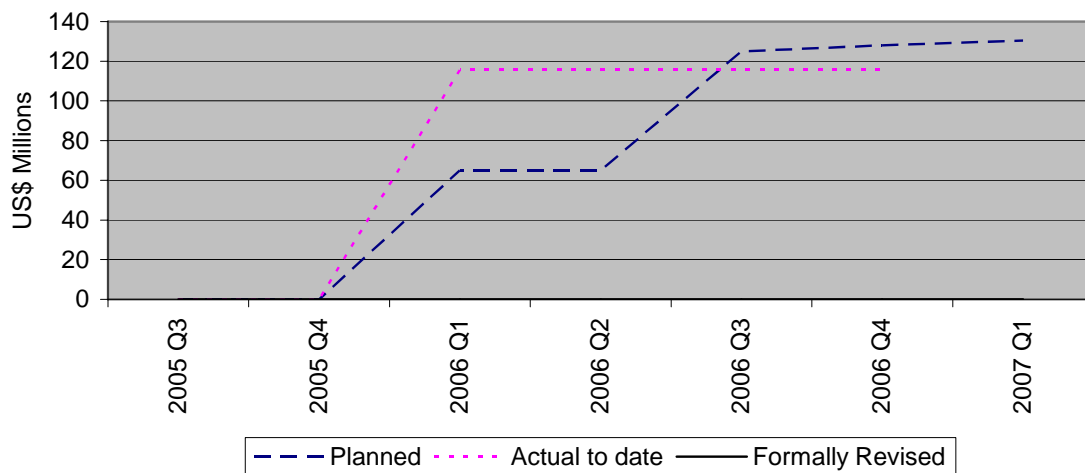
The project development objective is to continue improving the effectiveness of Poland's national road rehabilitation and maintenance systems, with emphasis on quality, efficiency, financial viability, and road user satisfaction.

Progress toward achieving development objective(s):

The physical works component of the project has been completed. The works have led to better road conditions in Poland. Most of the remaining loan amount of about €4.0 million will be used for improving the Polish Road Agency's (GDDKiA) Management Information System) before the closing date of 30 June 2007.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-72820	Effective	125.66	115.59	5.03	0.00



Project Name (ID): ROAD MAINTENANCE and REHAB 3 (P096214)

Country: Poland

Board Approval Date : 06/06/2006

Closing Date : 09/15/2011

Loan/Credit/Grant Number : IBRD-73840

Sector(s): Roads and highways (93%), Central government administration (7%)

Theme(s): Infrastructure services for private sector development (P), Non-communicable diseases and injury (S), Administrative and civil service reform (S)

Project Development Objectives:

This repeater project will continue improving the effectiveness of Poland's national road rehabilitation and maintenance systems, with emphasis on quality, efficiency, financial viability, safety, and road user satisfaction.

Progress toward achieving development objective(s):

The project has become effective just at the very end of this reporting period. Physical works are nevertheless well underway.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-73840	Not Effective	188.48	0.00	188.48	0.00

