

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

Operations Policy and Country Services
SEPTEMBER 19, 2006



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

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: Uzbekistan

Project Name (ID): Rural Water Supply and Sanitation (P009121)

Country: Uzbekistan

Board Approval Date : 08/21/1997

Midterm Review Date : 11/23/1999

Closing Date : 12/31/2007

Loan/Credit/Grant Number : IBRD-42160, JPN-29333, JPN-29683

Sector(s): Water supply (87%), Sanitation (7%), Health (4%), Central government administration (2%)

Theme(s): Rural services and infrastructure (P), Pollution management and environmental health (P), Other communicable diseases (S)

Project Development Objectives:

The objectives are to: (a) improve the water supply, sanitation and health of the population of Karakalpakstan and Khorezm Oblast; (b) strengthen the institutional capacity of the regional water supply and sanitation utilities as well as the Health Centers and the Sanitary Epidemiological Stations; and, (c) increase efficiency of project institutions.

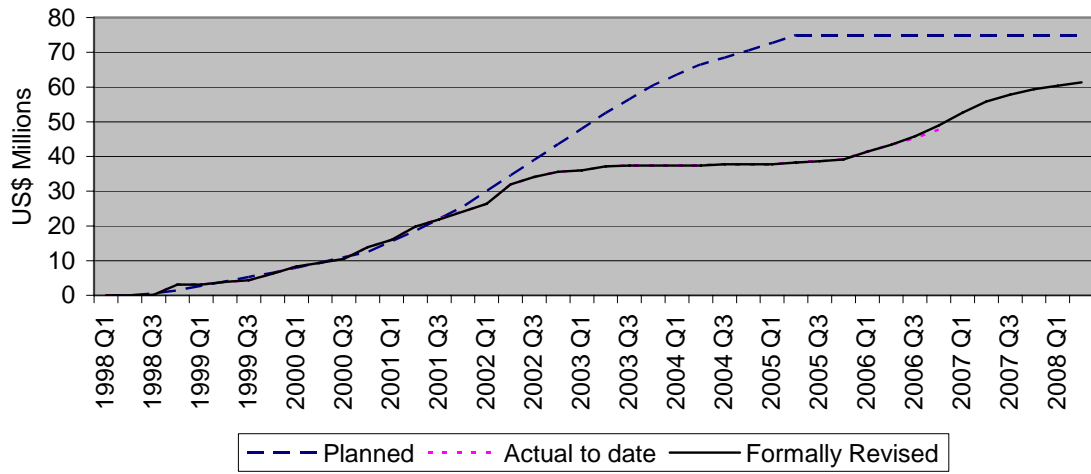
Progress toward achieving development objective(s):

The project has made substantial progress toward achieving its development objectives. More than 560,000 people have benefited from better water quality, quantity, and access, in both urban and rural areas. Substantial progress has been made to strengthen institutional capacity of the agencies involved, although the full impact of better capacity is not expected to register until the completion of activities. Demand management and loss reduction programs have been implemented in pilot areas of Nukus and Urgench with good results.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-42160	Effective	75.00	47.66	13.66	13.67
JPN-29333	Closed	0.33	0.36	0.00	0.00
JPN-29683	Closed	0.42	0.42	0.00	0.00





Project Name (ID): Drainage, Irrigation and Wetlands Improvement Project - Phase 1 (P009127)

Country: Uzbekistan

Board Approval Date : 06/19/2003

Midterm Review Date : 07/31/2006

Closing Date : 06/30/2010

Loan/Credit/Grant Number : IBRD-47070, IBRD-P3750, IDA-37960, IDA-Q3590, JPN-29131

Sector(s): Irrigation and drainage (96%), General public administration (4%)

Theme(s): Water resources management (P), Rural services and infrastructure (P), Land administration and management (S), Participation and civic engagement (S), Pollution management and environmental health (S)

Project Development Objectives:

The development objectives of the project are: (a) to increase the productivity of irrigated agriculture, employment and incomes in Karakalpakstan, one of the poorest regions in Central Asia; (b) to improve water quality of the Amu Darya river by safe disposal of the drainage effluent, and enhance quality of wetlands in the Amu Darya delta; and (c) to develop the institutions for improving water management, operation and maintenance of the irrigation and drainage systems, and for promoting sustainable irrigated agriculture through participatory irrigation management.

Progress toward achieving development objective(s):

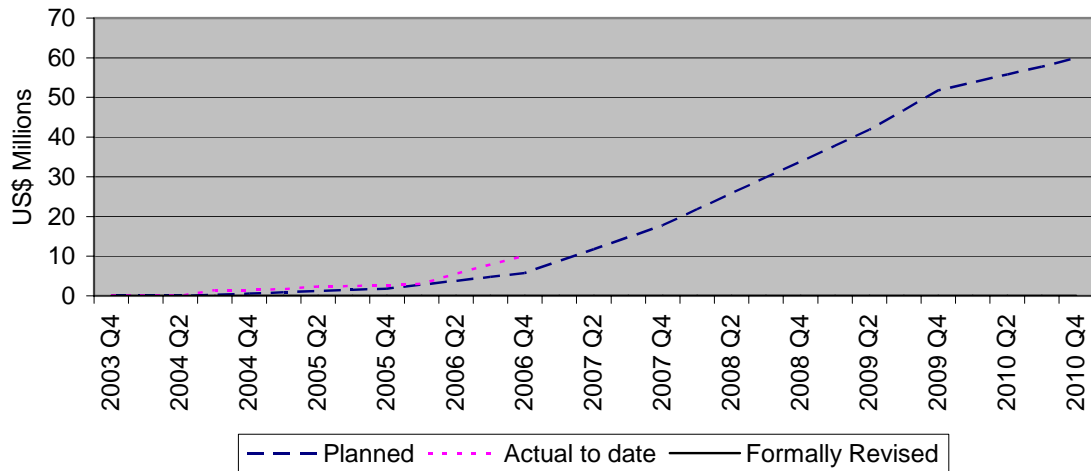
Implementation progress achieved so far indicates that the project development objectives would likely to be achieved. The contract for construction of South Karakalpakstan Main Drain (SKMD) continues to make good progress. With completion of this contract and other works for improvement of the inter-farm irrigation and drainage water-logging problems hampering productivity of irrigated agriculture and therefore farmers income will be addressed in addition to improving the water quality of the Amu Darya by providing alternative for safe disposal of the drainage affluent from the area, which is currently being disposed in the river causing salinization and environmental degradation. In addition, to improve environmental degradation caused by the disappearing of the Aral Sea, the SKMD contract will provide for creation of several wetlands that would improve environmental condition and biodiversity in the area. Furthermore, for enhanced productivity of irrigated agriculture and improved water management and use efficiency, Water Users Associations have been formed to take responsibility for the overall water management, distribution, and O&M of the irrigation and drainage systems, and several Demonstration Plots were formed to illustrate improvements in farm management, and other agro-technical improvements for growing crops, and to train local farmers in those subjects.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-47070	Effective	35.00	3.68	31.32	0.00



IBRD-P3750	Closed	1.00	0.00	0.00	1.00
IDA-37960	Effective	27.05	6.38	20.64	0.00
IDA-Q3590	Closed	0.30	0.00	0.00	0.30
JPN-29131	Closed	0.89	0.87	0.00	0.00



Project Name (ID): Rural Enterprise Support (P046043)

Country: Uzbekistan

Board Approval Date : 12/20/2001

Midterm Review Date : 05/10/2006

Closing Date : 07/31/2006

Loan/Credit/Grant Number : IBRD-46440, IBRD-P3210, JPN-53128

Sector(s): Agro-industry (40%), Irrigation and drainage (38%), Crops (15%), Central government administration (5%), Agricultural extension and research (2%)

Theme(s): Rural policies and institutions (P), Rural services and infrastructure (P), Small and medium enterprise support (P), State enterprise/bank restructuring and privatization (S), Law reform (S)

Project Development Objectives:

The objectives of the project are to: (a) increase profitability and productivity of the agricultural sector; (b) support the emergence of private sector initiatives; and (c) ensure sustainability of the agricultural sector through rehabilitation of irrigation and drainage systems and improved land management in five pilot districts.

Progress toward achieving development objective(s):

The project closing date has been recently extended until December 31, 2007. The project did contribute significantly to increase profitability and productivity of the agricultural sector in five pilot districts.

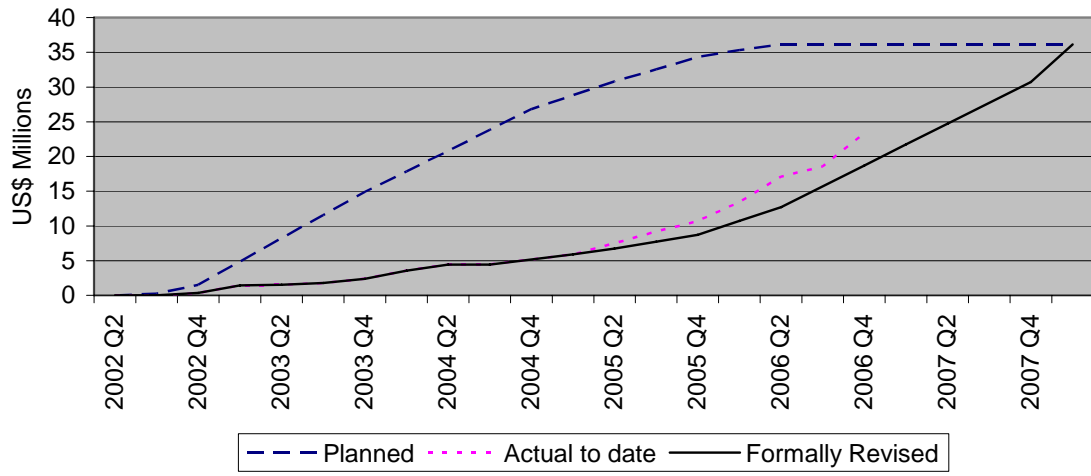
The most challenging project activity has been a policy pilot to test the possibility of selling cotton through alternative markets. Farmers in pilot districts were allowed to sell part of their cotton fiber outside of the state monopoly in 2004 and 2005. However, difficult market conditions, together with limited political support to liberalization of cotton marketing, reduced pilot impact.

The main achievement to date has been a learning experience for both the project implementing agency, and farmers in the pilot districts. This may still be able to provide important results during the next farming season if the market conditions will be favorable.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-46440	Effective	36.14	23.35	12.79	0.00
IBRD-P3210	Closed	1.00	0.00	0.00	1.00
JPN-53128	Effective	0.52	0.35	0.17	0.00





Project Name (ID): Bukhara and Samarkand Water Supply (P049621)

Country: Uzbekistan

Board Approval Date : 03/19/2002

Midterm Review Date : 03/31/2005

Closing Date : 06/30/2007

Loan/Credit/Grant Number : IBRD-46550, IDA-36200, JPN-25362, JPN-54224

Sector(s): Water supply (100%)

Theme(s): Access to urban services and housing (P), Other financial and private sector development (S)

Project Development Objectives:

The objective is to improve the safety, quality, reliability, efficiency, financial viability and sustainability of the water supply services in Bukhara and Samarkand.

Progress toward achieving development objective(s):

Although some physical achievements are leading to better quality of water supply services, reduction in water losses, and improvements in tariff collection, the short-term financial problem of water companies has been jeopardizing the eventual full achievement of the project objective.

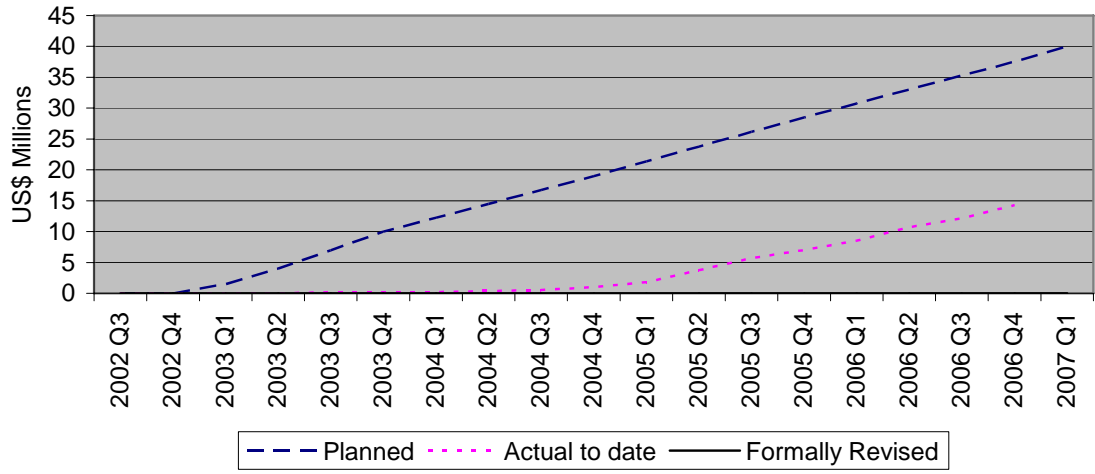
The private operator's performance has also been much lower than expected, partly because of the financial crisis, but also because of the staffing problem and difficult business environment. As the project is designed, the private operator's performance is closely linked to the project objective. The Bank has communicated its concerns regarding the financial situation of the water companies several times while making an effort to encourage the borrower to improve its relationship with the private operator.

The likelihood of achieving the project's objective will increase once the financial liquidity problem is solved through the implementation of a government resolution, was approved for all practical purposes. The planned mid-term review in October 2006 is key to reassessing the objective. Restructuring of the project is likely.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-46550	Effective	20.00	5.89	14.11	0.00
IDA-36200	Effective	23.37	8.42	14.98	0.00
JPN-25362	Closed	0.60	0.39	0.00	0.21
JPN-54224	Effective	1.69	0.02	1.68	0.00





Project Name (ID): Health 2 (P051370)

Country: Uzbekistan

Board Approval Date : 09/09/2004

Midterm Review Date : 06/30/2007

Closing Date : 06/30/2010

Loan/Credit/Grant Number : IDA-39790, IDA-H1240, JPN-51900, MULT-54236, MULT-54237

Sector(s): Health (98%), Compulsory health finance (2%)

Theme(s): Health system performance (P), Other communicable diseases (S), HIV/AIDS (S), Nutrition and food security (S), Child Health (S)

Project Development Objectives:

The objective is to improve the quality and overall cost-effectiveness of health care services in Uzbekistan.

Progress toward achieving development objective(s):

The project became effective in December 2004. Project start-up has been slow, and while there is some progress with policy and technical work required to scale-up health reforms country-wide, delays in meeting agreed benchmarks, mostly relating to project management, procurement and monitoring and evaluation, have started to impact on overall implementation progress and thereby on expected project outcomes.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-39790	Effective	39.54	1.85	37.69	0.00
IDA-H1240	Effective	0.59	0.02	0.57	0.00
JPN-51900	Closed	0.49	0.45	0.00	0.05
MULT-54236	Effective	0.57	0.43	0.15	0.00
MULT-54237	Effective	2.25	0.50	1.75	0.00

