

STATUS OF PROJECTS IN EXECUTION – FY07
SOPE
TIMOR-LESTE

Operations Policy and Country Services
OCTOBER 10, 2007



Introduction

The Status of Projects in Execution (SOPE) Report for FY07 provides information on all IBRD/IDA projects that were active as of June 30, 2007. 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 or Program 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 FY07 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.

¹ Notes:

- Amounts and Graphs for loans/credits/grants 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 Operations, which provide quick-disbursing financing to support policy and institutional reforms. For these operations, funds are disbursed in one or more stages (tranches), released when the borrower complies with agreed prior actions.
- Projects which are not yet effective may not have a planned disbursement schedule and thus will not include a graph.



Country: Timor-Leste

Project Name (ID): 2nd Health Sector Rehab (P072648)

Country: Timor-Leste

Board Approval Date : 06/29/2001

Closing Date : 06/30/2008

Loan/Credit/Grant Number : EECT-51363, MULT-29888

Sector(s): Health(85%), Central government administration(15%)

Theme(s): Health system performance(P), Other communicable diseases(S), Population and reproductive health(S), Participation and civic engagement(S), Conflict prevention and post-conflict reconstruction(S)

Project Development Objectives:

The goal of the program is to meet immediate basic health needs of the population and develop appropriate health policies and systems.

Progress toward achieving development objective(s):

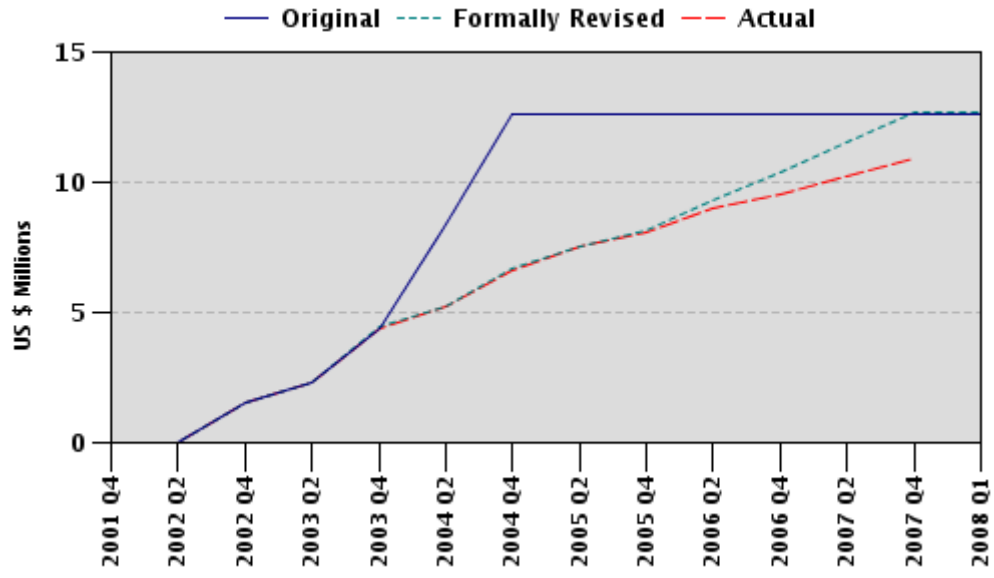
Despite delays due to unrest in the past year, the project is on track to achieve its development objectives. Rehabilitation of three (out of five) regional hospitals will be completed by October. The closing date will be extended to June 30, 2008 to allow installation of hospital equipment and training activities. The project has also contributed to strengthened capacity for financial management, procurement, planning, and implementation of civil works at the Ministry of Health. Most performance targets have already been achieved (measles vaccination coverage has increased from 47% in 2002 to 61% in 2006).

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
EECT-51363	Effective	21.83	9.71	11.52	0.00
MULT-29888	Effective	12.60	10.86	1.74	0.00



Status of Projects in Execution - FY07
EAST ASIA AND PACIFIC REGION



Project Name (ID): Small Enterprises Project II (P072654)

Country: Timor-Leste

Board Approval Date : 09/28/2001

Midterm Review Date : 05/23/2005

Closing Date : 12/31/2007

Loan/Credit/Grant Number : MULT-50153

Sector(s): Micro- and SME finance(67%), General industry and trade sector(15%), Other domestic and international trade(13%), Central government administration(5%)

Theme(s): Small and medium enterprise support(P), Other financial and private sector development(P), Infrastructure services for private sector development(P), Regulation and competition policy(S)

Project Development Objectives:

The objectives are to generate employment, accelerate economic growth, improve small and medium enterprises competitiveness, build capacity with the focus on private sector development, and rehabilitate market infrastructure.

Progress toward achieving development objective(s):

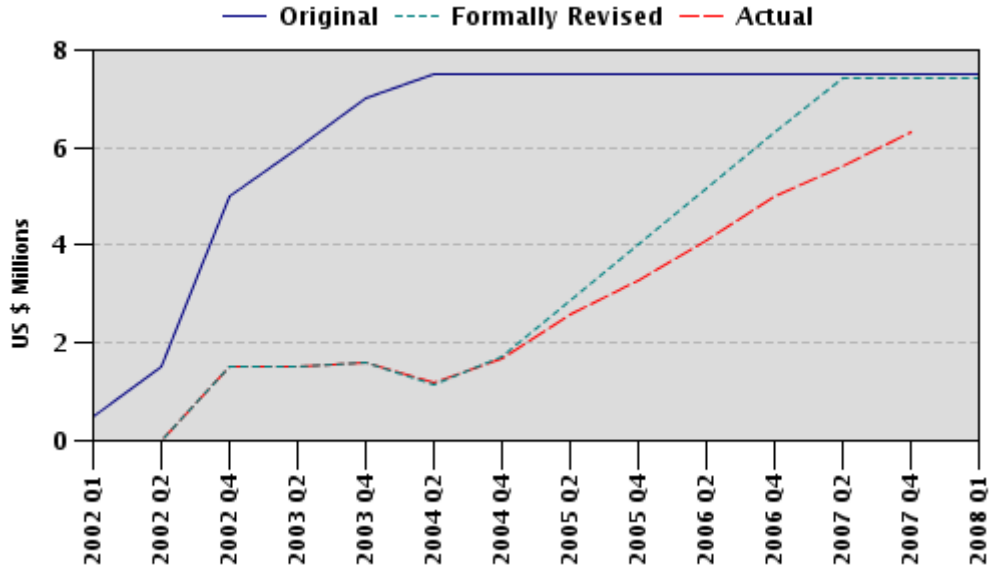
Progress toward achieving the development objectives has been good given recent country context. The security crisis and weak economic environment has constrained the outcomes of some of the completed components and has slowed down market place construction. The four Public-Private dialogue Forums have been completed and have strengthened communication between the public and private sectors which now collaborate in reform proposals. The Special Economic Zone feasibility study has been completed and awaits a decision by the new government. Training targets for civil servants and entrepreneurs have been met overall, but their impact on employment and firm growth has been limited by the economic context. Similarly, the value of investment granted foreign investment status has greatly exceeded expectations, but it is not yet clear how much will actually be realized. The business regulatory initiatives supported by technical assistance are contributing to improve the business regulatory environment. Two of these initiatives await further stakeholder feedback before being presented to the new government. The challenge at present is to complete the construction of the few remaining markets before the 31st of December 2007.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
MULT-50153	Effective	7.50	6.38	1.12	0.00



Status of Projects in Execution - FY07
EAST ASIA AND PACIFIC REGION



Project Name (ID): Third Agriculture Rehabilitation Project. (P079320)

Country: Timor-Leste

Board Approval Date : 12/29/2003

Midterm Review Date : 02/27/2006

Closing Date : 12/31/2007

Loan/Credit/Grant Number : EECT-53033, MULT-53038

Sector(s): General agriculture, fishing and forestry sector(30%), Irrigation and drainage(30%), Animal production(20%), General information and communications sector(15%), Agricultural marketing and trade(5%)

Theme(s): Water resource management(P), Other rural development(P), Participation and civic engagement(S)

Project Development Objectives:

The objective is to strengthen the capacity of the Ministry of Agriculture, Forestry and Fisheries (MAFF) and its key development partners to assist communities in increasing their production and income in a sustainable way.

Progress toward achieving development objective(s):

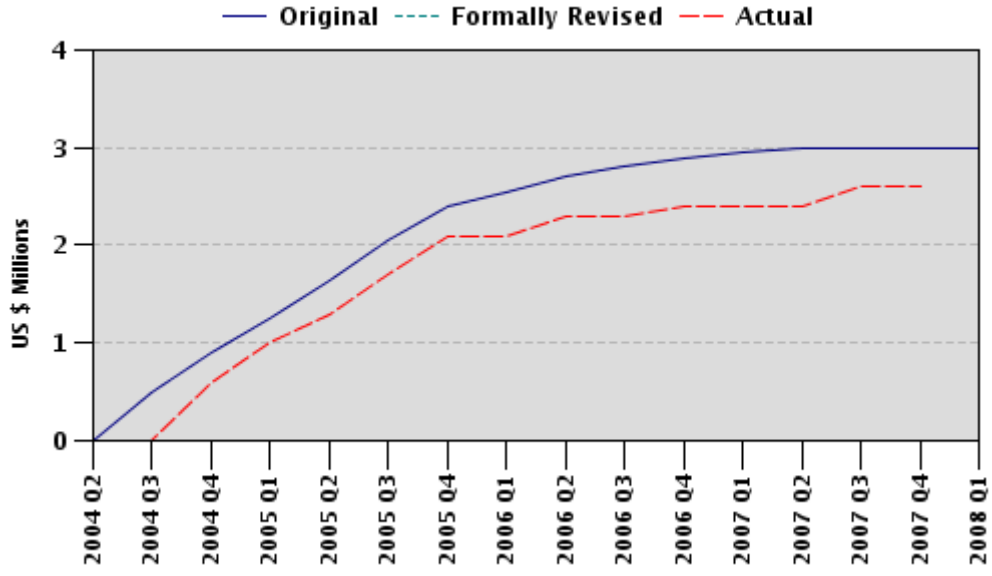
The grant became effective on March 5, 2004 and by the Mid-Term Review in March 2006 the project had consolidated the gains achieved during the first two phases of the country's Agricultural Rehabilitation Program, building on the foundation for future sustainable agricultural and rural development. Project activities continue to be mainstreamed and institutionalized within the MAFF and their funding is gradually taken over using resources from the Consolidated Fund for East Timor. Despite major disruptions to project activities in 2006, training and the transfer of skills from the Technical Assistance to MAFF staff have continued, although at a slower pace than originally envisaged. Some activities have been delayed which has slowed down progress towards the achievement of the project objective; however, MAFF has taken steps to ensure the continuation of project activities. To ensure the sustainability and long-term impact of project activities, more emphasis on institutional strengthening and capacity building during the remaining project period (as opposed to strictly physical outputs) and allocation of resources for these activities will be needed. The project is likely to achieve its objective with only moderate shortcomings.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
EECT-53033	Effective	9.07	5.83	2.84	0.00
MULT-53038	Effective	3.00	2.60	0.40	0.00



Status of Projects in Execution - FY07
EAST ASIA AND PACIFIC REGION



Project Name (ID): Power Sector Priority Investments (P087801)

Country: Timor-Leste

Board Approval Date : 07/23/2004

Closing Date : 01/31/2008

Loan/Credit/Grant Number : MULT-53898

Sector(s): Power(100%)

Theme(s): Access to urban services and housing(P), Infrastructure services for private sector development(P), Debt management and fiscal sustainability(S)

Project Development Objectives:

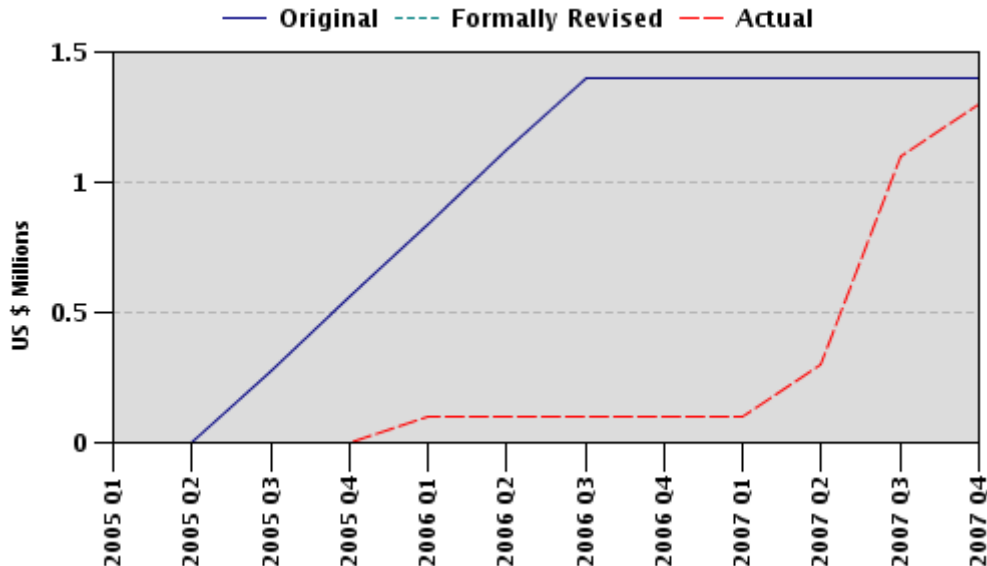
The objective is the delivery of least-cost, high-quality electricity service with minimum dependence on the government's budget.

Progress toward achieving development objective(s):

The implementation of the project has been delayed by the unexpected civil unrest in the country. As a result, the project closing date was extended from March 31, 2007 to January 31, 2008. The PDO is likely to be achieved because (1) the main component of the project: the replacement of the Unit 5 of Comoro Power plant has been completed successfully; (2) over 50% of the CFL (efficiency lights) has been distributed.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
MULT-53898	Effective	1.39	1.34	0.05	0.00



Project Name (ID): Gas Seep Harvesting Project (P092055)

Country: Timor-Leste

Board Approval Date : 03/28/2007

Closing Date : 12/31/2009

Loan/Credit/Grant Number : MULT-58262

Sector(s): Power(65%), Oil and gas(30%), Central government administration(5%)

Theme(s): Rural services and infrastructure(P), Climate change(S)

Project Development Objectives:

The project is to demonstrate the technical and economic viability of harvesting seep gas from natural gas seeps to produce reliable and affordable power for isolated rural communities in the south eastern part of Timor-Leste.

Progress toward achieving development objective(s):

The project just became effective in May 2007. The project is immediately focusing on implementation issues such as finalizing procurement documents for power generation.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
MULT-58262	Effective	0.85	0.00	0.85	0.00



Project Name (ID): Planning and Financial Management Capacity Building (P092484)

Country: Timor-Leste

Board Approval Date : 03/21/2006

Closing Date : 07/10/2011

Loan/Credit/Grant Number : IDA-H2100

Sector(s): Central government administration(95%), Sub-national government administration(5%)

Theme(s): Public expenditure, financial management and procurement(P), Administrative and civil service reform(P), Macroeconomic management(S), Other accountability/anti-corruption(S), Tax policy and administration(S)

Project Development Objectives:

The program development objective is sustainably strengthened planning, budgeting, public expenditure management and revenue administration for growth and poverty reduction, with emphasis on efficiency, effectiveness, accountability, integrity, service culture, and transparency.

Progress toward achieving development objective(s):

Timor-Leste faces the daunting challenge of rebuilding trust and confidence in government, addressing the security situation and the rule of law. An adequate response to basic humanitarian needs, service delivery and development requirements supported by an effective, accountable and transparent public administration is also vital as will be tackling the country's alarming social problems. In parallel, a jump-start for the economy and strong governance over the rapidly accumulating Petroleum Fund will be necessary, as will reforms to grow per capita income.

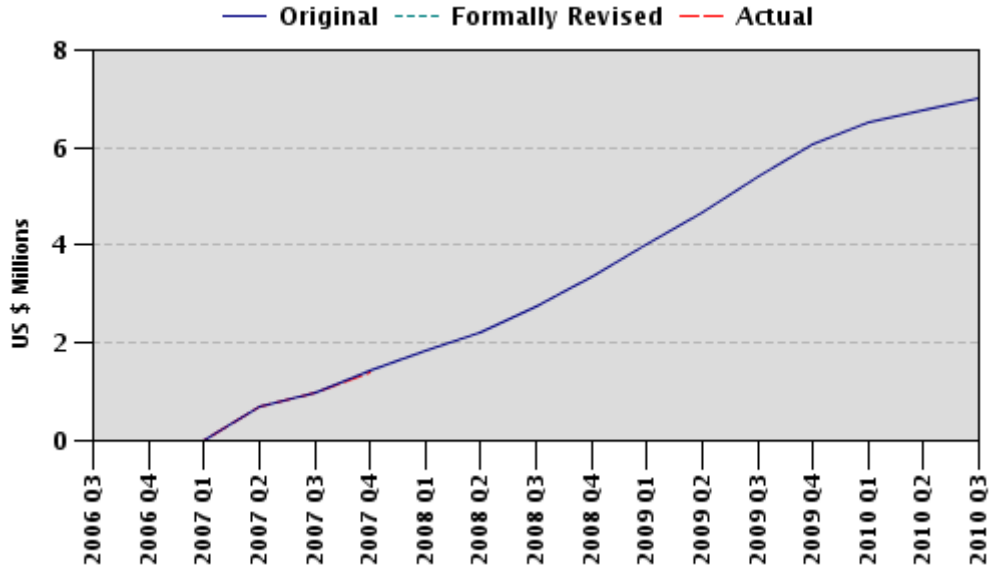
The PFMCBP was approved one month before outbreak of violence and became effective in November 2006. Implementation has been challenged by a number of factors, including the security situation.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H2100	Effective	7.32	1.42	5.89	0.00



Status of Projects in Execution - FY07
EAST ASIA AND PACIFIC REGION



Project Name (ID): Energy Services Delivery Project (P095593)

Country: Timor-Leste

Board Approval Date : 06/28/2007

Closing Date : 12/31/2011

Loan/Credit/Grant Number : IDA-H3170, JPN-56327

Sector(s): Power(65%), Central government administration(35%)

Theme(s): Infrastructure services for private sector development(P), Rural services and infrastructure(P), Other public sector governance(S), Climate change(S)

Project Development Objectives:

The project objectives are to stabilize the power services in Dili, by restoring or improving operational efficiency, reliability, safety and availability of the power supply, and to promote long-term sustainability of the power sector. These would, in turn, contribute to the social stability and economic development of the country.

Progress toward achieving development objective(s):

The project is not yet effective.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H3170	Not Effective	2.49	0.00	2.49	0.00
JPN-56327	Effective	0.85	0.45	0.40	0.00



Project Name (ID): Education Sector Support (P095873)

Country: Timor-Leste

Board Approval Date : 06/19/2007

Closing Date : 01/31/2013

Loan/Credit/Grant Number : IDA-H3100

Sector(s): Central government administration(70%), Secondary education(16%), Primary education(7%), Pre-primary education(7%)

Theme(s): Education for all(P), Improving labor markets(S), Administrative and civil service reform(S)

Project Development Objectives:

To strengthen the capacity of the Ministry of Education and Culture for effective policy development, resource management, and innovation.

Progress toward achieving development objective(s):

The Project was not effective before the close of the reporting period.

Lending Information/Disbursement Summary (USD millions, as of June 30 2007)

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H3100	Not Effective	5.96	0.00	5.96	0.00

