

STATUS OF PROJECTS IN EXECUTION – FY06
SOPE
REGION: LATIN AMERICA AND THE CARIBBEAN
COUNTRY: CHILE

Operations Policy and Country Services
SEPTEMBER 19, 2006



Report on the Status of Projects in Execution - FY06
SOPE
Region: Latin America and the Caribbean
Country: Chile

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: Chile

Project Name (ID): Reduction of Ozone (P006576)

Country: Chile

Board Approval Date : 05/21/1993

Closing Date : 06/30/2007

Loan/Credit/Grant Number : WBTF-21916

Sector(s): Other industry (78%), Central government administration (22%)

Theme(s): Pollution management and environmental health (P), Environmental policies and institutions (S)

Project Development Objectives:

The objectives are to (a) phase out the use of substances that deplete the ozone layer; (b) develop the regulatory framework for an Ozone-Depleting Substances (ODS) phase out; and (c) consolidate the institutional capacity gained by Chile's National Environmental Commission in the execution of Chile's Montreal Protocol program.

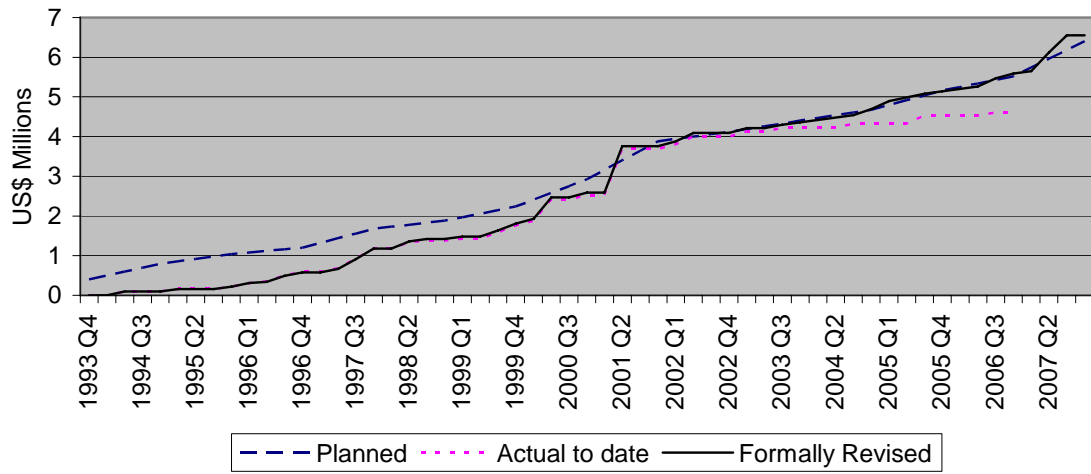
Progress toward achieving development objective(s):

The project has continued to make progress toward achieving its objectives, even after the main component to reduce industrial chlorofluoro carbons (CFCs) has been completed. Project work has focused on three areas: new regulations, institutional strengthening, and Halon control. Chile passed a general law on Ozone layer protection in 2005, and this law came into force in April 2006. Implementation regulations were developed following the legal framework established by the law, creating a system of import caps for all controlled substances. On institutional strengthening and Halon control, the Ozone unit tasks are being incorporated into the mainstream activities at CONAMA (National Commission for the Environment). The responsibility for these two components will be transferred to the United Nations Development Program, with whom the Ozone unit in CONAMA already has a strong relationship. It is anticipated that this transition will occur by March of 2007.

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

| Loan/Credit/ Grant | Status | Amount | Disbursed | Undisbursed | Cancellation |
|-------------------------------|---------------|---------------|------------------|--------------------|---------------------|
| WBTF-21916 | Effective | 6.46 | 4.64 | 1.82 | 0.00 |





Project Name (ID): Life-long Learning and Training (P068271)

Country: Chile

Board Approval Date : 03/19/2002

Midterm Review Date : 11/02/2004

Closing Date : 09/30/2008

Loan/Credit/Grant Number : IBRD-71060, JPN-26529

Sector(s): Tertiary education (55%), Vocational training (38%), Central government administration (7%)

Theme(s): Improving labor markets (P), Education for all (P), Education for the knowledge economy (P), Social analysis and monitoring (S)

Project Development Objectives:

The objective is to provide lifelong education and training opportunities for young adults and to upgrade the skill level of the workforce to improve its productivity and competitiveness.

Progress toward achieving development objective(s):

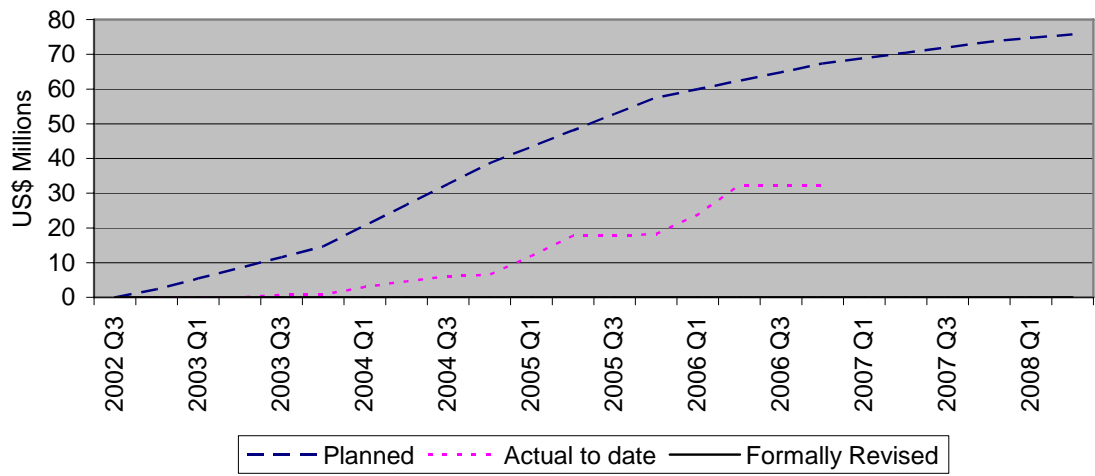
Project continued to show good implementation progress. All project activities are in execution, while some have completed the demonstrative phase and are being institutionalized.

Chilean Norm to Ensure the Quality of Training Institutions (NCh 2728) has been approved, which establishes standards for quality certification of job training institutions and determines that Government will only subsidize institutions that meet these standards. A law was passed to ensure Government financing of job training for employees in small and micro-enterprises (FONCAP MyPES). The Chamber of Deputies approved the proposal for a National Law of Skills Standards, currently undergoing review by the Senate, which would establish the legal framework for a national system of skills standards in Chile. The Ministry of Education is working on better integration of secondary and tertiary education in Chile.

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

| Loan/Credit/ Grant | Status | Amount | Disbursed | Undisbursed | Cancellation |
|-------------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-71060 | Effective | 75.75 | 32.28 | 43.47 | 0.00 |
| JPN-26529 | Closed | 0.28 | 0.13 | 0.00 | 0.15 |





Project Name (ID): Public Expenditure Management (P069259)

Country: Chile

Board Approval Date : 02/19/2002

Closing Date : 12/31/2006

Loan/Credit/Grant Number : IBRD-46500, IBRD-71410, IBRD-P3760

Sector(s): Central government administration (70%), Information technology (30%)

Theme(s): Public expenditure, financial management, and procurement (P), Debt management and fiscal sustainability (P), Decentralization (S)

Project Development Objectives:

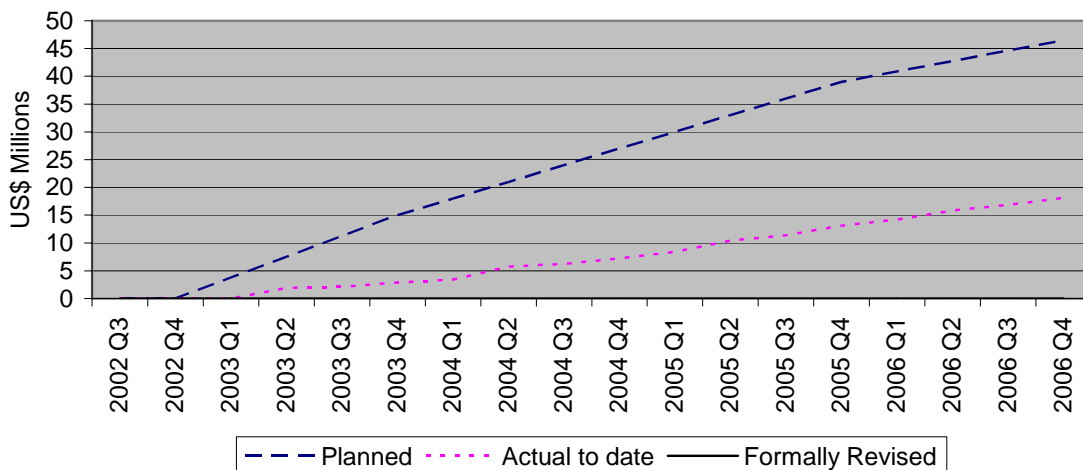
The objective is to improve the effectiveness, efficiency, and transparency of the Chilean public administration.

Progress toward achieving development objective(s):

The project is achieving its objective. The Human Resources Management and Control Information System (SIAPER) has been designed and is on track to be finalized by September 2006. The Integrated Financial Management System (SIGFE) has been installed in 349 of the 387 institutions including the entire Health Sector, 192 hospitals and regional units, with a total of 6,600 authorized users. The audit and evaluation procedures of the SIGFE have facilitated coordination among the Budget Directorate in the Finance Ministry, the Comptroller General Office and the spending ministries.

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

| Loan/Credit/Grant | Status | Amount | Disbursed | Undisbursed | Cancellation |
|-------------------|-----------|--------|-----------|-------------|--------------|
| IBRD-46500 | Closed | 23.23 | 0.00 | 0.00 | 0.00 |
| IBRD-71410 | Effective | 23.23 | 18.14 | 5.09 | 0.00 |
| IBRD-P3760 | Closed | 2.00 | 0.00 | 0.00 | 2.00 |



Project Name (ID): Sustainable Transport and Air Quality for Santiago (P073985)

Country: Chile

Board Approval Date : 11/25/2003

Closing Date : 06/30/2008

Loan/Credit/Grant Number : MULT-50342, MULT-52724

Sector(s): General transportation (80%), Central government administration (8%), Sub-national government administration (7%), Other social services (5%)

Theme(s): Climate change (P), Pollution management and environmental health (P), Access to urban services and housing (P), Environmental policies and institutions (S), Improving labor markets (S)

Project Development Objectives:

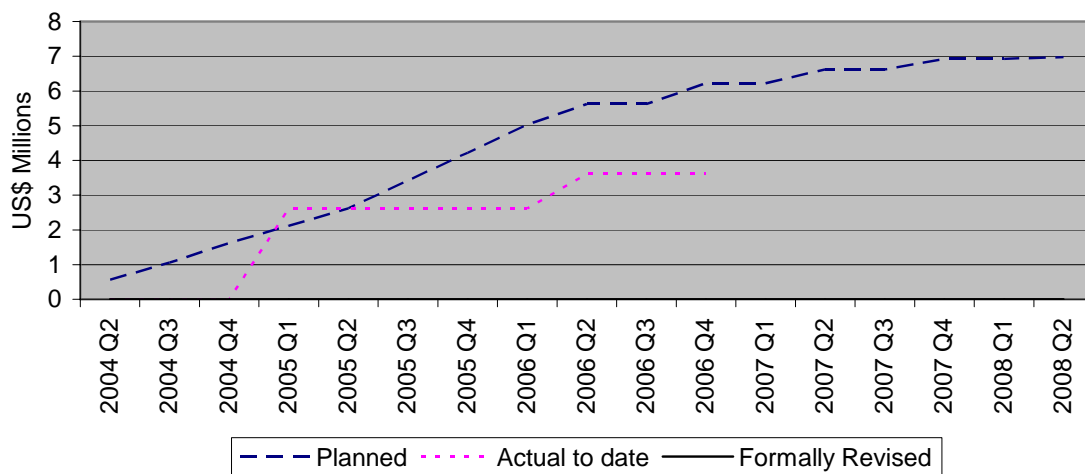
The objectives are to (a) reduce greenhouse gases (GHG) from ground transport in Santiago; and (b) improve Santiago's air quality.

Progress toward achieving development objective(s):

The project is advancing as expected. Construction of bikeways in two of the three communes (Santiago and Providencia) is finished. Request for proposals for the third commune (Ñuñoa) is underway. Several studies were concluded, including (a) analysis of the impact of Transantiago on the labor market and proposed solutions, (b) design and implementation of a plan to scrap buses retired from Santiago's motor park, and (c) design of a system to optimize travel. A supplementary grant to strengthen the program to test viable bus technologies was also recently approved.

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

| Loan/Credit/Grant | Status | Amount | Disbursed | Undisbursed | Cancellation |
|-------------------|-----------|--------|-----------|-------------|--------------|
| MULT-50342 | Closed | 0.35 | 0.35 | 0.00 | 0.00 |
| MULT-52724 | Effective | 6.98 | 3.61 | 3.37 | 0.00 |



Project Name (ID): Infrastructure for Territorial Development (P076807)

Country: Chile

Board Approval Date : 12/16/2004

Midterm Review Date : 01/15/2008

Closing Date : 06/30/2010

Loan/Credit/Grant Number : IBRD-72690, JPN-52919

Sector(s): General water, sanitation and flood protection (30%), Roads and highways (27%), Telecommunications (22%), General public administration (12%), General energy (9%)

Theme(s): Rural services and infrastructure (P), Rural policies and institutions (P), Administrative and civil service reform (S), Infrastructure services for private sector development (S), Participation and civic engagement (S)

Project Development Objectives:

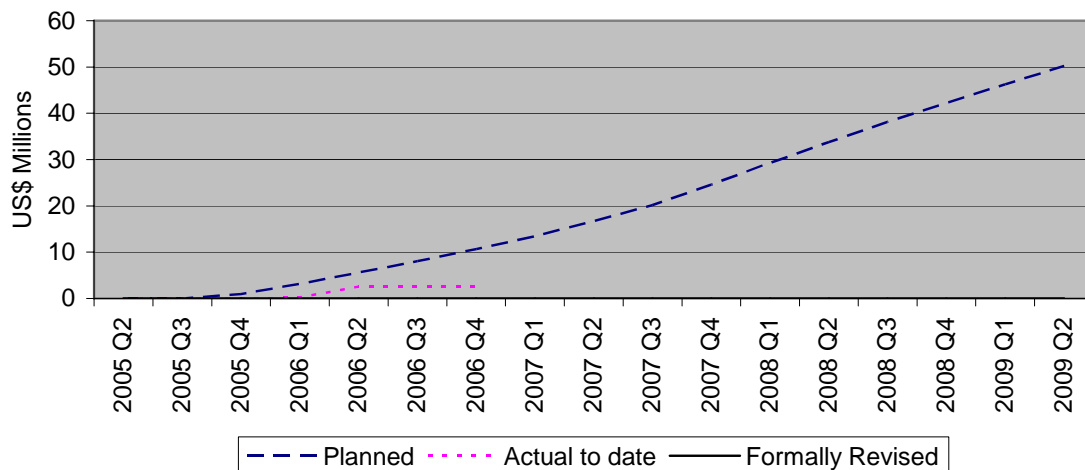
The objective is to increase the effective and productive use of sustainable infrastructure services by poor rural communities in selected territories of the regions of Coquimbo, Maule, BioBio, Araucania, Los Lagos and other regions.

Progress toward achieving development objective(s):

The project became effective in August 2005. Implementation is proceeding with the preparation of Framework Plans for Territorial Development (PMDTs) in 18 territories identified in 4 of the 5 selected regions.

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

| Loan/Credit/ Grant | Status | Amount | Disbursed | Undisbursed | Cancellation |
|-----------------------|-----------|--------|-----------|-------------|--------------|
| IBRD-72690 | Effective | 50.26 | 2.54 | 47.72 | 0.00 |
| JPN-52919 | Closed | 0.70 | 0.65 | 0.04 | 0.00 |



Project Name (ID): Science for the Knowledge Economy (P077282)
Country: Chile
Board Approval Date : 05/22/2003
Midterm Review Date : 03/13/2006
Closing Date : 03/31/2007
Loan/Credit/Grant Number : IBRD-71720
Sector(s): Tertiary education (90%), Central government administration (10%)
Theme(s): Education for the knowledge economy (P)

Project Development Objectives:

The objectives are to (i) develop an effective innovation system, and (ii) improve the stock of human capital in the Chilean science and technology sector.

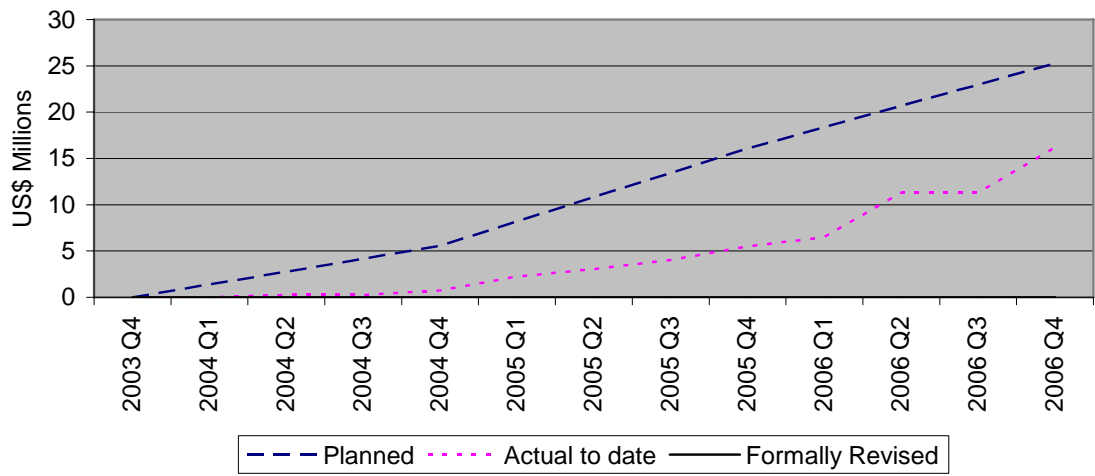
Progress toward achieving development objective(s):

The project has helped to spur public and private initiative and generate a new dynamism within Chile's innovation system, leveraging existing science, technology and innovation (STI) capacities and helping to mobilize additional funding. The project contributed to Chile's goal of strengthening human capital for research by increasing doctoral scholarships awarded by CONICYT from approximately 150 to 300 per year. Moreover, the project has strengthened S&T capacities at the regional level in collaboration with the regional development agency SUBDERE by supporting the formulation of regional innovation strategies and the creation of four regional research consortia, e.g. focusing on mining and food technology. Another important outcome of the project is added momentum for public-private research collaboration. The private sector has pledged significant additional resources for research in nine joint research consortia and 35 young researchers have been hired into industry, boosting the capacity of the private sector to produce and absorb knowledge. The project has also helped to attract investments in 17 high quality research teams in partnership with the Ministry of Planning. Finally, the establishment of a national observatory for S&T has improved the reliability of statistics and has allowed CONICYT to undertake a number of strategic studies, e.g. in regard to mining technology.

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

| Loan/Credit/ Grant | Status | Amount | Disbursed | Undisbursed | Cancellation |
|-----------------------|-----------|--------|-----------|-------------|--------------|
| IBRD-71720 | Effective | 25.26 | 16.15 | 9.11 | 0.00 |





Project Name (ID): Social Protection Technical Assistance (P082037)

Country: Chile

Board Approval Date : 12/18/2003

Closing Date : 09/30/2007

Loan/Credit/Grant Number : IBRD-72110

Sector(s): Other social services (100%)

Theme(s): Social risk mitigation (P), Social analysis and monitoring (P), Poverty strategy, analysis, and monitoring (S), Administrative and civil service reform (S), Indigenous peoples (S)

Project Development Objectives:

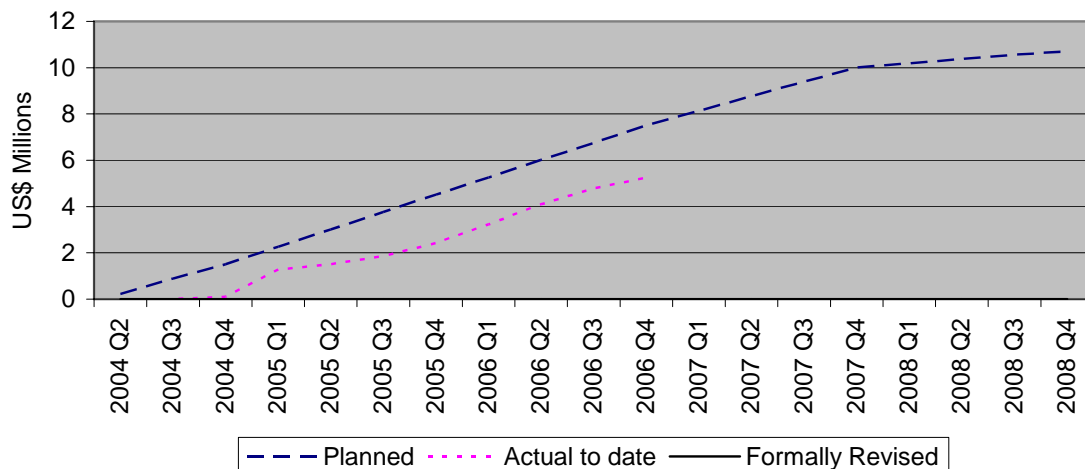
The objectives are to implement Chile Solidario (social protection program led by the Ministry of Planning that started in 2002) and establish the foundation for a national system of social protection.

Progress toward achieving development objective(s):

Progress on implementation of Chile Solidario is strong. However, there are still delays in implementation of the technical assistance project. As of June 30, 2006 210,000 families in extreme poverty have joined the program and are receiving the scheduled benefits.

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

| Loan/Credit/Grant | Status | Amount | Disbursed | Undisbursed | Cancellation |
|-------------------|-----------|--------|-----------|-------------|--------------|
| IBRD-72110 | Effective | 10.71 | 5.22 | 5.49 | 0.00 |



Project Name (ID): Santiago Urban Transport Technical Assistance (P086689)

Country: Chile

Board Approval Date : 07/05/2005

Midterm Review Date : 10/01/2007

Closing Date : 12/31/2009

Loan/Credit/Grant Number : IBRD-73160

Sector(s): Central government administration (72%), General transportation (25%), Sub-national government administration (3%)

Theme(s): Pollution management and environmental health (P), Other urban development (P), Access to urban services and housing (P), Social analysis and monitoring (S), Improving labor markets (S)

Project Development Objectives:

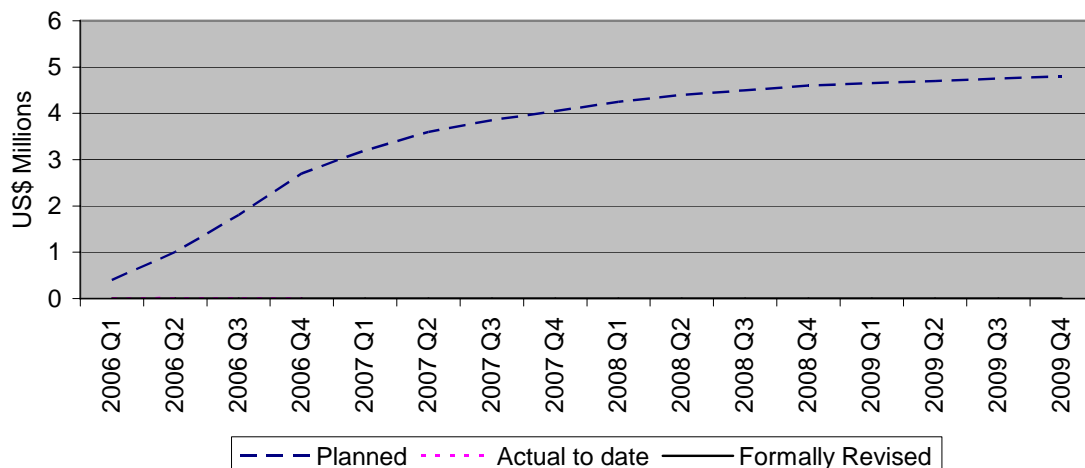
The objective is to support the implementation, monitoring, evaluation and continuous planning of the urban transport reform program and to strengthen the capacity and improve the procedures to mitigate potential adverse impacts of transport infrastructure works.

Progress toward achieving development objective(s):

Progress toward the development objectives has been slower than expected due to change in administration and staff and budget adjustments. The new administration is taking steps to facilitate the administrative project execution processes and an action plan to speed up the implementation of the TAL was agreed.

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

| Loan/Credit/Grant | Status | Amount | Disbursed | Undisbursed | Cancellation |
|-------------------|-----------|--------|-----------|-------------|--------------|
| IBRD-73160 | Effective | 4.80 | 0.01 | 4.79 | 0.00 |



Project Name (ID): Tertiary Education Finance for Results - First Phase APL (P088498)

Country: Chile

Board Approval Date : 07/05/2005

Closing Date : 06/30/2009

Loan/Credit/Grant Number : IBRD-73170

Sector(s): Tertiary education (90%), Central government administration (10%)

Theme(s): Education for the knowledge economy (P), Managing for Development Results (P), Administrative and civil service reform (S)

Project Development Objectives:

The objective is to increase the effectiveness of public funding for tertiary education by enhancing coherence, responsiveness, equity and quality in the system, through stronger accountability for performance.

Progress toward achieving development objective(s):

The project is on track and performance agreements and the competitive fund for academic improvement are expected to be launched in the second semester of 2006. The Congress recently approved a law on accreditation in higher education what will ensure sustainability of investments in quality improvements at the university level and provide national-level data on tertiary education. Project work to date has concentrated on preparing performance agreements for 4 state universities and setting up the competitive fund for academic improvement that will focus on curricula redesign and strengthening institutional management. A number of studies are under preparation, including a review of current framework for curricula and degree structure in Chile and a study analyzing reasons for first-year dropouts, which is expected to aid the formulating of preparatory courses for inadequately prepared university entrants.

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

| Loan/Credit/ Grant | Status | Amount | Disbursed | Undisbursed | Cancellation |
|-------------------------------|---------------|---------------|------------------|--------------------|---------------------|
| IBRD-73170 | Effective | 25.13 | 0.06 | 25.07 | 0.00 |



