

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

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: Peru

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: Peru

Project Name (ID): Irrigation Subsector (P008037)

Country: Peru

Board Approval Date : 07/25/1996

Midterm Review Date : 04/23/1998

Closing Date : 12/31/2008

Loan/Credit/Grant Number : IBRD-40760, IBRD-73080, JPN-22473

Sector(s): Irrigation and drainage (90%), Agricultural extension and research (8%), Central government administration (2%)

Theme(s): Rural services and infrastructure (P), Rural policies and institutions (P), Participation and civic engagement (S)

Project Development Objectives:

The objectives are to: (a) develop the capacity for decentralized management of irrigation systems by Water User Organizations; (b) reduce the role of the public sector in irrigation; and (c) ensure cost recovery of capital investment and operation and maintenance of irrigation systems.

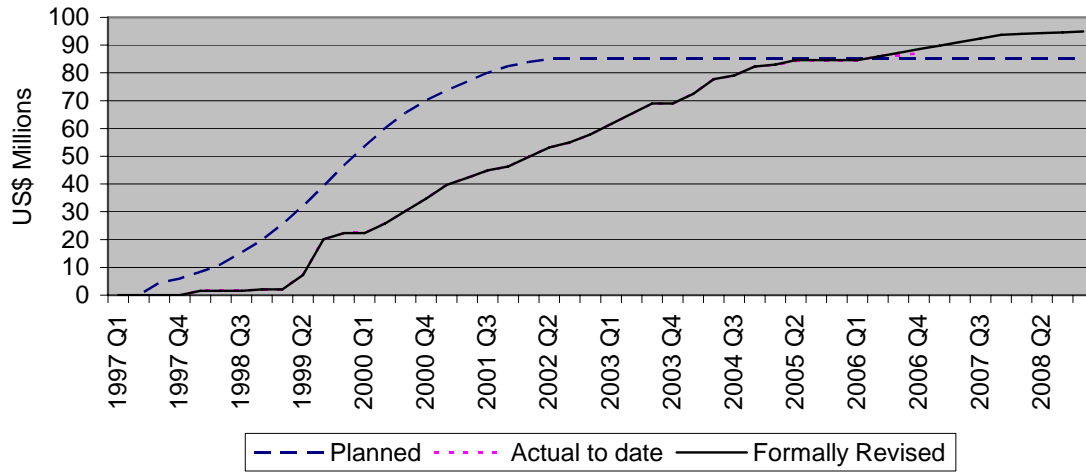
Progress toward achieving development objective(s):

The project made good progress toward achievement of the objectives. Out of 64 Water User Organizations (WUOs), 50 percent are technically and financially fully autonomous, 25 percent are in the process of developing full-fledged capacity and financial viability, and the remaining 25 percent still need strong institutional support and training. About 135,000 farm families benefited from the project. About 443,000 ha of irrigation systems were rehabilitated and reconstructed. Approximately 50,000 farmers benefited from an extension program that was introduced as part of the irrigation modernization activity. Water conveyance efficiency increased on average from about 55 to 68 percent. Cost recovery for operations and maintenance increased from about US\$7.8 million per year in 1998 to US\$20.0 million in 2004. On average, surveyed farmers increased their household incomes by 30 percent. The supplemental loan became effective in November 2005. Although in its initial stages, progress toward achieving the development objectives under the supplemental loan has been good. The project is promoting improved irrigation practices through its subprojects on onfarm irrigation improvements and rehabilitation of irrigation distribution systems. The dissemination of improved agricultural practices is going well. Under the supplemental project, 6 irrigation system rehabilitation/reconstruction works have been completed improving water conveyance efficiencies. Ninety six groups of irrigators have been formed and 29 pre-investment studies have been completed for onfarm irrigation improvements mainly focusing on localized (drip) irrigation systems. Training of WUOs on operation, maintenance and self-financing and training of farmers to utilize the onfarm systems including conversion to high-value crops is being provided. Issuing of water rights and development of a water rights registry is progressing well.



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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-40760	Effective	85.00	84.50	0.00	0.50
IBRD-73080	Effective	10.26	2.73	7.53	0.00
JPN-22473	Closed	0.47	0.58	0.00	0.00



Project Name (ID): LIMA TRANSPORT (P035740)

Country: Peru

Board Approval Date : 12/09/2003

Closing Date : 06/30/2009

Loan/Credit/Grant Number : IBRD-72090, JPN-25503, JPN-29535

Sector(s): General transportation (81%), Sub-national government administration (15%), Other social services (4%)

Theme(s): Access to urban services and housing (P), Municipal governance and institution building (P), Pollution management and environmental health (S), Improving labor markets (S), Non-communicable diseases and injury (S)

Project Development Objectives:

The objective is to improve mobility and accessibility for the metropolitan population, especially in the peri-urban poor neighborhoods.

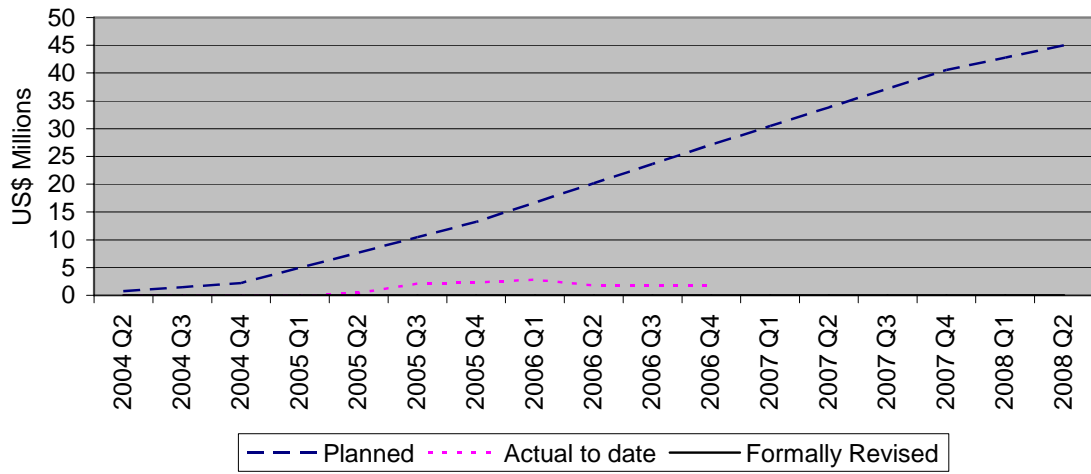
Progress toward achieving development objective(s):

The project is progressing towards its objective by implementing a new mass rapid transit system on the basis of Public Private Partnership (PPP). The implementation has two key tenets: (a) the development of PPP through concessioning the bus and other ancillary operations; and (b) the development of the infrastructure (financed by the Bank and the Inter-American Development Bank). The concession progressed slowly during fiscal year 2006. Bidding processes started in July, calling for bus operation; ticketing system concession is being called for in August. Infrastructure component has had a slower implementation pace due to limited institutional capacity in the implementing agency. Works in Corredor Sur started in June, followed by complementary infrastructure activities. The service in the southern part of the system is expected to start in the second half of 2007. Other project components, such as mitigation and communication programs, are still at the stage of development.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-72090	Effective	45.00	1.81	43.19	0.00
JPN-25503	Closed	1.33	1.20	0.00	0.13
JPN-29535	Closed	1.30	1.30	0.00	0.00





Project Name (ID): SECOND RURAL ROADS (P044601)

Country: Peru

Board Approval Date : 06/19/2001

Midterm Review Date : 04/19/2004

Closing Date : 11/30/2006

Loan/Credit/Grant Number : IBRD-46140

Sector(s): Roads and highways (90%), Ports, waterways and shipping (4%), Sub-national government administration (3%), Micro- and SME finance (2%), Central government administration (1%)

Theme(s): Rural services and infrastructure (P), Access to urban services and housing (P), Municipal governance and institution building (P), Participation and civic engagement (P), Rural non-farm income generation (P)

Project Development Objectives:

The objective is to improve the access of rural poor to basic social services, market integrating infrastructure and income-generating activities with gender equity.

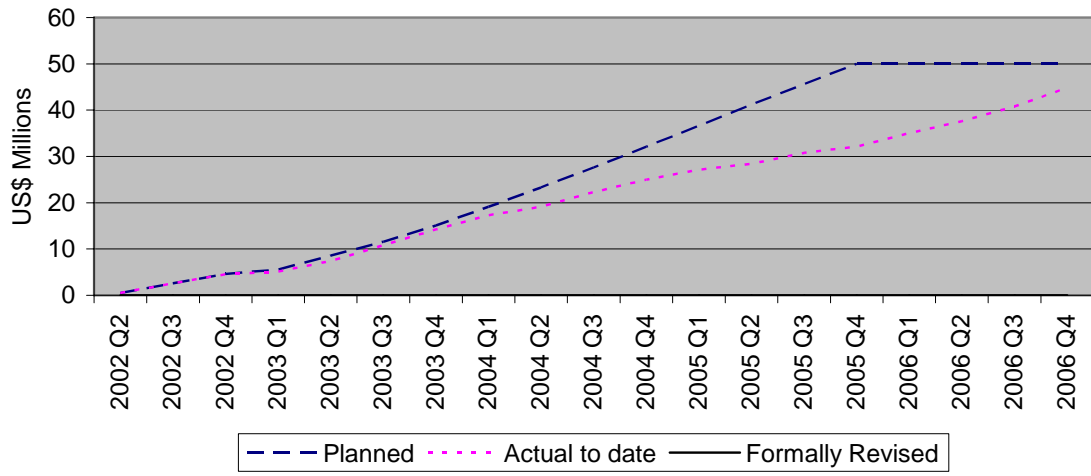
Progress toward achieving development objective(s):

The project has continued to make good progress toward achievement of its objectives. Physical targets have been reached or exceeded. The project has made a very substantial contribution to the decentralization process at the municipal level (with the creation of fully-decentralized provincial road institutes that are in charge of handling the rural roads in each province). The micro-enterprises that are performing routine road maintenance on more than 13000 km of roads have both helped strengthen the entrepreneurial capacity in poor rural areas and ensure an efficient and cost-effective management of rural roads assets. Transport conditions improved (68 percent reduction in travel time) and this had a positive impact on access to schools (8 percent increase in enrollment) and health centers (55 percent increase in visits), agricultural productivity (16 percent increase in land devoted to agriculture) and rural income (20 percent increase in men's agricultural salaries). The final project evaluation is underway.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-46140	Effective	50.00	44.74	5.26	0.00





Project Name (ID): Rural Education (P055232)

Country: Peru

Board Approval Date : 05/29/2003

Midterm Review Date : 10/16/2006

Closing Date : 12/31/2007

Loan/Credit/Grant Number : IBRD-71760, JPN-25902, JPN-26867

Sector(s): Central government administration (20%), Pre-primary education (20%), Tertiary education (20%), Secondary education (20%), Primary education (20%)

Theme(s): Education for all (P), Rural services and infrastructure (S), Indigenous peoples (S)

Project Development Objectives:

The objective is to improve the quality and equity of basic education.

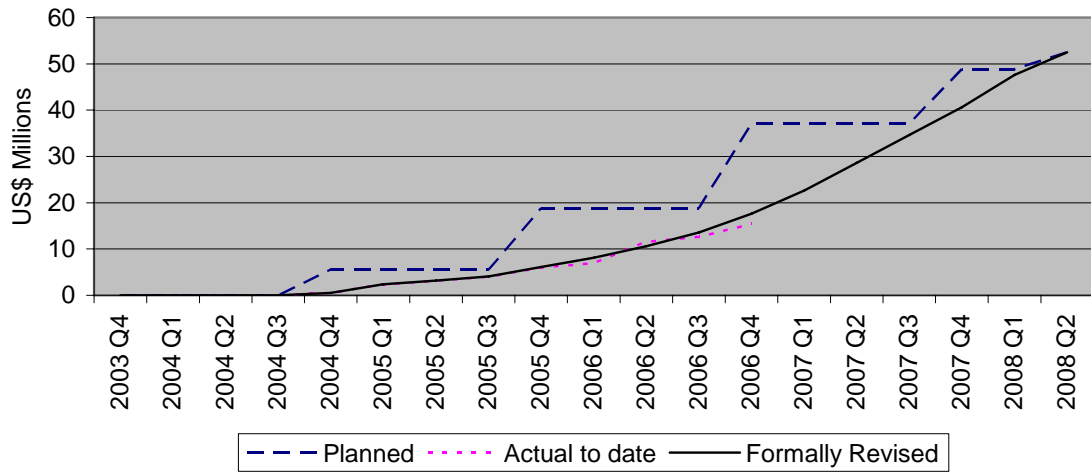
Progress toward achieving development objective(s):

Some areas of the project are progressing faster than others. The Education Management strategy reflects a good conceptualization of the networks and their formal responsibilities for training and monitoring. The pedagogical components are still in an experimental phase, but teams are actively working in the field and results should be available by the end of the year for scaling up during 2007. The project has developed and validated monitoring instruments. Local monitoring capacities are being strengthened and formal periodic monitoring is expected to start during the second semester of this calendar year. The baseline study is already under implementation. Two out of three of the components are showing significant improvement in their implementation, but more work is needed to develop adequate policies and strategies in order to ensure effectiveness in rural settings.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-71760	Effective	52.50	15.41	37.09	0.00
JPN-25902	Closed	0.22	0.21	0.00	0.01
JPN-26867	Closed	0.41	0.38	0.00	0.03





Project Name (ID): Indigenous Management of Protected Areas in the Peruvian Amazon (P065200)
Country: Peru
Board Approval Date : 02/27/2001
Midterm Review Date : 11/29/2004
Closing Date : 12/31/2006
Loan/Credit/Grant Number : WBTF-21853, WBTF-24939
Sector(s): Central government administration (64%), Other social services (27%), General agriculture, fishing and forestry (9%)
Theme(s): Biodiversity (P), Participation and civic engagement (P), Indigenous peoples (P), Other environment and natural resources management (S)

Project Development Objectives:

The objective is to increase the sustainability of biodiversity conservation in the Peruvian Amazon with the involvement of indigenous communities in the management of new and existing protected areas.

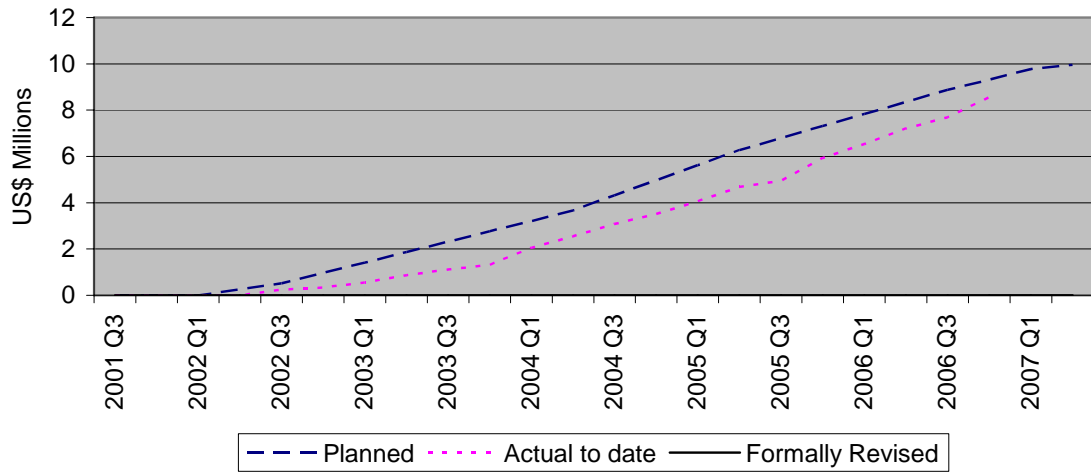
Progress toward achieving development objective(s):

The project is on track to achieve its development objective. Agreements were reached with indigenous organizations for the categorization of the five natural protected areas (NPA) under the project and preparation of their management plans. Agreements in Gueppi involved negotiations with eight ethnic groups and mestizo communities; in Santiago Comaina the major achievements are the proposal of the National Park Cordillera del Condor and the creation of the communal reserve Tuntanain. Five Communal Reserves were established, together with the legal framework (Regimen Especial) to allow indigenous organizations to directly manage these reserves. Eco Sira and Eco Purús, created under the project have already completed legal process that enable them as managers of their reserves. Communities are actively involved in the conservation of the five NPA through Management Committees, one in each NPA, 50 community vigilance groups and 13 voluntary forest guards, established by the project. These groups have received training, equipment and resources to carry out their activities. There are 42 community-based subprojects under execution which will benefit a total of 200 communities by introducing better natural resources management and practices to improve community life; this process includes training and exchange of experiences.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
WBTF-21853	Closed	0.35	0.30	0.00	0.05
WBTF-24939	Effective	10.00	8.54	1.46	0.00





Project Name (ID): NATIONAL RURAL WATER SUPPLY AND SANITATION (P065256)

Country: Peru

Board Approval Date : 08/29/2002

Midterm Review Date : 09/24/2005

Closing Date : 12/31/2008

Loan/Credit/Grant Number : IBRD-71420, JPN-25899, JPN-54228

Sector(s): Sanitation (45%), Water supply (45%), Sub-national government administration (6%), Central government administration (4%)

Theme(s): Rural policies and institutions (P), Rural services and infrastructure (P), Water resources management (P), Participation and civic engagement (P), Other financial and private sector development (S)

Project Development Objectives:

The objective is to increase coverage and sustainable use of water and sanitation services in rural areas and small towns while adopting improved hygiene practices and training.

The Project was restructured during the 2006 Fiscal Year

The main objective of the restructuring is to speed up implementation while improving the project's execution to achieve the original development objectives. The restructuring was approved by the Board on March 23, 2006.

Progress toward achieving development objective(s):

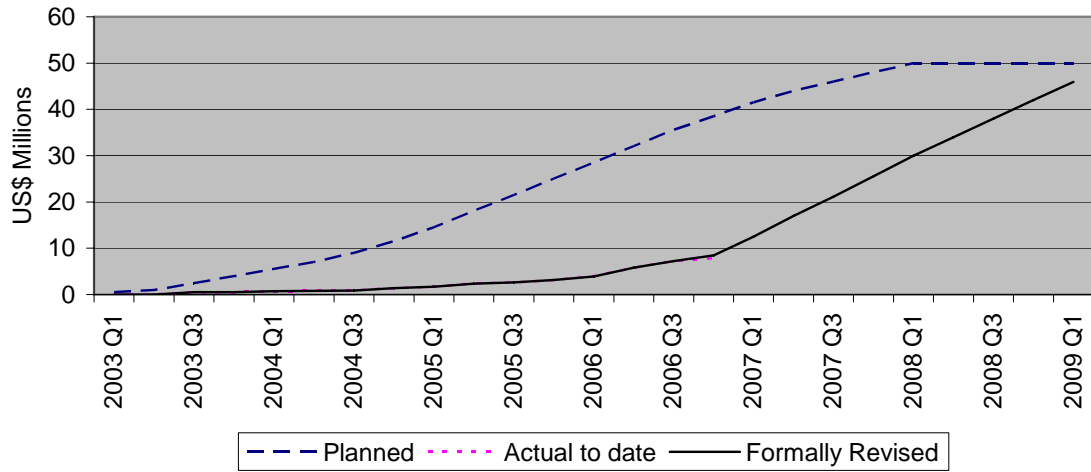
There has been some progress toward achieving the objectives during fiscal year 2006. The initial phase of the project cycle has been completed in the rural areas of eight departments (Ayacucho, Junin, Piura, Arequipa, Huancavelica, Huanuco, Lima and Pasco) and works are underway in three Departments (Ayacucho, Junin and Piura). The project has completed the preparatory work to expand into 3 additional departments: (Amazonas, Ancash and Puno). As of May 2006, there were 426 localities with cleared technical feasibility studies, while 259 localities had engineering designs approved, 76 localities were obtaining project co-financing and 55 localities were executing construction works. The advance of the small towns component is in the final phase for the first group of 9 municipalities in three Departments (with 6 municipalities already delegating service provision to specialized operators) and a second group of 15 municipalities have executive designs ready and with technical engineering designs near completion. As a whole (rural and small towns) the PRONASAR has worked on 526 localities in 10 Departments, with 6 localities with completed works, 55 localities under construction, 203 ready to start works (pending co-financing), 114 with technical designs ready and 134 in processing technical designs. Activities in support of institutional strengthening are also in progress.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-71420	Effective	50.00	7.82	42.18	0.00



JPN-25899	Closed	0.60	0.53	0.00	0.07
JPN-54228	Effective	0.85	0.46	0.39	0.00



Project Name (ID): Participatory Management of Protected Areas (P068250)

Country: Peru

Board Approval Date : 03/13/2003

Midterm Review Date : 10/09/2006

Closing Date : 10/14/2009

Loan/Credit/Grant Number : MULT-24108, WBTF-51285

Sector(s): Other social services (45%), Forestry (40%), Central government administration (10%), Sub-national government administration (5%)

Theme(s): Participation and civic engagement (P), Biodiversity (P), Environmental policies and institutions (P), Rural non-farm income generation (S), Gender (S)

Project Development Objectives:

The objective is to preserve biodiversity by: (i) increasing the involvement of civil society institutions and the private sector in the planning and sustainable management of five protected areas (PAs) of the Peruvian System of Natural Protected Areas (SINANPE); (ii) creating one PA during project implementation; and (iii) obtaining financial sustainability for the financing of recurrent costs in SINANPE (National System of Protected Areas).

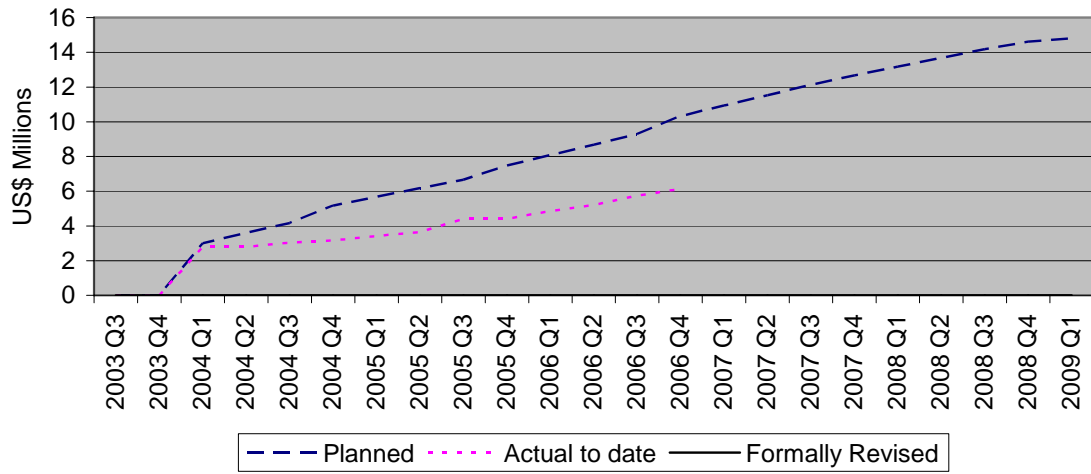
Progress toward achieving development objective(s):

In spite of delays in the implementation of key activities (i.e. launching of co-management agreements, the development of the financial strategy for the system of protected areas), some progress has been achieved. In particular, steps are taken to build consensus at the central level, in the civil society, and among key stakeholders in the PA regarding the co-management agreements. The procurement process for the co-management agreement in three protected areas is now in process. Likewise, technical assistance has been provided to management committees in PAs to enhance their capacity to carry out and monitor sustainable activities. In addition, master plans for the project's PA are been updated. The process for developing the sector plan for the national system of protected areas has been highly participatory and beneficial to key stakeholders.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
MULT-24108	Closed	0.35	0.25	0.00	0.10
WBTF-51285	Effective	14.80	6.13	8.67	0.00





Project Name (ID): Justice Services Improvement (P073438)

Country: Peru

Board Approval Date : 03/04/2004

Midterm Review Date : 06/30/2007

Closing Date : 06/30/2008

Loan/Credit/Grant Number : IBRD-72190, JPN-26738, JPN-54758

Sector(s): Central government administration (100%)

Theme(s): Judicial and other dispute resolution mechanisms (P), Access to law and justice (P), Administrative and civil service reform (P), Participation and civic engagement (S), Decentralization (S)

Project Development Objectives:

The objective is to establish the foundation for a long term, participatory and sustainable reform process in the justice sector.

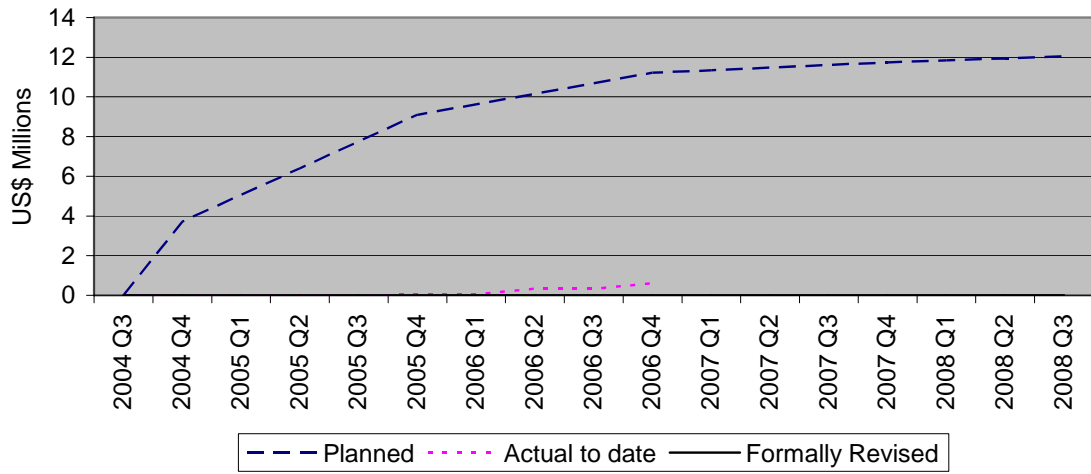
Progress toward achieving development objective(s):

The Project was launched in December 2005 and has begun full-scale execution through a Project Coordination Unit within the Supreme Court. Several activities under all of the project's components have begun execution with counterparts in the Judiciary (Poder Judicial); Judicial Council (Consejo de la Magistratura); Judicial Academy (Academia de la Magistratura); and the Ministry of Justice (Ministerio de Justicia). The project also includes support for non-state actors such as justices of the peace based in local communities, as well as their more formal counterparts (justices of the peace "letrados") who form part of the Judiciary.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-72190	Effective	12.00	0.59	11.41	0.00
JPN-26738	Closed	0.50	0.48	0.00	0.02
JPN-54758	Closed	0.71	0.00	0.71	0.00





Project Name (ID): Trade Facilitation and Productivity Improvement Technical Assistance (P077788)

Country: Peru

Board Approval Date : 06/05/2003

Midterm Review Date : 04/03/2006

Closing Date : 12/31/2006

Loan/Credit/Grant Number : IBRD-71770

Sector(s): Central government administration (35%), General transportation (25%), Other domestic and international trade (15%), General industry and trade (15%), Sub-national government administration (10%)

Theme(s): Export development and competitiveness (P), Trade facilitation and market access (S), Small and medium enterprise support (S)

Project Development Objectives:

The objectives are to: (a) establish a more streamlined, integrated and effective institutional and policy framework to increase nontraditional exports; and (b) develop and implement initiatives designed to foster the entrance of new export market participants, especially small and medium producers.

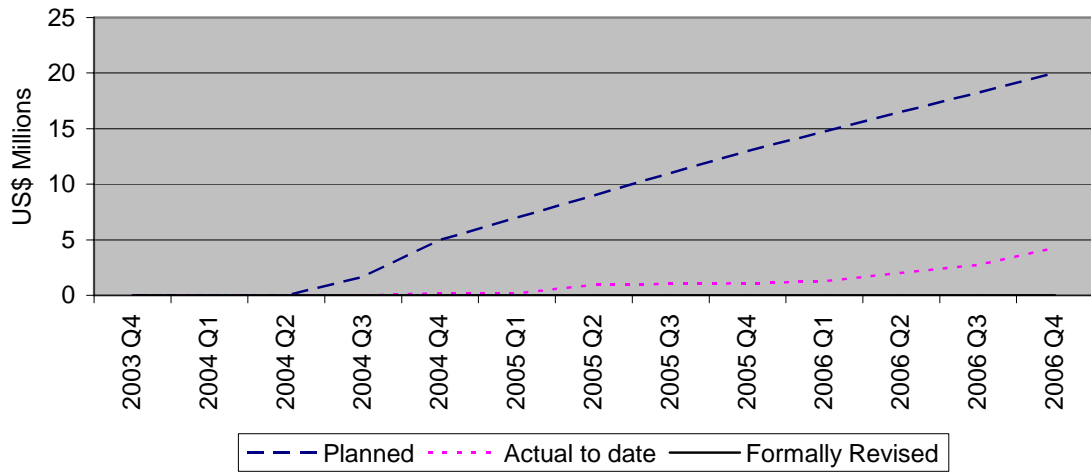
Progress toward achieving development objective(s):

After an initial delay in implementation, the project is advancing now at an increasing pace. The project involves 17 Government organizations related to the promotion of the export sector with a focus on small and medium producers, and includes around 140 activities. All the implementing agencies have now begun their activities, half of these activities are now in progress, and about one third are completed. Some of the activities already carried out include the development of specific export plans for key products and regions, improvement of export promotion, development of technical centers and training for small and medium companies.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-71770	Effective	20.00	4.30	15.70	0.00





Project Name (ID): Regional Transport Infrastructure Decentralization (P078813)

Country: Peru

Board Approval Date : 07/12/2005

Midterm Review Date : 06/30/2007

Closing Date : 06/30/2010

Loan/Credit/Grant Number : IBRD-73220, JPN-53335

Sector(s): Roads and highways (70%), Sub-national government administration (25%), Central government administration (5%)

Theme(s): Decentralization (P), Rural services and infrastructure (P), Administrative and civil service reform (P), Infrastructure services for private sector development (P), Public expenditure, financial management, and procurement (S)

Project Development Objectives:

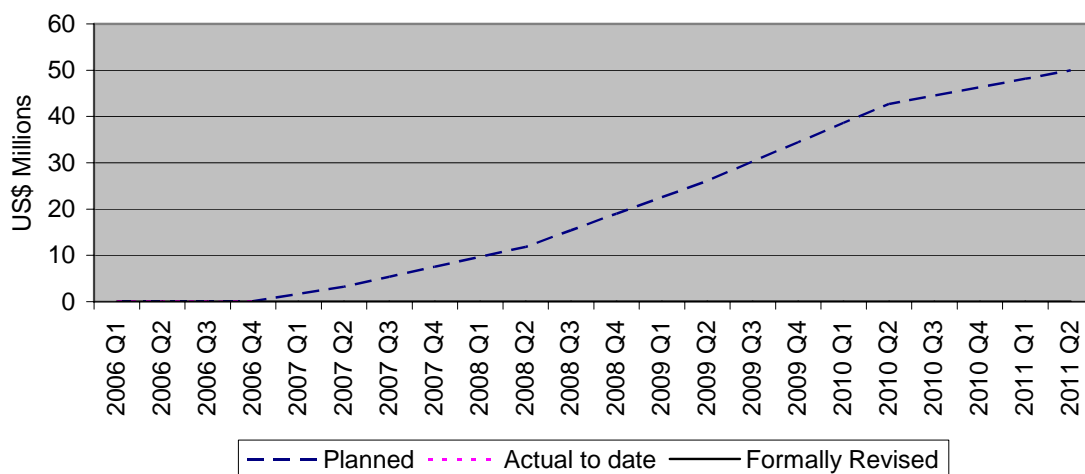
Improve, through decentralization at the regional level, the prioritization, efficiency and effectiveness of regional transport interventions in Peru.

Progress toward achieving development objective(s):

The project became effective in April 2006. Participatory Regional Road plans have been finalized and approved by regional governments. A majority of regional governments have signed the agreement confirming their acceptance of the program with Provias Departamental (the implementing agency).

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-73220	Effective	50.00	0.13	49.88	0.00
JPN-53335	Closed	0.41	0.39	0.00	0.02



Project Name (ID): REAL PROPERTY RIGHTS CONSOLIDATION (P078894)

Country: Peru

Board Approval Date : 03/14/2006

Midterm Review Date : 06/15/2009

Closing Date : 12/31/2011

Loan/Credit/Grant Number : IBRD-73680

Sector(s): Sub-national government administration (63%), General public administration (37%)

Theme(s): Personal and property rights (P), Land administration and management (S), Municipal governance and institution building (S)

Project Development Objectives:

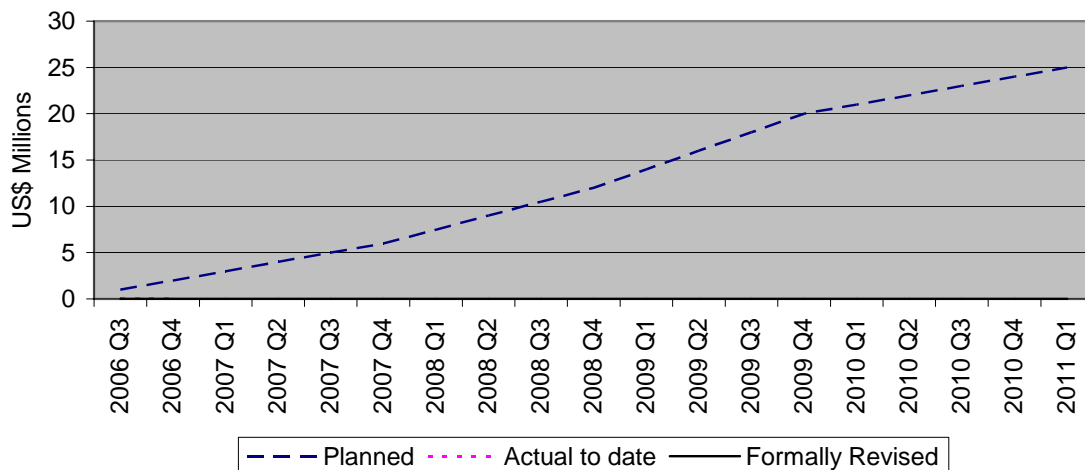
The objective is to consolidate a decentralized and sustainable quality real property rights system that facilitates access for the Peruvian population.

Progress toward achieving development objective(s):

The project was not effective before the closing of the reporting period

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-73680	Not Effective	25.00	0.00	25.00	0.00



Project Name (ID): ACCOUNTABILITY FOR DECENTRALIZATION IN THE SOCIAL SECTORS (Previously Programmatic Social Reform) (P078953)

Country: Peru

Board Approval Date : 07/15/2004

Midterm Review Date : 09/25/2006

Closing Date : 12/31/2007

Loan/Credit/Grant Number : IBRD-72540, IBRD-P3980

Sector(s): Central government administration (85%), Other social services (15%)

Theme(s): Decentralization (P), Public expenditure, financial management, and procurement (P), Social analysis and monitoring (P), Participation and civic engagement (S)

Project Development Objectives:

The objective is to strengthen results-oriented and participatory planning, monitoring and evaluation in the social sectors, with an emphasis on decentralized social programs of the Ministry of Women and Social Development (MIMDES).

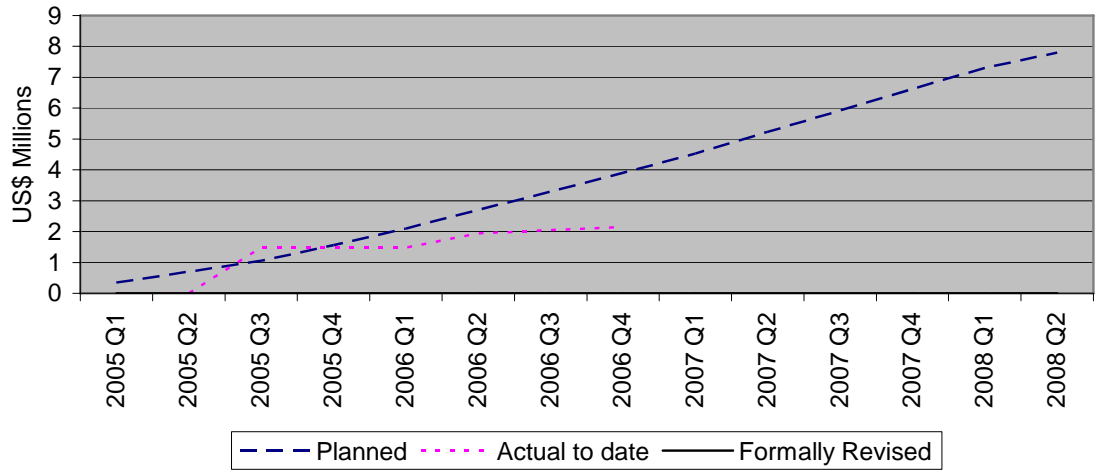
Progress toward achieving development objective(s):

The project is progressing well. In particular, MEF and MIMDES have shown significant progress in developing models and launching pilots. With respect to MEF, the Public Expenditure Monitoring System has been launched in the maternal and child health sector and the initial results were published at <http://transparencia-economica.mef.gob.pe/prioritarias/default.asp> MIMDES has developed the conceptual model for the Monitoring and Evaluation System (SIME). This model has been validated in three regions and pilot implementation is expected to start in September 2006.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-72540	Effective	7.80	2.25	5.55	0.00
IBRD-P3980	Closed	1.50	0.00	0.00	1.50





Project Name (ID): Additional Financing for Lima Water Rehabilitation and Management (P081834)

Country: Peru

Board Approval Date : 02/25/2003

Closing Date : 12/31/2006

Loan/Credit/Grant Number : IBRD-71600

Sector(s): Water supply (66%), Sanitation (34%)

Theme(s): Access to urban services and housing (P)

Project Development Objectives:

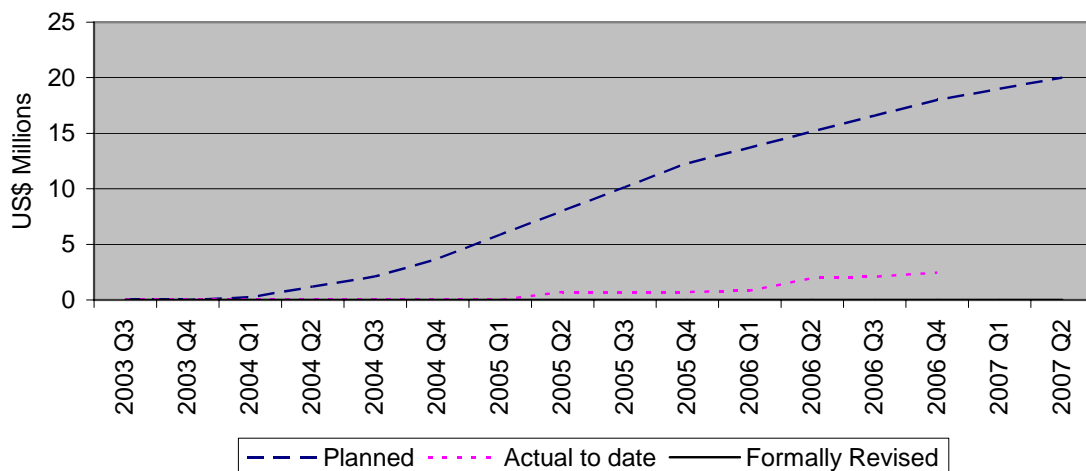
The objective is to extend first time water and sanitation services to 130,000 people in the peri-urban neighborhoods of Lima.

Progress toward achieving development objective(s):

There has been progress in extending water and sanitation services with the following activities: (a) contracts were signed for the preliminary social and engineering design work; (b) water and sewerage connections construction work, with condominal technology (a technology that allows more than one house to be supplied from the same small diameter connection pipe), will start in third quarter of 2006; and (c) a few pilot projects were carried out with very positive results in terms of cost efficiency, 99% rate of utilization and degree of ownership by final users.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-71600	Effective	20.00	2.47	17.53	0.00



Project Name (ID): Agricultural Research and Extension APL Phase 2 (P082588)
Country: Peru
Board Approval Date : 03/31/2005
Midterm Review Date : 06/11/2007
Closing Date : 06/30/2009
Loan/Credit/Grant Number : IBRD-72850, JPN-52813
Sector(s): Agricultural extension and research (80%), Central government administration (13%), Agro-industry (7%)
Theme(s): Rural services and infrastructure (P), Participation and civic engagement (P), Indigenous peoples (P), Rural policies and institutions (S), Other environment and natural resources management (S)

Project Development Objectives:

The objective is to contribute to expansion, strengthening, and institutional development of the rural agricultural technology and innovation system so it is pluralistic, decentralized, demand driven, and led by the private sector.

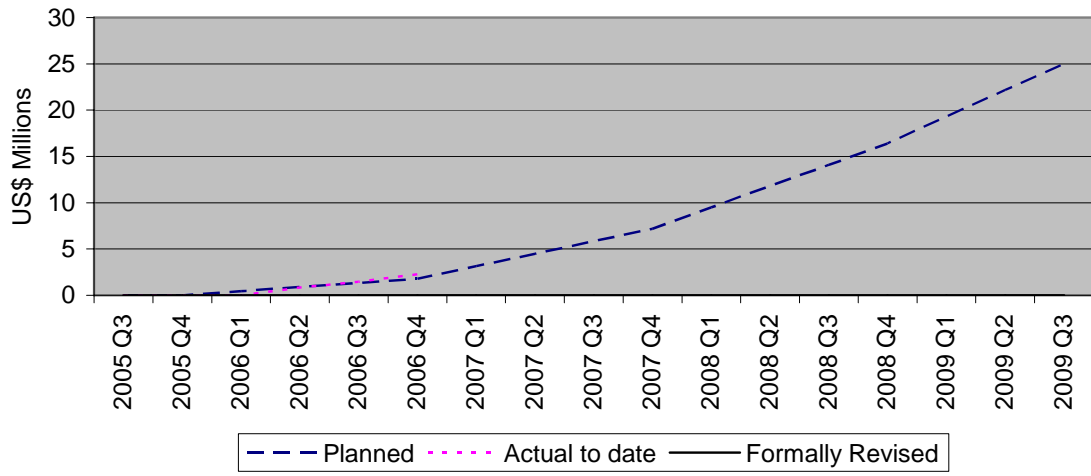
Progress toward achieving development objective(s):

The project has a strong portfolio of subprojects, which continues to expand and with strong budgetary support it is well on its way to achieving its objectives. It continues to make important contributions to the development of agricultural exports most notably in artichokes, asparagus and organic coffee among others. The project has continued to expand to all departments within the country and two new decentralized units have been established in Trujillo and Arequipa, bringing the total number to five. As an important part of the project objectives the Ministry of Agriculture has established a Science, Technology and Innovation Unit within the Ministry that will eventually lead to the institutionalization of the project.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-72850	Effective	25.00	2.27	22.73	0.00
JPN-52813	Closed	0.44	0.44	0.00	0.00





Project Name (ID): Vilcanota Valley Rehabilitation and Management (P082625)

Country: Peru

Board Approval Date : 09/14/2004

Midterm Review Date : 05/01/2007

Closing Date : 06/30/2009

Loan/Credit/Grant Number : IBRD-72570

Sector(s): Other social services (45%), Solid waste management (25%), Sub-national government administration (20%), Flood protection (10%)

Theme(s): Access to urban services and housing (P), Municipal governance and institution building (P), Land administration and management (P), Rural non-farm income generation (P), Rural services and infrastructure (S)

Project Development Objectives:

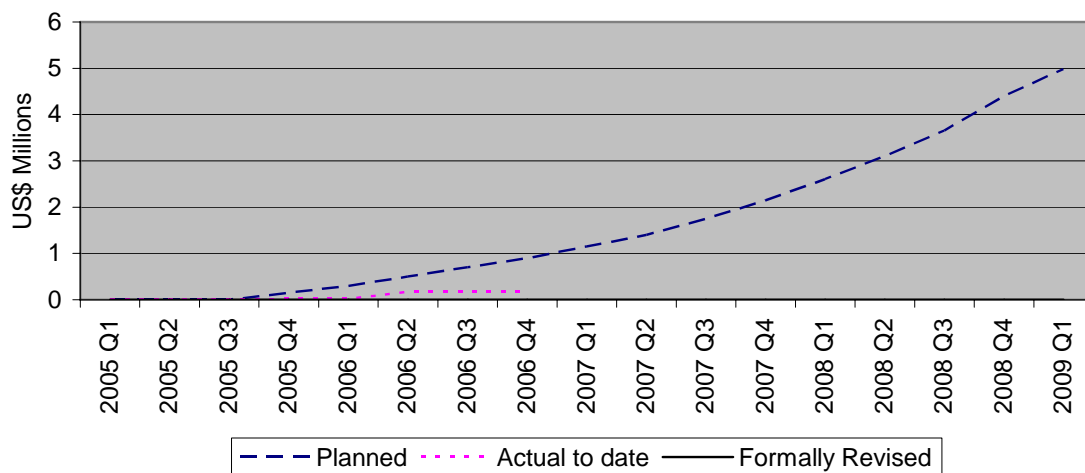
The objective is to alleviate poverty with sustainable preservation and development of human, social, natural, cultural and historical assets of the Vilcanota Valley.

Progress toward achieving development objective(s):

Project implementation has been delayed due to difficulties in adopting procurement procedures, and more recently due to the fact that invitations to bid were frozen so as to not influence presidential elections. Nevertheless, significant progress was made under the small grant component, where six highly successful municipal community project fairs took place in the Sacred Valley.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-72570	Effective	4.98	0.17	4.81	0.00



Project Name (ID): Institutional Capacity for Sustainable Fiscal Decentralization (P088809)

Country: Peru

Board Approval Date : 07/15/2004

Midterm Review Date : 03/31/2006

Closing Date : 06/30/2008

Loan/Credit/Grant Number : IBRD-72550

Sector(s): Sub-national government administration (80%), Central government administration (20%)

Theme(s): Decentralization (P), Other economic management (P), Public expenditure, financial management, and procurement (S)

Project Development Objectives:

The objective is to strengthen public sector capacity for implementing a sustainable fiscal decentralization and improve institutional effectiveness for adequate service delivery by sub-national governments.

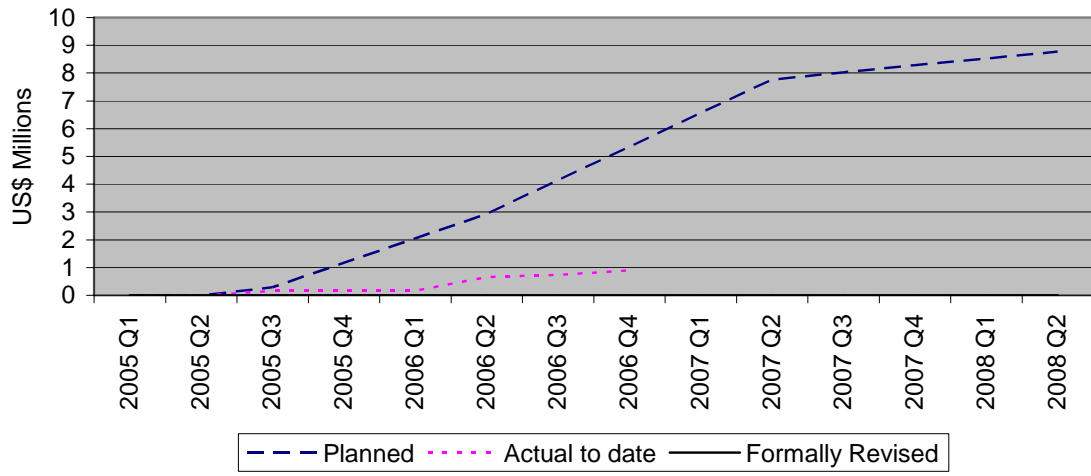
Progress toward achieving development objective(s):

Project activities to date have been mostly related to capacity building for subnational governments in the areas of overall financial and fiscal management, and expansion of the coverage of its financial management system. Activities related to training included, among others, capacity building for financial reports preparation and workshops for strengthening public investment at the subnational level by providing training on project design, preparation and evaluation. In addition, the national government has signed 24 agreements with regional governments under which they will provide technical support through staff assignments to the field to strengthen their investment and operation offices. Furthermore, four regional governments have received capacity building for public asset registry and management. The income and registry modules of the Integrated Financial Management System (SIAF) have been installed in 739 local governments and the necessary training has been provided for its use. A SIAF debt module has been designed and its implementation has been piloted in six municipalities. In addition, a subnational database has been finalized and made public through the Ministry of Economy and Finance website. Once validation of the SIAF module is completed, the database and the SIAF module will be interconnected. These activities have contributed to the strengthening of financial management and accounting capacity of subnational governments, and provided the instruments to the national government to monitor and evaluate the compliance of ceiling and fiscal targets by sub national governments according to legislation (Law of Fiscal Responsibility and Transparency and Law of Fiscal Decentralization).

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-72550	Effective	8.80	0.90	7.90	0.00





Project Name (ID): Rural Electrification (P090116)

Country: Peru

Board Approval Date : 03/07/2006

Midterm Review Date : 01/31/2009

Closing Date : 12/31/2011

Loan/Credit/Grant Number : IBRD-73660, JPN-54624

Sector(s): Power (86%), Renewable energy (13%), General public administration (1%)

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

Project Development Objectives:

The objective is to increase access to efficient and sustainable electricity services in rural areas of Peru.

Progress toward achieving development objective(s):

Project was not effective before the end of the reporting period.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-73660	Not Effective	50.00	0.00	50.00	0.00
JPN-54624	Effective	0.33	0.10	0.23	0.00

