

**STATUS OF PROJECTS IN EXECUTION – FY07**  
**SOPE**  
**UKRAINE**

**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 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.

---

<sup>1</sup> 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: Ukraine**

**Project Name (ID):** Rural Land Titling and Cadastre ( P035777 )

**Country:** Ukraine

**Board Approval Date :** 06/24/2003

**Closing Date :** 06/30/2012

**Loan/Credit/Grant Number :** IBRD-47090, JPN-29537, IBRD-P3940

**Sector(s):** General agriculture, fishing and forestry sector(85%), Agricultural extension and research(10%), Central government administration(5%)

**Theme(s):** Legal institutions for a market economy(P), Personal and property rights(P), State enterprise/bank restructuring and privatization(P), Rural markets(P)

**Project Development Objectives:**

The project seeks to establish a national cadastre and title registry system, allocate land parcels to individuals in rural areas on an equitable basis, establish their property rights by issuing state deeds for land, and encourage the restructuring of farms into more efficient units, with due consideration for environmental and social safeguards.

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

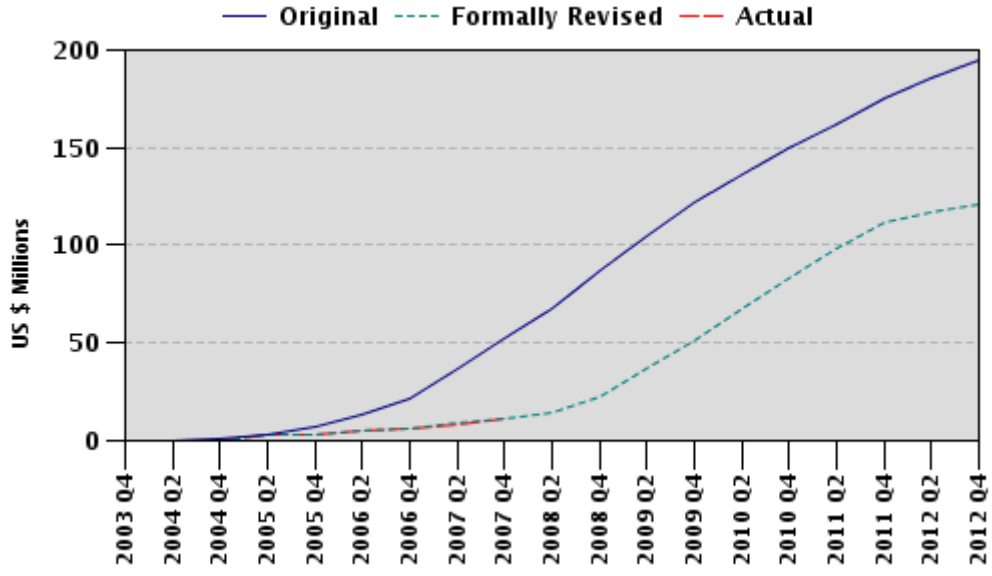
The issuance of land titles and contracts for completing basic mapping and cadastre maps are progressing but with problems over acceptance of deliverables and payments. There has been no progress with establishing a registration system. The component dealing with registration has been suspended since February 2006 while issues of institutional responsibility and legal amendments are being resolved. There is no activity under the farm restructuring component, which is expected to be cancelled under current restructuring plans.

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

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IBRD-47090	Effective	195.13	11.15	109.98	74.00
JPN-29537	Closed	0.54	0.48	0.00	0.06
IBRD-P3940	Closed	1.44	0.00	0.00	1.44



Status of Projects in Execution - FY07  
EUROPE AND CENTRAL ASIA REGION



**Project Name (ID):** Lviv Water/WW ( P035786 )

**Country:** Ukraine

**Board Approval Date :** 06/05/2001

**Midterm Review Date :** 01/17/2005

**Closing Date :** 12/31/2007

**Loan/Credit/Grant Number :** IBRD-46100

**Sector(s):** Water supply(65%), Sewerage(35%)

**Theme(s):** Access to urban services and housing(P), Pollution management and environmental health(S)

**Project Development Objectives:**

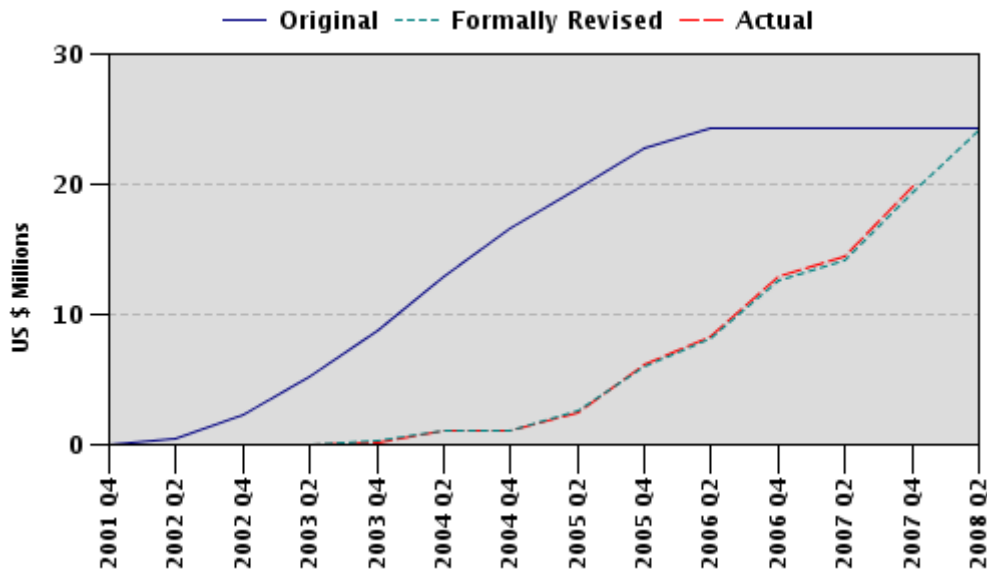
The objectives are to: (a) improve accessibility and quality of the water supply at an affordable level in Lviv, and restore public confidence in the sector; (b) improve the efficiency of Lviv Vodokanal (LVK)'s technical, commercial and financial operations; and (c) to enhance LVK's financial capacity.

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

The project is making progress towards meeting its development objectives. Water supply is now being provided 24-hours to about 27% of the population (compared to 10% at appraisal), and about 81% of the population receives not less than a 10-hour supply. A tariff increase was approved and will become effective in September 2007, which will help improve the financial situation of LVK.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-46100	Effective	24.25	19.82	4.43	0.00



**Project Name (ID):** State Tax Service Modernization Program (APL #1) ( P057815 )  
**Country:** Ukraine  
**Board Approval Date :** 06/05/2003  
**Closing Date :** 06/30/2010  
**Loan/Credit/Grant Number :** JPN-25817, IBRD-P3850, IBRD-46980, JPN-26696  
**Sector(s):** Central government administration(100%)  
**Theme(s):** Tax policy and administration(P), Administrative and civil service reform(S)

**Project Development Objectives:**

The objectives are to (a) establish a modern, sustainable state revenue system and (b) to improve the system's client orientation and public accountability.

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

In the past year project implementation has accelerated and all project activities are now making progress.

A new draft Tax Code has been prepared with the participation of civil society and has been submitted to Parliament. Electronic filing for all taxes and electronic invoicing for value-added tax (VAT) has been successfully piloted. Work on an electronic contact center for liaison with taxpayers has advanced ahead of schedule and is due to be launched in January 2008. The administration of VAT refunds remains problematic but is expected to improve as automation in this area is introduced under the project.

Interim results on key performance indicators show improvement. Voluntary compliance rates have increased, while the cost of voluntary compliance has come down. The rate of detection of non-compliance has increased, while transparency has also improved substantially.

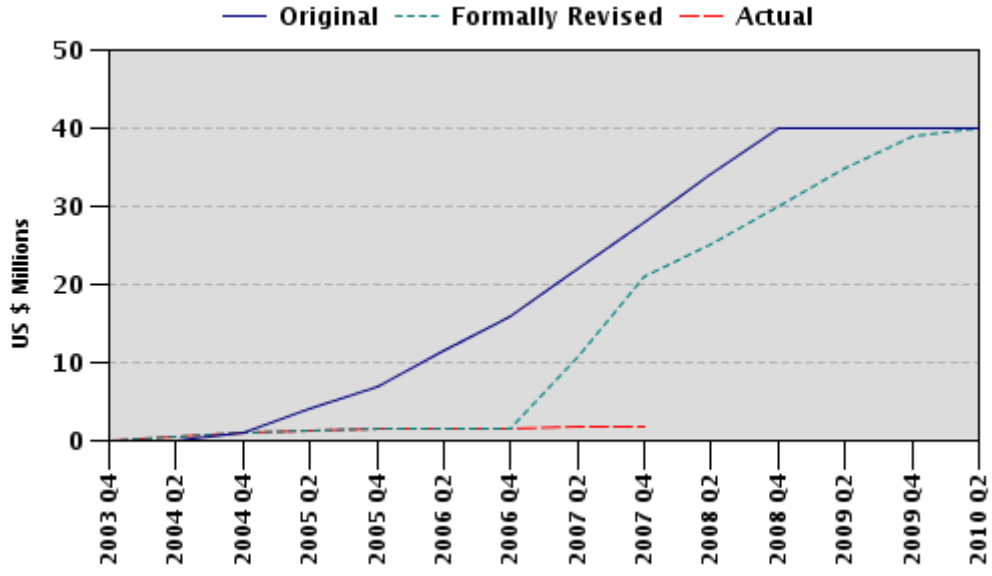
Therefore, the project is considered on track to meet its development objectives.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
JPN-25817	Closed	0.25	0.25	0.00	0.00
IBRD-P3850	Closed	2.00	0.00	0.00	2.00
IBRD-46980	Effective	40.00	1.77	38.23	0.00
JPN-26696	Closed	0.13	0.13	0.00	0.00



Status of Projects in Execution - FY07  
EUROPE AND CENTRAL ASIA REGION



**Project Name (ID):** TB/AIDS Control ( P069857 )

**Country:** Ukraine

**Board Approval Date :** 12/19/2002

**Midterm Review Date :** 01/30/2006

**Closing Date :** 12/30/2008

**Loan/Credit/Grant Number :** IBRD-46820, JPN-26294

**Sector(s):** Health(75%), Law and justice(15%), Other social services(5%), Central government administration(5%)

**Theme(s):** Other communicable diseases(P), HIV/AIDS(S), Health system performance(S)

**Project Development Objectives:**

The objective is to reduce tuberculosis (TB) and HIV/AIDS related morbidity and mortality through an effective National Strategy for TB Adapted to World Standard, and an HIV/AIDS Program largely focused on prevention of transmission of the disease among high-risk groups.

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

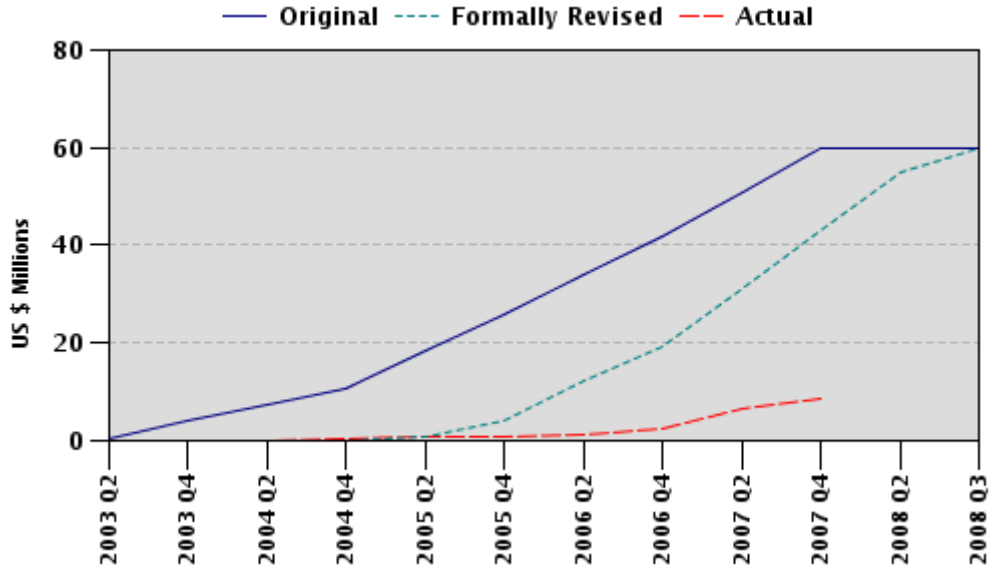
The implementation of this project has not been very successful over the last three years, with only a small portion of the loan disbursed when compared with original plans. Some progress has been made in procuring critical drugs and medical supplies, but the impact on the project development objective is still limited. Most recently, however, several large contracts for drugs and harm reduction measures have been signed and important work on the information campaign for TB/AIDS is about to start. Based on this latest good progress, the project closing date was extended for 18 months until December 31, 2008. The team is working closely with the government to restructure the project in coming months.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-46820	Effective	60.00	8.72	51.28	0.00
JPN-26294	Closed	0.42	0.29	0.00	0.12



Status of Projects in Execution - FY07  
EUROPE AND CENTRAL ASIA REGION



**Project Name (ID):** SIF ( P069858 )

**Country:** Ukraine

**Board Approval Date :** 12/04/2001

**Midterm Review Date :** 05/10/2005

**Closing Date :** 06/30/2008

**Loan/Credit/Grant Number :** IBRD-46420, JPN-26452, JPN-54756, UK-28380

**Sector(s):** Other social services(20%), Roads and highways(20%), Health(20%), General water, sanitation and flood protection sector(20%), General education sector(20%)

**Theme(s):** Participation and civic engagement(P), Other social protection and risk management(P), Other human development(S), Social analysis and monitoring(S)

**Project Development Objectives:**

The project development objectives are: (a) improved living conditions of poor communities and vulnerable groups in target areas; (b) empowered communities and vulnerable groups in targeted areas to address local social needs; and (c) assistance to reform of social protection by creating models of targeting and service provision.

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

The project has greatly accelerated the completion of micro-projects during the past fiscal year, meeting the goals established during the mid-term review to complete 360 community-based services micro-projects of a total of 600 planned under the project. A large volume of micro-projects is also under implementation or preparation. At present, the project and World Bank teams are improving the outcome indicators to better measure the achievements under this main project component on improving living conditions for poor and vulnerable people in targeted areas.

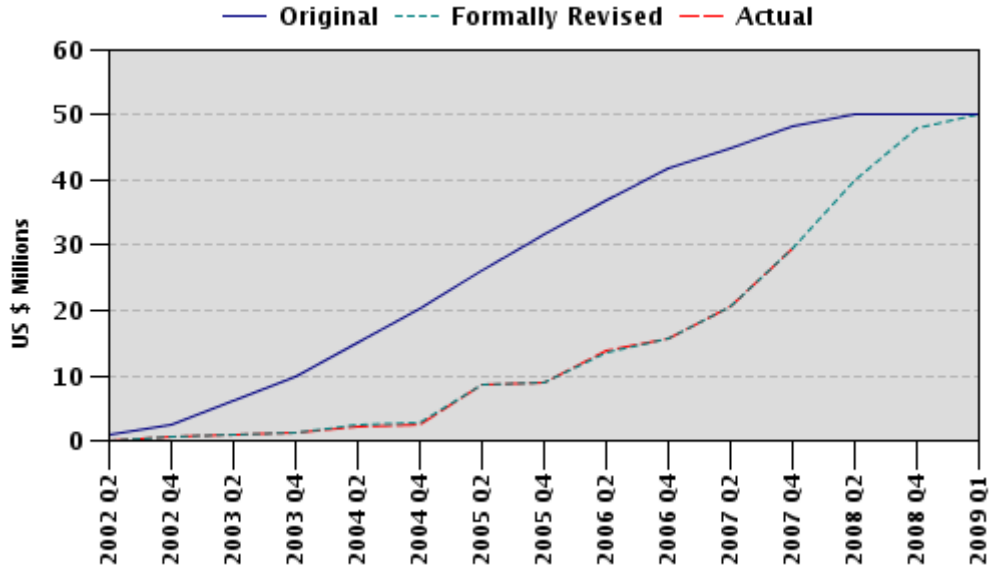
With respect to the smaller component on social care services, only 12 of the planned 50 social care services micro-projects have been completed, which likely indicates that the project has not been as effective in developing models of innovative services. While disbursements have significantly increased recently, with more than 25% of the loan disbursed during the past fiscal year, the project is likely to require more time to complete all of its activities. The plan is to review project progress in September 2007 with a view to improve project implementation.

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

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IBRD-46420	Effective	50.21	29.38	20.83	0.00
JPN-26452	Closed	0.27	0.25	0.00	0.01
JPN-54756	Effective	1.71	0.29	1.42	0.00
UK-28380	Closed	0.99	0.89	0.00	0.10



Status of Projects in Execution - FY07  
EUROPE AND CENTRAL ASIA REGION



**Project Name (ID):** Social Assistance System Modernization ( P075231 )

**Country:** Ukraine

**Board Approval Date :** 11/17/2005

**Closing Date :** 12/31/2008

**Loan/Credit/Grant Number :** SIDA-56178, JPN-51134, IBRD-48070, IBRD-P4060

**Sector(s):** Other social services(70%), Central government administration(15%), Sub-national government administration(15%)

**Theme(s):** Social safety nets(P), Other social protection and risk management(S), Social analysis and monitoring(S)

**Project Development Objectives:**

The project objective is to modernize the social assistance system in Ukraine to enable better targeting of cash benefits.

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

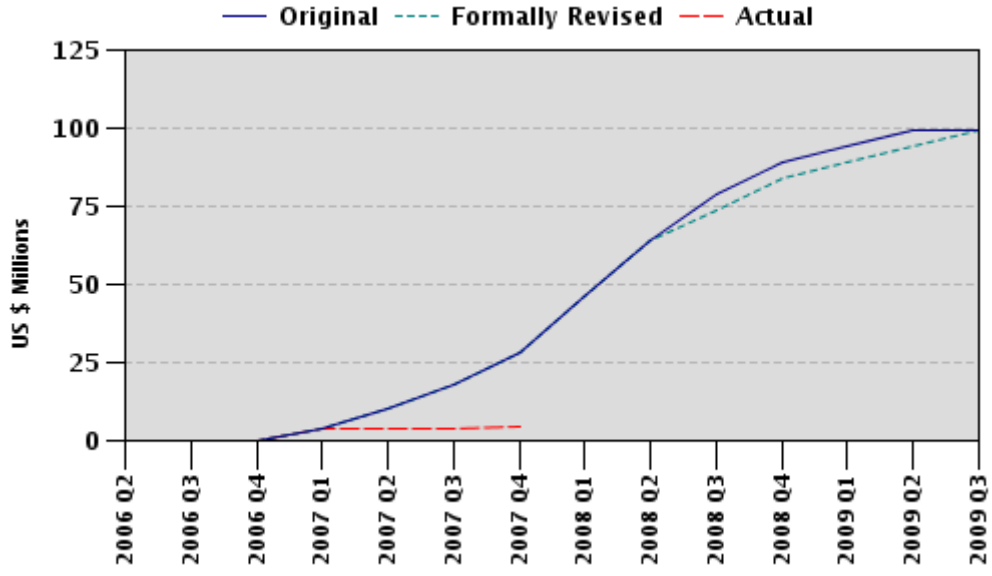
Since the project loan became effective in April 2006, the Ukrainian social assistance system has enhanced its effectiveness through better targeting of the benefits. In 2006 43.3 percent the three poorest deciles of the population received social assistance which is slightly above the baseline of 2005. The welfare offices, on average, became more efficient in serving clients, a result of the reduction in the application processing time--from 4.5 hours in 2005 to 4.1 hours. This has also resulted in a 10 percent increase in the number of benefits processed per month by welfare office employees. The driving force behind this progress has been a new “one-stop-shop” service model introduced in 245 out of 754 local welfare offices.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
SIDA-56178	Effective	4.29	0.50	3.79	0.00
JPN-51134	Closed	0.46	0.45	0.00	0.01
IBRD-48070	Effective	99.40	4.28	95.12	0.00
IBRD-P4060	Closed	2.00	0.00	0.00	2.00



Status of Projects in Execution - FY07  
EUROPE AND CENTRAL ASIA REGION



**Project Name (ID):** DEVSTAT ( P076338 )

**Country:** Ukraine

**Board Approval Date :** 03/25/2004

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

**Loan/Credit/Grant Number :** IBRD-47290, JPN-51135

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

**Theme(s):** Economic statistics, modeling and forecasting(P), Poverty strategy, analysis and monitoring(S), Other economic management(S)

**Project Development Objectives:**

The objective is to build a sustainable state statistical system which efficiently provides timely and accurate data for policy evaluation and decision making.

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

The project is in the initial stages of implementation and as a result measurable improvements in statistical outputs are limited. However, implementation is proceeding at a steady pace and the State Statistical Office of Ukraine has taken steps to begin the rationalization of its data collection system. The project has delivered printing equipment and computer hardware to statistical offices in the regions and this has improved statistical collection and dissemination processes. Database and statistical data processing software has also been upgraded, to provide the basis for the planned overhaul of the statistical information system. The Statistical Office has started to regularly monitor user satisfaction with its services and has also started to monitor Ukraine's statistical capacity using the IMF data quality assessment framework.

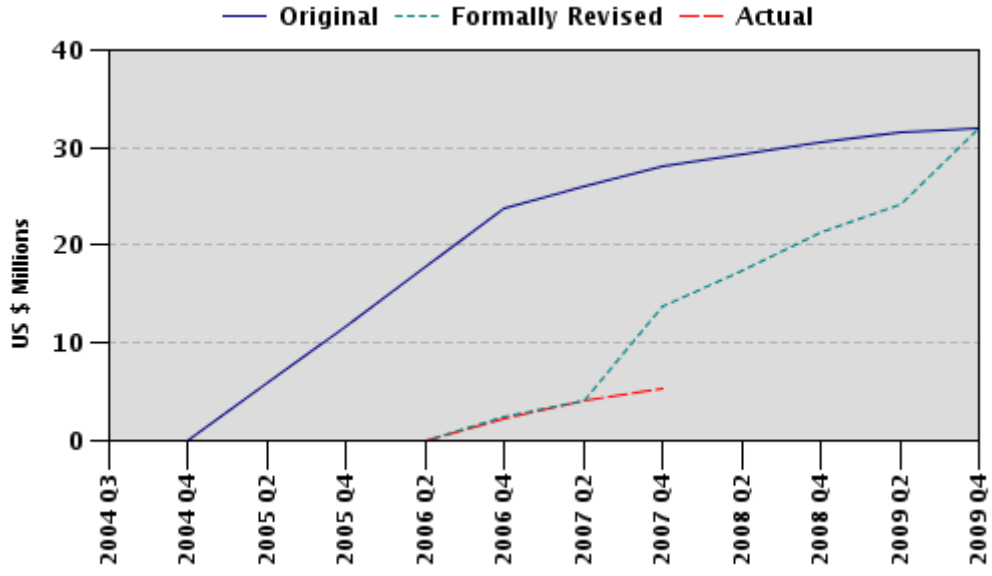
The Ministry of Finance, Ministry of Economy and National Bank are also improving their capacity as data producers with regard to government finance statistics, the Balance of Payments, and monetary and banking statistics. The Ministry of Economy is improving its capacity to use statistical data through the implementation of advanced forecasting models. Subject to further improvements which are underway, the project is likely to achieve its objectives.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-47290	Effective	32.00	5.33	26.67	0.00
JPN-51135	Closed	0.17	0.17	0.00	0.00



Status of Projects in Execution - FY07  
EUROPE AND CENTRAL ASIA REGION



**Project Name (ID):** Access to Financial Services (APL 1) ( P076553 )

**Country:** Ukraine

**Board Approval Date :** 06/22/2006

**Closing Date :** 06/30/2010

**Loan/Credit/Grant Number :** IBRD-48270, IBRD-P4020

**Sector(s):** Banking(95%), Sub-national government administration(3%), Central government administration(1%), Non-compulsory pensions, insurance and contractual savings(1%)

**Theme(s):** Rural markets(P), Small and medium enterprise support(P), Regulation and competition policy(S)

**Project Development Objectives:**

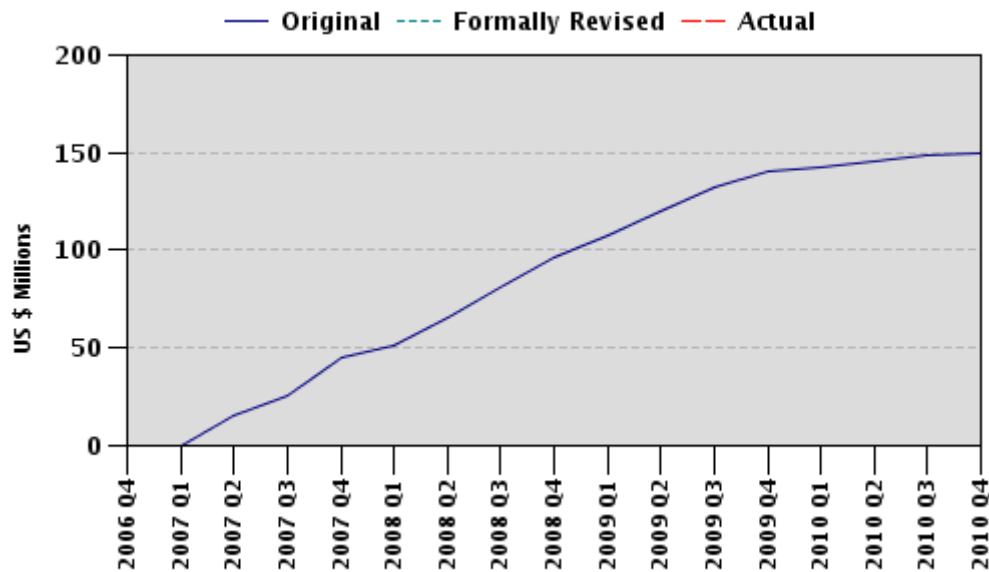
The project development objective is to increase access to financial services in rural areas, specifically for rural small- and medium-sized enterprises.

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

All conditions of effectiveness have been fulfilled and the project loan was declared effective on July 12, 2007. A revised version of the Operation Manual incorporating comments from the Bank team is expected to be received by the end of August.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-48270	Effective	150.00	0.00	150.00	0.00
IBRD-P4020	Closed	1.82	0.77	1.06	1.82



**Project Name (ID):** Quality Education Equal Access (APL #1) ( P077738 )

**Country:** Ukraine

**Board Approval Date :** 05/24/2005

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

**Loan/Credit/Grant Number :** IBRD-47800, JPN-51136

**Sector(s):** Secondary education(50%), Central government administration(35%), Sub-national government administration(15%)

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

**Project Development Objectives:**

The objective is to provide equal access to quality education and to improve the efficiency of the education system to prepare Ukraine's graduates for the knowledge society.

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

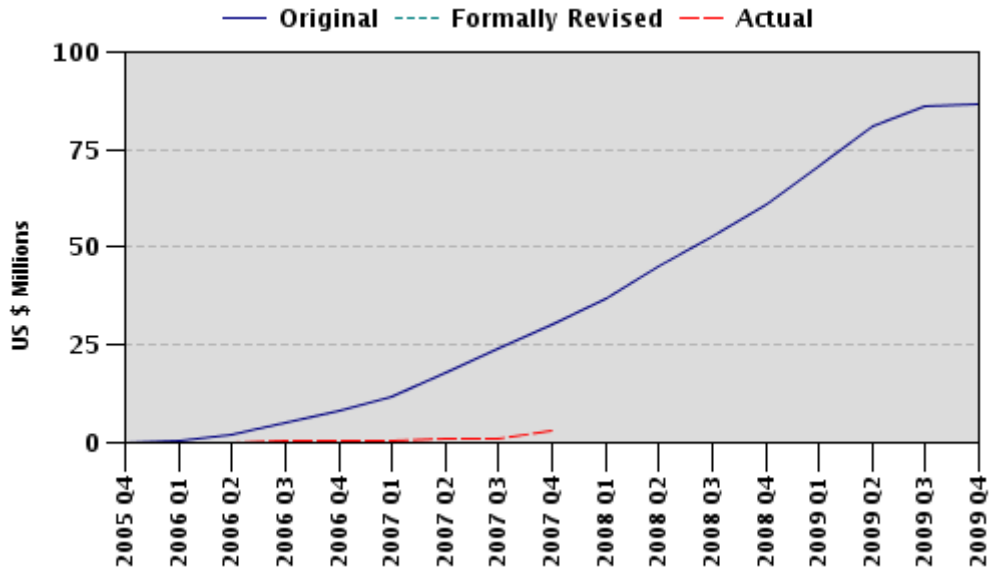
Implementation of project activities has been considerably delayed since loan effectiveness in February 2006. Consequently, major rural school rehabilitation activities are lagging behind targets. Progress has been achieved focusing on the professional development of educators, in particular, the modernization of in-service training curricula for school teachers and principals, as well as the training of the first group of 60 master trainers. The project successfully supported the implementation of the national external assessments for 43,000 graduates in 2006, as well as Ukraine's first-time participation in the Trends in International Mathematics and Science Study in 2007. Under the public information campaign, seven workshops and a large curricula modernization conference were held this year. Also, the Policy Planning Department launched its activities focusing on the improvement of policy analysis/development capacity of the Ministry of Education.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-47800	Effective	86.59	3.11	83.48	0.00
JPN-51136	Closed	0.77	0.76	0.00	0.01



Status of Projects in Execution - FY07  
EUROPE AND CENTRAL ASIA REGION



**Project Name (ID):** Hydropower Rehab. ( P083702 )

**Country:** Ukraine

**Board Approval Date :** 06/21/2005

**Closing Date :** 06/30/2012

**Loan/Credit/Grant Number :** IBRD-47950

**Sector(s):** Renewable energy(81%), Central government administration(19%)

**Theme(s):** Climate change(P), Water resource management(P), Debt management and fiscal sustainability(S), Other public sector governance(S), Regional integration(S)

**Project Development Objectives:**

The overall program objective is to improve the security, reliability and quality of energy supply, and, thereby, facilitate unimpeded operation of the energy market, both domestically and internationally. The first phase aims to improve financial and operational stability of the energy sector.

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

Initial results are positive and include improved financial condition of UkrHydroEnergo (UHE), after the energy regulator introduced a two-tier tariff for UHE in January 2006, and completion of a conceptual plan for legal and technical harmonization of Ukraine's energy sector with the main principles of the European Union Internal Energy Market. Also, the adoption of the Debt Law (July 2005) and progress in its implementation are important positive developments.

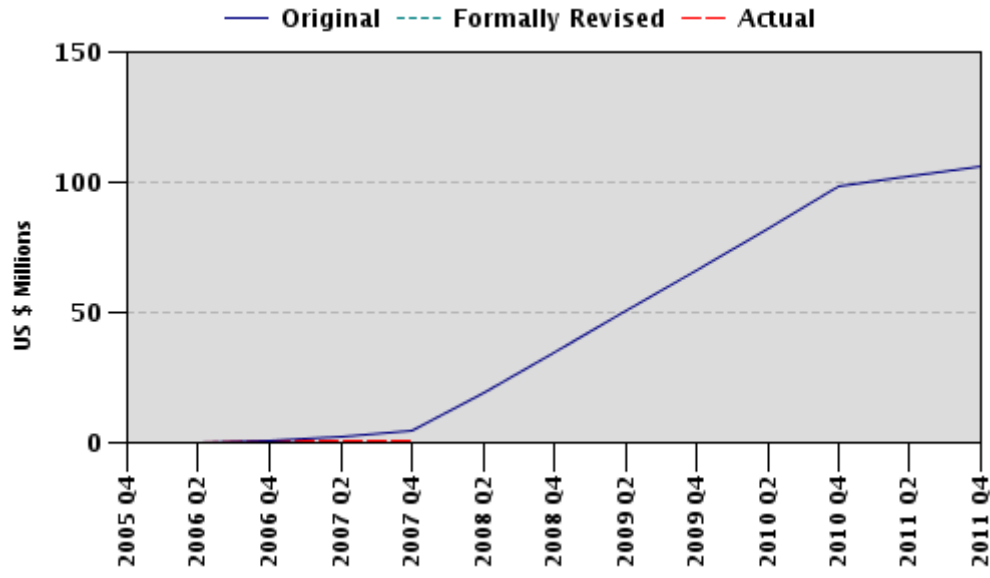
Significant increases in coal, gas and electricity tariffs helped reduce quasi-fiscal activities in the energy sector and started eliminating cross-subsidies. Financial discipline (cash collections for gas and electricity) remained at a satisfactory level during the tariff adjustments.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-47950	Effective	106.00	0.91	105.09	0.00



Status of Projects in Execution - FY07  
EUROPE AND CENTRAL ASIA REGION



**Project Name (ID):** Export Development 2 ( P095203 )

**Country:** Ukraine

**Board Approval Date :** 07/27/2006

**Closing Date :** 12/31/2011

**Loan/Credit/Grant Number :** IBRD-48360

**Sector(s):** Banking(100%)

**Theme(s):** Export development and competitiveness(P), Other financial and private sector development(S), Standards and financial reporting(S)

**Project Development Objectives:**

The project will provide medium and long-term working capital and investment finance to private exporters and deepen and broaden financial intermediation.

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

The project loan became effective on March 20, 2007, and so far, five banks have been selected to participate in the project. Project implementation is on track, though disbursements are slightly behind schedule.

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

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-48360	Effective	154.50	0.39	154.11	0.00

