

**STATUS OF PROJECTS IN EXECUTION – FY06**  
**SOPE**  
**REGION: SOUTH ASIA**  
**COUNTRY: BHUTAN**

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



**Report on the Status of Projects in Execution - FY06**  
**SOPE**  
**Region: South Asia**  
**Country: Bhutan**

**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: Bhutan**

**Project Name (ID):** Education Development Project ( P074114 )

**Country:** Bhutan

**Board Approval Date :** 08/21/2003

**Midterm Review Date :** 10/16/2006

**Closing Date :** 12/31/2009

**Loan/Credit/Grant Number :** IDA-38200, JPN-26873

**Sector(s):** Secondary education (60%), Primary education (20%), Central government administration (15%), Tertiary education (4%), Other industry (1%)

**Theme(s):** Education for all (P), Education for the knowledge economy (P), Rural services and infrastructure (S)

**Project Development Objectives:**

Support Bhutan's five-year education development program to expand access to primary and secondary education, and improve educational quality at all levels.

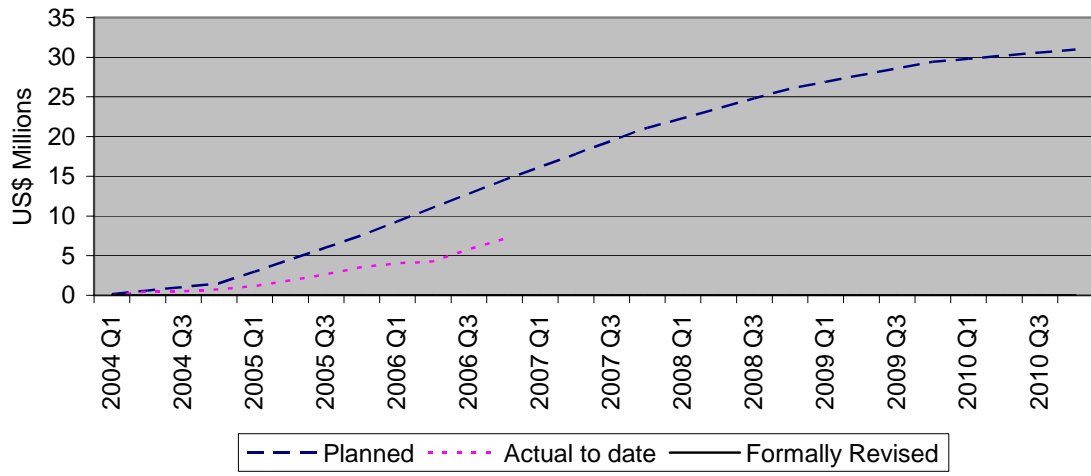
**Progress toward achieving development objective(s):**

Progress is being made toward achievement of the project objective as reflected by improved indicators for secondary enrollment. Disbursement levels remain low as the first two years of implementation were devoted to the construction of two pilot schools to test the new light gauge steel frame construction technology. Contracts have recently been awarded for construction of the third batch of five schools, valued at approximately US\$11m. Other inputs under the project to improve education quality are being effectively implemented, including the development of resource centers and an improved school reading program. There is an estimated project shortfall of US\$2.4m and it is unlikely that the project will support establishment of 29 schools as planned; although the target number of new school places at the middle and higher secondary levels will remain the same. The project is benefiting from a high level of client ownership and good governance in the sector, overall.

**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-38200	Effective	32.34	7.13	25.23	0.00
JPN-26873	Closed	0.39	0.38	0.00	0.01





**Project Name (ID):** HIV/AIDS and STI Prevention and Control Project ( P083169 )  
**Country:** Bhutan  
**Board Approval Date :** 06/17/2004  
**Midterm Review Date :** 03/31/2007  
**Closing Date :** 12/31/2009  
**Loan/Credit/Grant Number :** IDA-H1030  
**Sector(s):** Health (45%), Central government administration (40%), Other social services (15%)  
**Theme(s):** HIV/AIDS (P), Other communicable diseases (P), Population and reproductive health (S), Health system performance (S)

**Project Development Objectives:**

The development objective is to reduce the risk of HIV and Sexually Transmitted Infections in the general population, in particular among groups with high risk sexual behavior.

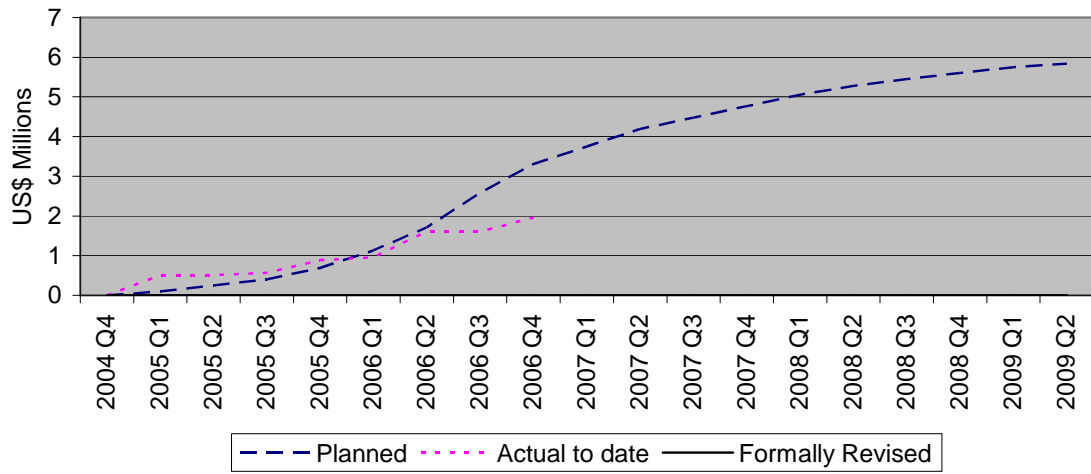
**Progress toward achieving development objective(s):**

Progress has been good with respect to many key interventions designed to reduce the risk of transmission of HIV, including several prevention interventions targeting the general population, improved treatment of sexually-transmitted infections, and expanded voluntary counseling and HIV testing services. While these activities are critical steps in the mounting of a solid, broad approach to prevention, three key areas that could have an impact on reducing the spread of the epidemic have suffered delays, including: the launching of the behavior change communication (BCC) program, condom promotion and social marketing of condoms, and activities designed to reach groups engaging in high risk behavior. Prompt action to address these delays is required.

**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-H1030	Effective	5.88	1.95	3.91	0.00





**Project Name (ID):** Bhutan - Sustainable Land Management Project ( P087039 )

**Country:** Bhutan

**Board Approval Date :** 01/17/2006

**Closing Date :** 12/31/2012

**Loan/Credit/Grant Number :** MULT-53109, MULT-55967

**Sector(s):** General agriculture, fishing and forestry (55%), Sub-national government administration (25%), Central government administration (20%)

**Theme(s):** Land administration and management (P), Environmental policies and institutions (P), Participation and civic engagement (S), Other rural development (S), Biodiversity (S)

**Project Development Objectives:**

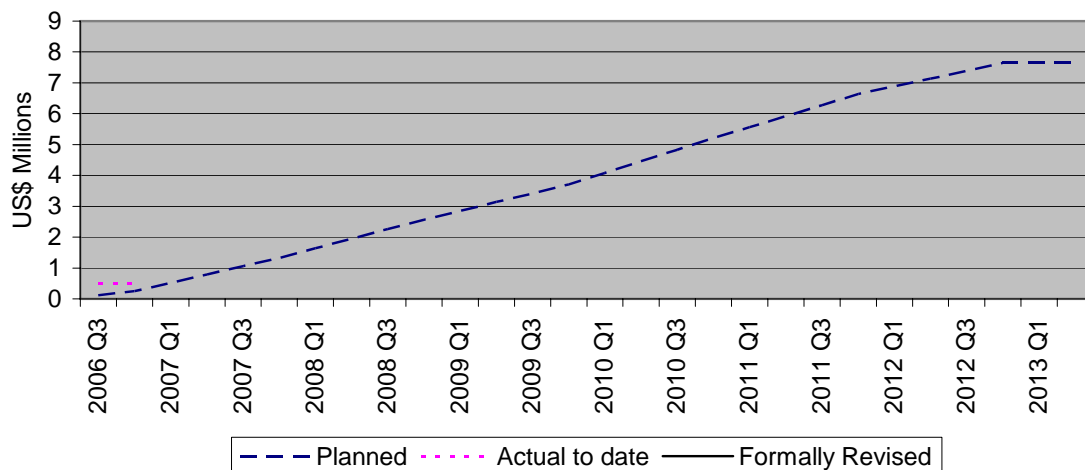
To strengthen institutional and community capacity for anticipating and managing land degradation in Bhutan

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

The project has been under implementation for about three months, so only start up activities have been initiated in this period. These include the establishment of the Project Management team, selection of Sustainable Land Management Coordinators for the Administrative Blocks (Geogs) and starting the training of field staff.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
MULT-53109	Closed	0.30	0.26	0.04	0.00
MULT-55967	Effective	7.66	0.50	7.16	0.00



**Project Name (ID):** Decentralized Rural Development Project ( P087150 )

**Country:** Bhutan

**Board Approval Date :** 03/01/2005

**Midterm Review Date :** 05/01/2007

**Closing Date :** 09/30/2009

**Loan/Credit/Grant Number :** IDA-40400

**Sector(s):** Roads and highways (64%), Irrigation and drainage (18%), Agricultural extension and research (12%), Sub-national government administration (6%)

**Theme(s):** Rural services and infrastructure (P), Decentralization (S), Other rural development (S), Water resources management (S)

**Project Development Objectives:**

To improve market access and increase agricultural output for rural communities in selected areas of Bhutan.

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

The project is on track to achieve its objective. After about 14 months of implementation, there is substantial progress with respect to construction of Renewable Natural Resource Centers, upgraded mule tracks, and irrigation works. Weak financial management in a decentralized context threatens to slow progress, and this is the current subject of the Bank's implementation support.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-40400	Effective	6.76	0.68	6.10	0.00

