

STATUS OF PROJECTS IN EXECUTION – FY08

EUROPE AND CENTRAL ASIA REGION

COUNTRY: POLAND

**Operations Policy and Country Services
October 11, 2008**



Introduction

The Status of Projects in Execution (SOPE) Report for FY08 provides information on all IBRD/IDA projects that were active as of June 30, 2008. For the first time, the SOPE report will include recipient-executed projects (over US\$ 5 million). 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 FY08 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.
- Graphs of original estimates for some recipient-executed projects might not exist since they are not required in the project document.
- 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.

Project Name (ID): KRAKOW ENRGY EFF (P065059)

Country: Poland

Board Approval Date: 06/07/2001

Midterm Review Date: 06/06/2006

Closing Date: 12/31/2008

Loan/Credit/Grant Number: IBRD-70570, TF-25809

Sector(s): District heating and energy efficiency services (100%)

Theme(s): Climate change (P), Other urban development (P), Pollution management and environmental health (S)

Project Development Objectives:

The objective of the project is to improve energy efficiency of the heating systems in the Malopolskie Voivodship (the Krakow region).

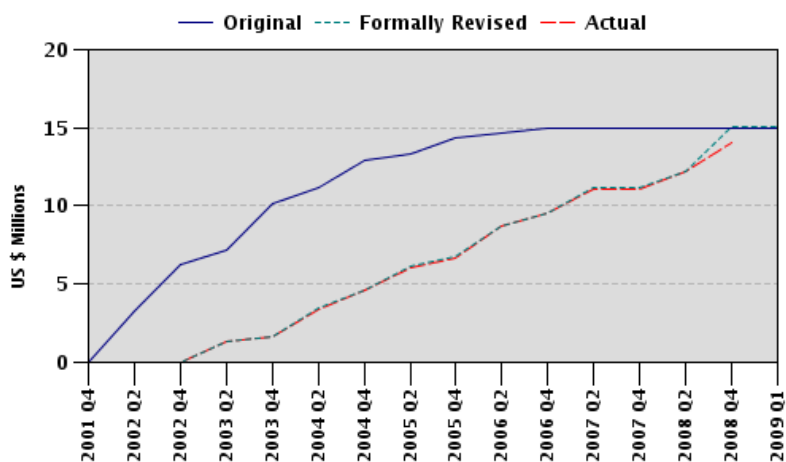
Progress toward achieving development objective(s):

The district heating component continues to perform well and is expected to meet all its development objectives. However, due to some delays related to physical constraints in connection with laying pipes in areas with heavy traffic, the component has been delayed and the closing date of the project has been extended by one year.

The Energy Service Company (ESCO) component has shown some improvements and a reasonable pipeline of projects has been established through a more professional marketing and sales effort from POE ESCO. Nevertheless, the pipeline development has turned out to be somewhat slower than planned and POE ESCO sales have failed to meet the expectations formulated in a December 2007 Action Plan, which spoke about development of a pipeline for 2008 and 2009 that would likely lead to the realization of sales of PLN 20 million and PLN 25 million respectively. The expected sales for 2008 are not likely to be much higher than PLN 10-15 million which is considerably less than the target in the Action Plan.

Lending Information/Disbursement Summary (USD millions, as of June 30, 2008)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-70570	Effective	15.00	14.07	5.23	0.00
TF-25809	Closed	0.19	0.16	0.00	0.03



Project Name (ID): POST-ACC RUR SPRT (P065270)

Country: Poland

Board Approval Date: 01/24/2006

Closing Date: 12/31/2009

Loan/Credit/Grant Number: TF-52685, IBRD-73580

Sector(s): Other social services (60%), Compulsory pension and unemployment insurance (30%), Sub-national government administration (10%)

Theme(s): Social analysis and monitoring (P), Other social protection and risk management (P), Participation and civic engagement (P), Rural policies and institutions (S), Administrative and civil service reform (S)

Project Development Objectives:

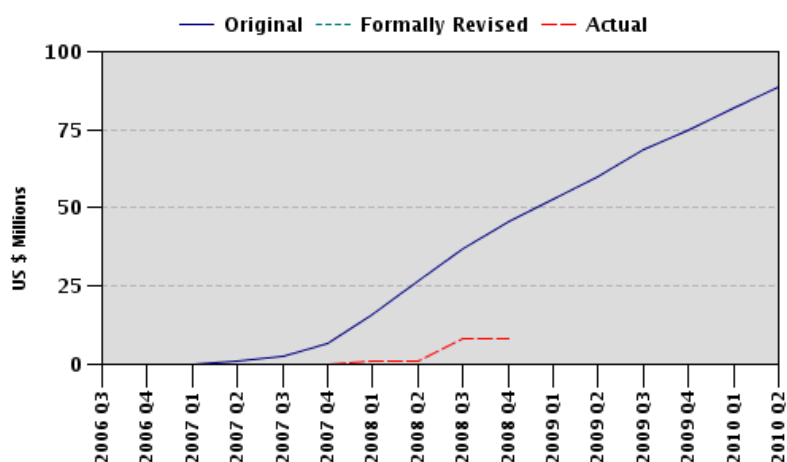
The main objectives of the project are to: (a) increase social inclusion in underdeveloped gminas through the provision of grants for financing social services and enhancing relevant institutional capacity of local governments; and (b) support the reform of the Agricultural Social Insurance Fund by improving the agency's efficiency through strengthening its administrative and analytic capacity and enabling better management of decision processes during its reform process.

Progress toward achieving development objective(s):

Following an initial delay, in the course of the fiscal year 08, the implementation of the project has accelerated significantly. The Ministry of Labor and Social Policy (MLSP) as well as the KRUS Agency recruited team of specialists in charge of the various aspects of the project. Under the KRUS component, a number of contracts have been tendered and awarded in support of the IT modification and streamlining of decision making processes. Under the Social Inclusion component, a team of 28 regional social development experts assisted gminas participating in the project in the development of local social inclusion strategies and advised on the gminas' capacity and training needs. By May 2008, gminas from 11 voivodships had submitted their financial plans and this number is expected to continue increasing rapidly. All of the 13 voivodships participating in the project have signed bilateral agreements with the MLSP and all of the 500 participating gminas have signed agreements with the Marszalek of the respective voivodship. A small number of gminas have already received the actual funds and started the process of procuring social services identified by the local community. Under the National Awareness component, the project team prepared outlines of public information programs in support of the KRUS reform and the social inclusion program for implementation in the gminas concerned.

Lending Information/Disbursement Summary (USD millions, as of June 30, 2008)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
TF-52685	Closed	0.63	0.62	0.00	0.01
IBRD-73580	Effective	88.80	7.95	83.38	0.00



Project Name (ID): ENERGY EFFICIENCY (GEF) (P070246)

Country: Poland

Board Approval Date: 10/14/2004

Midterm Review Date: 08/13/2007

Closing Date: 06/30/2011

Loan/Credit/Grant Number: TF-24009, TF-54104

Sector(s): District heating and energy efficiency services (60%), Banking (20%), Health (10%), Primary education (10%)

Theme(s): Climate change (P), Other financial and private sector development (S)

Project Development Objectives:

The objective of the project is to increase public and private sector investments in energy efficiency in buildings.

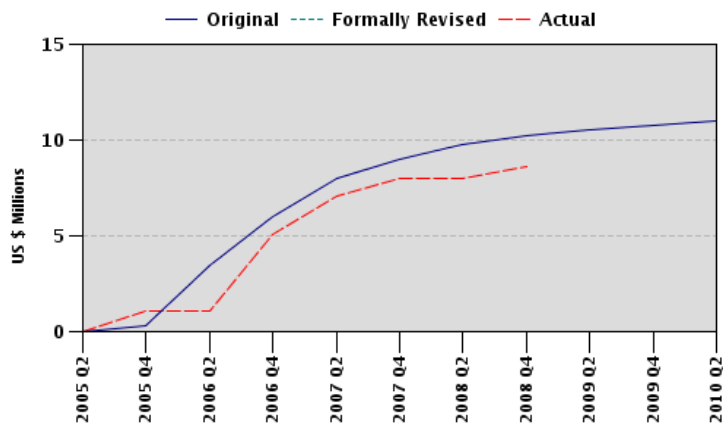
Progress toward achieving development objective(s):

The capital grant component has reached most of its objectives and lately the performance of POE ESCO in Krakow has improved, and it is more likely that the achievements will be sustainable beyond the termination of the capital grant. This component will be terminated during fall 2008 which is according to plan. The result will be the energy upgrade of about 30 schools in Krakow.

The guarantee component is still making very limited progress toward meeting its development objectives with only one guarantee transaction having taken place so far (representing less than one percent of the forecasted investment amount). However, the Task Team finds that the Project still has an important role to play in removing barriers for energy efficiency in buildings, in particular emphasizing the publicly owned building stock: (a) the Guarantee Facility needs to be refocused on institutional buildings, especially hospitals where guarantees are still relevant as credit enhancements but where existing guarantee facilities are unavailable; and (b) the Technical Assistance activities should be broadened out to support barrier removal across the entire market for energy efficiency in buildings, especially by establishing a platform for intermediaries that can assist in project identification, bundling and preparation for finance.

Lending Information/Disbursement Summary (USD millions, as of June 30, 2008)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
TF-24009	Closed	0.18	0.17	0.00	0.01
TF-54104	Effective	11.00	8.56	2.44	0.00



Project Name (ID): ROAD MAINT & REHAB (P078170)

Country: Poland

Board Approval Date: 03/30/2004

Closing Date: 12/31/2008

Loan/Credit/Grant Number: IBRD-72230

Sector(s): Roads and highways (87%), Central government administration (12%), Sub-national government administration (1%)

Theme(s): Infrastructure services for private sector development (P), Administrative and civil service reform (P), Other financial and private sector development (P)

Project Development Objectives:

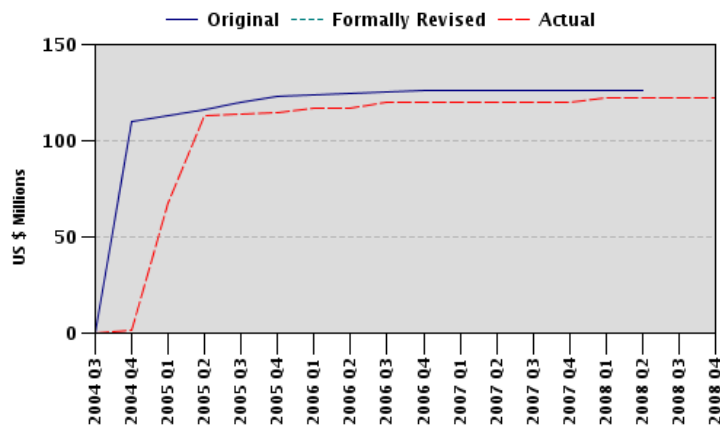
The objective of the project is to improve the effectiveness of Poland's national road rehabilitation and maintenance systems by: (a) significantly increasing the percentage of national roads in good conditions; (b) establishing reliable and stable funding for the national road maintenance and rehabilitation network and road safety; and (c)improving the capacity within the General Directorate for National Roads and Motorways (GDDKiA) to operate efficiently and effectively and to reflect the views of road users in developing its programs.

Progress toward achieving development objective(s):

The project is essentially completed and the project objectives are largely met. All of the roads rehabilitation works originally foreseen under the projects were successfully accomplished already in 2004, contributing to the increase in the share of roads in acceptable technical conditions reaching the level of 54.9% as per the end of 2007. Although the 2008-2012 Government's road development program foresees substantial funding for current maintenance and rehabilitation of national roads that is aimed at assuring sustainability of road network, 2008 budget of General Directorate for National Roads and Motorways (GDDKiA) for these activities is significantly lower than expected and if such trend continues in 2009, the sustainability of the roads rehabilitation efforts undertaken in 2004-2007 with World Bank assistance may not be achieved. Institutional strengthening and modernization of GDDKiA resulted in better planning and coordination of rehabilitation works. However, preparation of innovative road maintenance mechanisms using performance based contracts that was planned under this project was postponed, and the improvement in overall efficiency of GDDKiA is more limited than had been foreseen.

Lending Information/Disbursement Summary (USD millions, as of June 30, 2008)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-72230	Effective	126.00	122.04	0.34	0.00



Project Name (ID): Odra River Basin Flood Prot (P086768)

Country: Poland

Board Approval Date: 03/21/2007

Closing Date: 11/30/2014

Loan/Credit/Grant Number: IBRD-74360

Sector(s): Flood protection (87%), Roads and highways (5%), Sub-national government administration (5%), Railways (2%), Central government administration (1%)

Theme(s): Natural disaster management (P), Water resource management (S), Environmental policies and institutions (S)

Project Development Objectives:

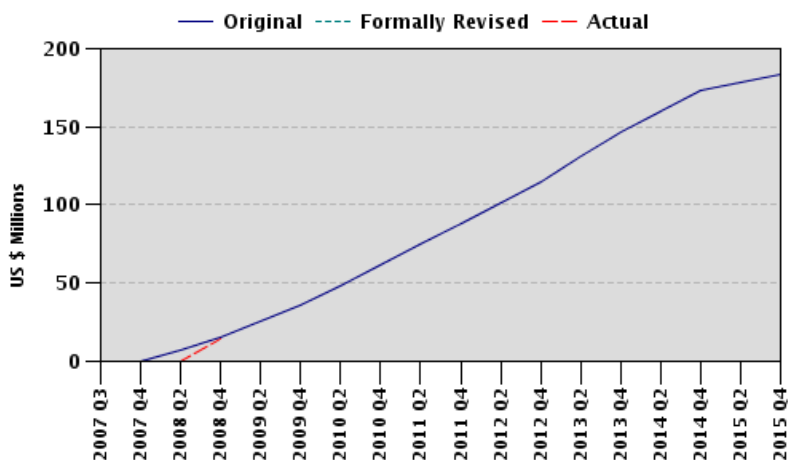
The main development objective of the project is to protect the population in the Odra River Basin against loss of life and damage to property caused by severe flooding.

Progress toward achieving development objective(s):

Project implementation start-up faced problems initially due to institutional and personal adjustments and changes within the government. However, those issues have been resolved. The project coordination Unit (PCU) is now established with essential staff and recruitment of the remaining staff is underway. The Project Special Account was opened and funds were transferred to various Implementing Agencies to start implementation activities, including the funds needed for the purpose of resettlement and land & property acquisition in Reciborz reservoir areas. Keeping with the recent improvements in implementation and start-up of procurement process, implementation is progressing well and the project is likely to achieve its intended development objectives.

Lending Information/Disbursement Summary (USD millions, as of June 30, 2008)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-74360	Effective	184.00	14.67	170.87	0.00



Project Name (ID): ROAD MAINT & REHAB 2 (P088824)

Country: Poland

Board Approval Date: 03/29/2005

Closing Date: 06/30/2009

Loan/Credit/Grant Number: IBRD-72820

Sector(s): Roads and highways (96%), Central government administration (4%)

Theme(s): Infrastructure services for private sector development (P), Regional integration (P), Injuries and non-communicable diseases (S)

Project Development Objectives:

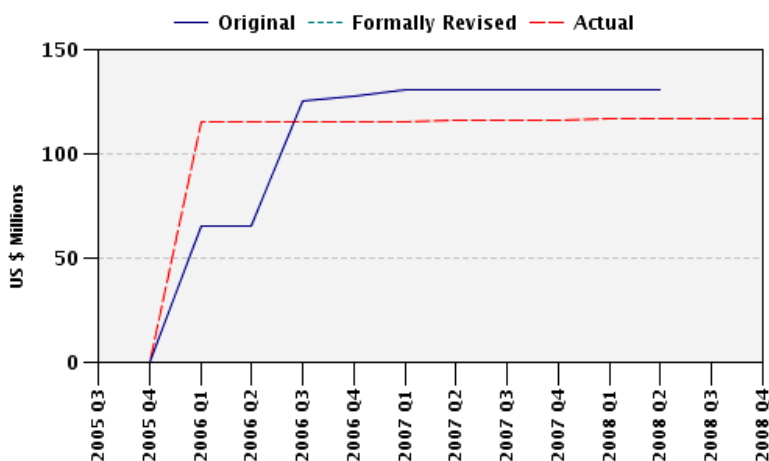
The project development objective is to continue improving the effectiveness of Poland's national road rehabilitation and maintenance systems, with emphasis on quality, efficiency, financial viability, and road user satisfaction.

Progress toward achieving development objective(s):

The project is essentially completed and objectives are largely met. All of the roads rehabilitation works originally foreseen under the projects were successfully accomplished already in 2005, contributing to the increase in the share of roads in acceptable technical conditions reaching the level of 54.9% as per the end of 2007. Although the 2008-2012 Government's road development program foresees substantial funding for current maintenance and rehabilitation of national roads that is aimed at assuring sustainability of road network, 2008 budget of General Directorate for National Roads and Motorways (GDDKiA) for these activities is significantly lower than expected and if such trend continues in 2009, the sustainability of the roads rehabilitation efforts undertaken in 2004-2007 with World Bank assistance may not be achieved. Beginning of implementation of computer based management information system by launching Electronic Resource Processing system in GDDKiA contributes to the improvement in its institutional efficiency. However, the improvement in overall efficiency of GDDKiA falls slightly short of the expectations.

Lending Information/Disbursement Summary (USD millions, as of June 30, 2008)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-72820	Effective	130.50	117.34	3.51	0.00



Project Name (ID): ROAD MAINTENANCE & REHAB 3 (P096214)

Country: Poland

Board Approval Date: 06/06/2006

Closing Date: 09/15/2011

Loan/Credit/Grant Number: IBRD-73840

Sector(s): Roads and highways (93%), Central government administration (7%)

Theme(s): Infrastructure services for private sector development (P), Injuries and non-communicable diseases (S), Administrative and civil service reform (S)

Project Development Objectives:

This repeater project will continue improving the effectiveness of Poland's national road rehabilitation and maintenance systems, with emphasis on quality, efficiency, financial viability, safety, and road user satisfaction.

Progress toward achieving development objective(s):

The project objectives related to roads rehabilitation program are largely met, with all of the roads rehabilitation works originally foreseen under the projects successfully accomplished already in 2006, contributing to the increase in the share of roads in acceptable technical conditions reaching the level of 54.9% as per the end of 2007. Although the 2008-2012 Government's road development program foresees substantial funding for current maintenance and rehabilitation of national roads that is aimed at assuring sustainability of road network, 2008 budget of General Directorate for National Roads and Motorways (GDDKiA) for these activities is significantly lower than expected and if such trend continues in 2009, the sustainability of the roads rehabilitation efforts undertaken in 2004-2007 with World Bank assistance may not be achieved. In order to alleviate such risk, part of the loan funding (EUR 18.5 million) was reallocated in June 2008 from the sum reserved for pilot Performance Based Management and Maintenance contract to support rehabilitation program in 2008-2009. Although improvement of the capacity within GDDKiA to operate efficiently and effectively falls slightly short of the expectations, the recent changes in the management of GDDKiA and the commitment of the Ministry of Infrastructure increase chances for significant institutional improvements foreseen in 2008-2011, necessary to implement very ambitious transport infrastructure development programs.

Lending Information/Disbursement Summary (USD millions, as of June 30, 2008)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-73840	Effective	180.20	153.84	36.25	0.00

