

**STATUS OF PROJECTS IN EXECUTION – FY08**

**EUROPE AND CENTRAL ASIA REGION**

**COUNTRY: UKRAINE**

**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 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.

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<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.
- 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):** RURAL LAND TITLING & CADASTRE (P035777)

**Country:** Ukraine

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

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

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

**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:

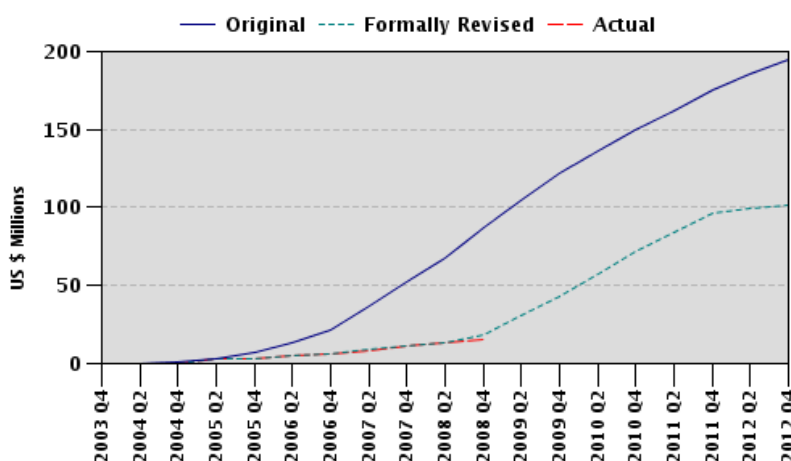
The project seeks to establish a national cadastre and title registry system, allocate land parcels to individuals in rural areas on an equitable basis, establish their property rights by issuing state deeds for land, and encourage the restructuring of farms into more efficient units, with due consideration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

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

The issuance of land titles is almost completed nationwide with over 6 million issued. The production of cadastre maps is underway and 21 regions have works in process. Legal and institutional problems have prevented the establishment of a unified property registration system. It has been agreed that the components dealing with the unified property registration system and farm restructuring will be cancelled and a full plan for project restructuring is underway. The project is still expected to achieve its objectives relating to the issuance of land titles in agricultural areas and the establishment of an automated system for recording these titles and registering transactions of land plots.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-47090	Effective	195.13	15.46	86.07	93.60
IBRD-P3940	Closed	1.44	0.00	0.00	1.44
TF-29537	Closed	0.54	0.48	0.00	0.06



**Project Name (ID):** ST TAX SERV MOD PROG (APL #1) (P057815)

**Country:** Ukraine

**Board Approval Date:** 06/05/2003

**Midterm Review Date:** 12/14/2007

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

**Loan/Credit/Grant Number:** IBRD-P3850, IBRD-46980, TF-25817, TF-26696

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

**Theme(s):** Tax policy and administration (P), Administrative and civil service reform (S)

**Project Development Objectives:**

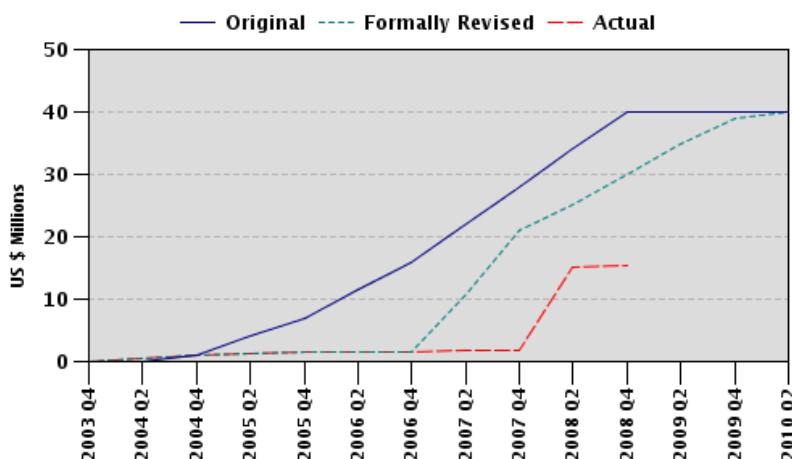
The objective is to establish a sustainable state revenue system which include: (a) voluntary compliance with the Tax Legislation by taxpayers and third party payers; (b) competent, honest, and equitable administration by the State Tax Service; and (c) a growing and efficient enterprise sector.

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

Positive developments and improvements in all indicators are showing that the project remain relevant and important. A mid term review was conducted in December 2007 and a modern computerized Contact Center has been created. Progress has been made in E-filing of Value Added Tax declarations. Interaction with taxpayers has improved through the Public Collegium that helped minimize compliance cost and improve compliance. The Oversight Panel has remarked an increase in tax collection and improved State Tax Service performance. However, some areas of concern remain and delays in legislative measures and low level of automation have slowed several reform initiatives.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-P3850	Closed	2.00	0.00	0.00	2.00
IBRD-46980	Effective	40.00	15.52	24.48	0.00
TF-25817	Closed	0.25	0.25	0.00	0.00
TF-26696	Closed	0.13	0.13	0.00	0.00



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

**Country:** Ukraine

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

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

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

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

**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.

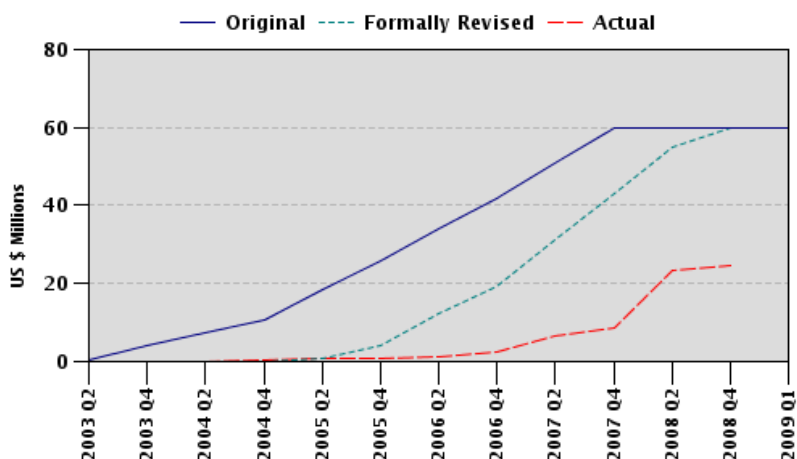
### Progress toward achieving development objective(s):

Due to significant problems encountered over the course of project implementation, the project will not be able to achieve its development objectives.

Even though the project made some progress in providing medicines and condoms after the lifting of the suspension in 2007, it has not been able to support major prevention activities in the country. The project leadership has been constantly changing and in 2008 the project implementation unit actually eliminated due to internal taxation issues in Ukraine. The loan was partially cancelled (US\$12.5 million). Most recently, a new project director was appointed and the project implementation plan was endorsed by the new government. In the review of the delays due to the recent changes of the government, the project is unlikely to fully utilize the remaining funds before the project closes on December 30, 2008. One final activity, the procurement of opportunistic infection drugs and test kits for HIV/AIDS, is now being finalized and delivery is expected prior to the closing date.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
TF-26294	Closed	0.42	0.29	0.00	0.12
IBRD-46820	Effective	60.00	24.81	22.69	12.50



**Project Name (ID):** SOC ASST SYS MOD (P075231)

**Country:** Ukraine

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

**Closing Date:** 05/30/2010

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

**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:**

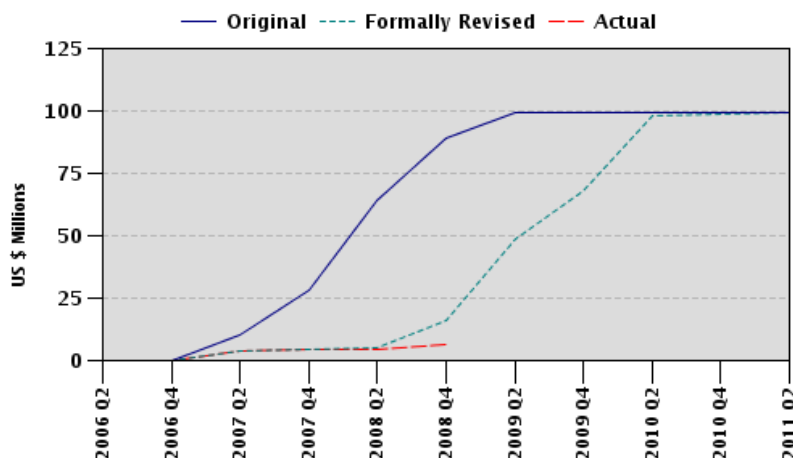
The project objective is to modernize the social assistance system in Ukraine to enable better targeting of cash benefits.

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

The project implementation is very slow and despite extension of closing date, the achievement of development objectives is in danger. Some of the key actions that were agreed during last review have not been accomplished yet. In addition, the project is at risk of lagging behind the timetable revised after the extension of project closing date. The Medium Term Review planned for the end of Calendar Year 2008 will assess feasibility of attainment of project development objective within effective project timeframe.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-48070	Effective	99.40	6.62	92.78	0.00
IBRD-P4060	Closed	2.00	0.00	0.00	2.00
TF-51134	Closed	0.46	0.45	0.00	0.01
TF-56178	Effective	4.95	0.60	4.27	0.00



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

**Country:** Ukraine

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

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

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

**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):**

All major activities planned are now underway. Improvements are becoming evident - according to a self-rated measure of statistical capacity (using methodology developed by the International Monetary Fund), there has been an improvement in statistical capacity from an average of just under 3 in 2005 to just over 3 by the end of 2007 (on a scale of 1-4).

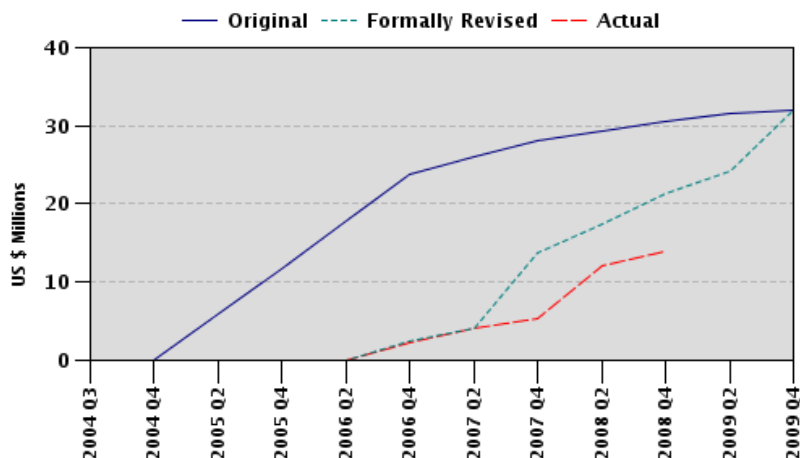
Specific examples of progress include increased efficiency of the data collection system through reductions in the number of Rayon statistical offices and reductions in the number of statistical forms of around 15%. Non-government experts and users are more involved in the governance of the statistical system. The use of the website of the State Statistical Committee of Ukraine has increased four-fold between 2005 and 2007, to over 110,000. All regional offices now publish their statistical data using the web.

The Ministry of Finance and National Bank have introduced new computer systems to improve 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, although this activity is behind schedule.

Subject to the successful completion of the remaining activities planned, the project is likely to achieve its objectives.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
TF-51135	Closed	0.17	0.17	0.00	0.00
IBRD-47290	Effective	32.00	13.87	18.13	0.00



**Project Name (ID):** ACC TO FIN SERVS (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:**

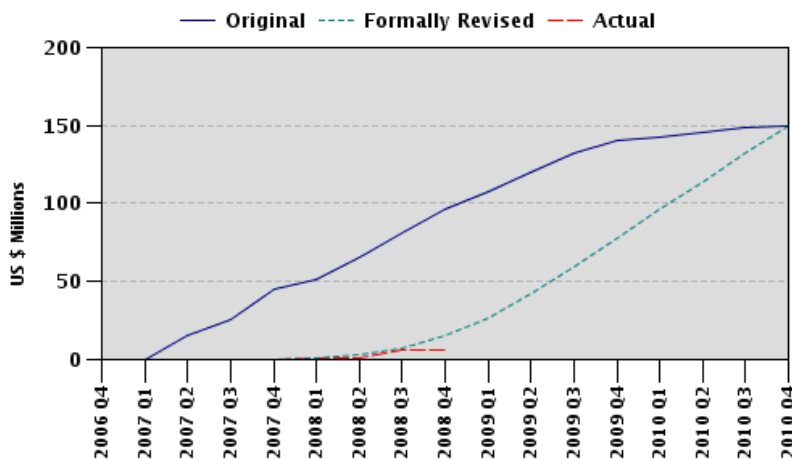
The objective is to increase access to financial services in rural areas, specifically for rural small and medium-sized enterprises.

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

The last supervision mission (March 2008) recognized that the project implementation was still not fully underway as only a handful of sub-loan applications were approved under component A (Access to Finance) which explains the current low disbursement rate of 3.84%. Progress with Component B (TA component) so far has been limited to preparation of draft TOR by beneficiaries. If credit line utilization does not pick up in FY09, the Bank will discuss with the Borrower various options for restructuring the Project.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-48270	Effective	150.00	5.76	144.24	0.00
IBRD-P4020	Closed	1.82	0.00	0.00	1.82



**Project Name (ID):** QUAL EDUC EQUAL ACCESS (APL #1) (P077738)

**Country:** Ukraine

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

**Midterm Review Date:** 03/30/2008

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

**Loan/Credit/Grant Number:** IBRD-47800, TF-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:

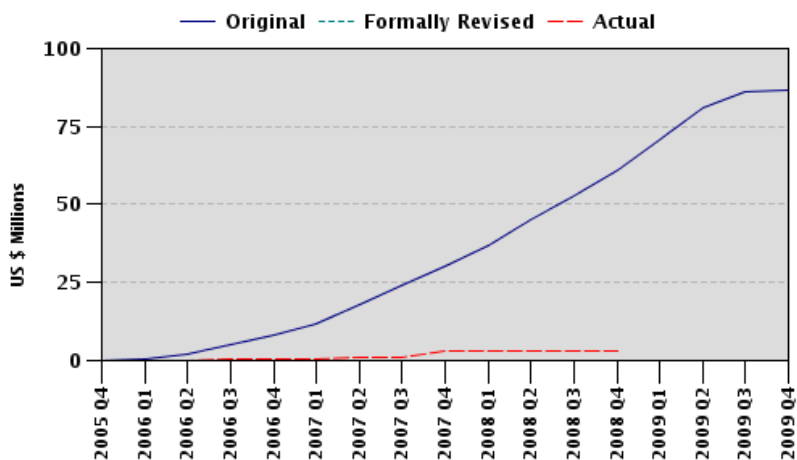
The objective is to provide equal access to quality education and to improve the efficiency of the education system to prepare Ukraine's graduates for the knowledge society.

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

Progress towards meeting the development objectives has been uneven. Ukraine has participated in international learning assessments has scaled-up external national assessments for university entrance, completed the training of master-trainers for teachers, prepared a new curriculum framework and started to increase the availability of computer-classes. But the optimization of the school-network in rural areas is proceeding with delays. The school rehabilitation work is also behind schedule, although there is some progress, the architectural design works have been completed this year.

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

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



**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:**

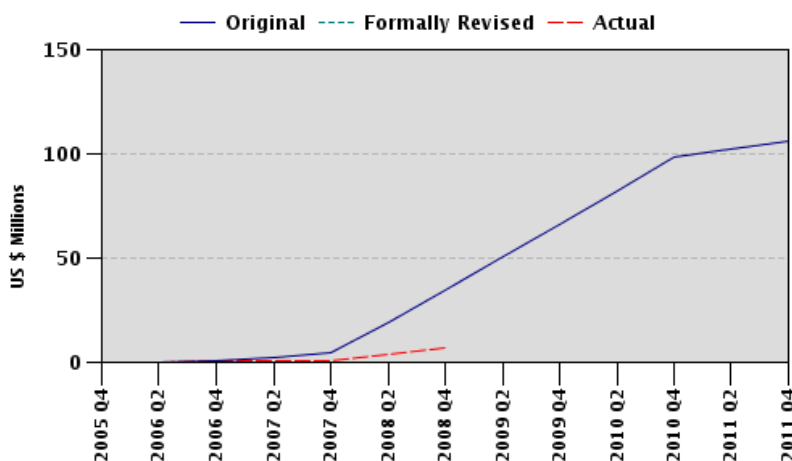
The overall program objective is to improve the security, reliability and quality of energy supply, and, thereby, facilitate unimpeded operation of the energy market, both domestically and internationally. The first phase aims to improve financial and operational stability of the energy sector.

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

The project is making progress towards meeting its development objective. The implementation of the hydropower rehabilitation program is progressing well, with 5 units completed in 2007 and one unit in the first quarter of 2008. Stability and reliability of the power supply is improving by increasing installed capacity of hydropower plants (150.2 MW capacity increase). Ukraine is moving towards convergence of legal and technical norms of its energy sector with the European Union Energy Directives and the Union for the Coordination of Transmission of Electricity power system requirements.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-47950	Effective	106.00	5.53	100.47	0.00



**Project Name (ID):** PFMP (P090389)

**Country:** Ukraine

**Board Approval Date:** 01/08/2008

**Closing Date:** 06/30/2013

**Loan/Credit/Grant Number:** IBRD-48820, TF-54609, TF-90722

**Sector(s):** Sub-national government administration (65%), Central government administration (35%)

**Theme(s):** Public expenditure, financial management and procurement (P)

**Project Development Objectives:**

The development objective of the proposed Project is to strengthen public financial management in terms of operational efficiency and transparency.

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

The Loan Agreement was signed on March 25, 2008, but the project was not effective before the close of the reporting period of June 30, 2008.

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

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IBRD-48820	Not Effective	50.00	0.00	50.00	0.00
TF-54609	Closed	0.67	0.62	0.00	0.06
TF-90722	Effective	0.28	0.07	0.20	0.00



**Project Name (ID):** EXPORT DEVT 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:**

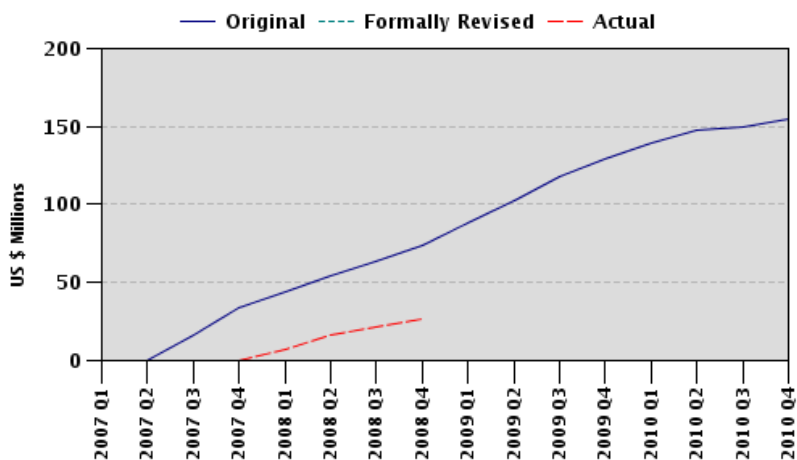
The objective is to provide medium and long-term working capital and investment finance to private exporters and deepen and broaden financial intermediation.

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

Following the effectiveness of Second Export Development project (EDP2) in March 2007, the Ukrainian Export-Import Bank (UEB) has signed subsidiary loan agreements (SLAs) with five banks that meet the eligibility criteria. Total disbursement as of June 27, 2008 stands at USD 27 million. Thirteen sub-loans to eligible beneficiary enterprises have been approved, totaling US\$50 million (one-third of the total Project amount).

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-48360	Effective	154.50	27.14	127.36	0.00



**Project Name (ID):** URBAN INFRASTRUCTURE (P095337)

**Country:** Ukraine

**Board Approval Date:** 08/28/2007

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

**Loan/Credit/Grant Number:** IBRD-48690

**Sector(s):** Water supply (40%), Sewerage (30%), District heating and energy efficiency services (20%), Solid waste management (10%)

**Theme(s):** Other urban development (P), Access to urban services and housing (S), Climate change (S)

**Project Development Objectives:**

The objective is to assist participating utilities in moving towards higher quality and reliability of services and reducing the costs of service through a series of institutional improvements and selective investments in rehabilitation and replacement of deteriorated water supply, wastewater and solid waste systems.

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

The project was signed but not effective before the close of the reporting period.

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

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IBRD-48690	Not Effective	140.00	0.00	140.00	0.00



**Project Name (ID):** POWER TRANSMISSION PROJECT (P096207)

**Country:** Ukraine

**Board Approval Date:** 08/02/2007

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

**Loan/Credit/Grant Number:** TF-53330, IBRD-48680

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

**Theme(s):** Infrastructure services for private sector development (P), Regional integration (S)

**Project Development Objectives:**

The main objective of the Power Transmission Project is to improve the security, reliability and quality of the power supply through the rehabilitation of transmission substations and the strengthening of the power transmission network.

**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, 2008)**

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
TF-53330	Closed	0.67	0.67	0.00	0.00
IBRD-48680	Effective	200.00	0.00	200.00	0.00

