

STATUS OF PROJECTS IN EXECUTION – FY08

SOUTH ASIA REGION

COUNTRY: NEPAL

**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): POWER DEVELOPMENT PROJECT (P043311)

Country: Nepal

Board Approval Date: 05/22/2003

Midterm Review Date: 06/01/2007

Closing Date: 12/31/2010

Loan/Credit/Grant Number: IDA-37660, IDA-H0390

Sector(s): Power (62%), Renewable energy (30%), Micro- and SME finance (3%), Other social services (3%), Central government administration (2%)

Theme(s): Climate change (P), Rural services and infrastructure (P), Other financial and private sector development (P), Small and medium enterprise support (S), Public expenditure, financial management and procurement (S)

Project Development Objectives:

The project development objectives are to: build capacity to manage the development of Nepal's hydro power potential in a prudent and sustainable manner; increase access to electricity services in rural areas; and improve the supply and accountability of electricity.

The project was restructured, or received Additional Financing during FY08

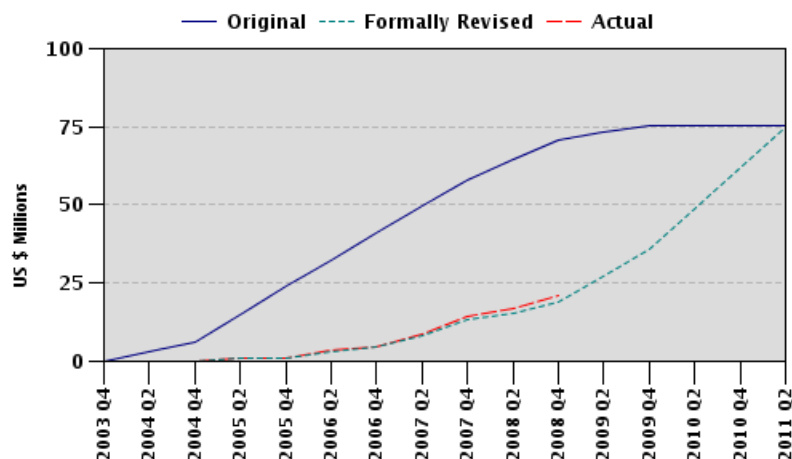
At the request of the Government of Nepal, the project was restructured on February 15, 2008. The restructuring involves the reallocation of funds from: the Power Development Fund component to the Transmission and Distribution; and Micro Hydro Village Electrification components. It responds more effectively to Nepal's power sector development priorities, aligning the shifts in sector priorities since the project was approved in 2003. The proposed changes take into account the delays in project implementation and the long lead time needed for the Power Development Fund to facilitate private sector development in Nepal's hydro power potential.

Progress toward achieving development objective(s):

The project is on track to meet its revised objectives. The main outcome indicators of improved capacity of hydropower entities, increase in electricity access in rural areas, and enhanced transmission and distribution systems, show positive improvements that are likely to result in achieving the targets by the end of the project.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-37660	Effective	59.26	6.19	52.65	0.00
IDA-H0390	Effective	29.63	13.26	14.65	0.76



Project Name (ID): NP: Telecommunications Sector Reform (P050671)

Country: Nepal

Board Approval Date: 12/11/2001

Midterm Review Date: 09/21/2005

Closing Date: 03/31/2009

Loan/Credit/Grant Number: TF-29212, IDA-35810

Sector(s): Telecommunications (55%), Central government administration (45%)

Theme(s): Regulation and competition policy (P), Other financial and private sector development (P), Rural services and infrastructure (P), Infrastructure services for private sector development (S)

Project Development Objectives:

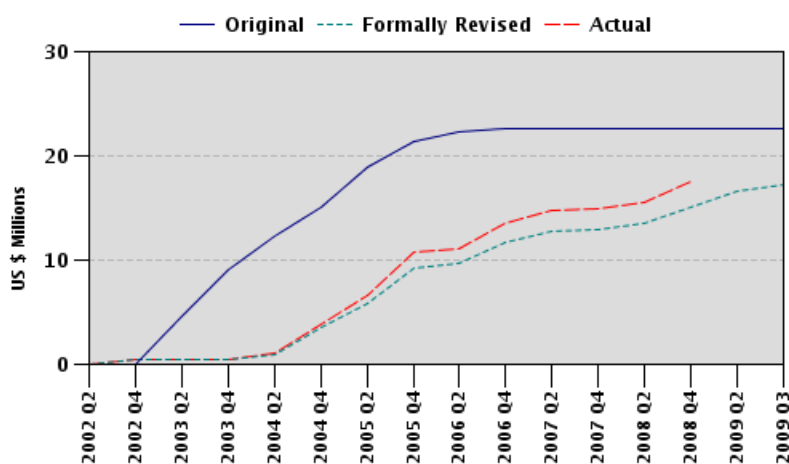
The objective is to strengthen the policy and regulatory environment in the telecommunications sector, to facilitate competition and private sector participation, and increase rural access to services by facilitating private investments and operations.

Progress toward achieving development objective(s):

Implementation progress has improved in FY08: (i) The private rural telecommunications service provider is fully operational and now has a nationwide license to provide services. All Village Development Committees in the Eastern Development Region have access to telecommunication services; (ii) Nepal Telecommunications Authority has licensed a new private Basic Service Provider and a new private rural telecommunication service provider; and (iii) the international long distance market segment has been liberalized. Internet Service Providers have also been permitted to provide limited Voice over Internet Protocol services.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
TF-29212	Closed	0.62	0.63	0.00	0.06
IDA-35810	Effective	27.65	16.97	3.26	2.18



Project Name (ID): Nepal Health Sector Program Project (P040613)

Country: Nepal

Board Approval Date: 09/09/2004

Midterm Review Date: 12/03/2007

Closing Date: 07/15/2010

Loan/Credit/Grant Number: IDA-H3680, IDA-H1250, IDA-39800

Sector(s): Health (86%), Central government administration (12%), Compulsory health finance (1%), Sub-national government administration (1%)

Theme(s): Health system performance (P), Population and reproductive Health (S), Other communicable diseases (S), Child Health (S), Administrative and civil service reform (S)

Project Development Objectives:

To expand access to, and increase the use of, essential health care services, especially by underserved populations.

The project was restructured, or received Additional Financing during FY08

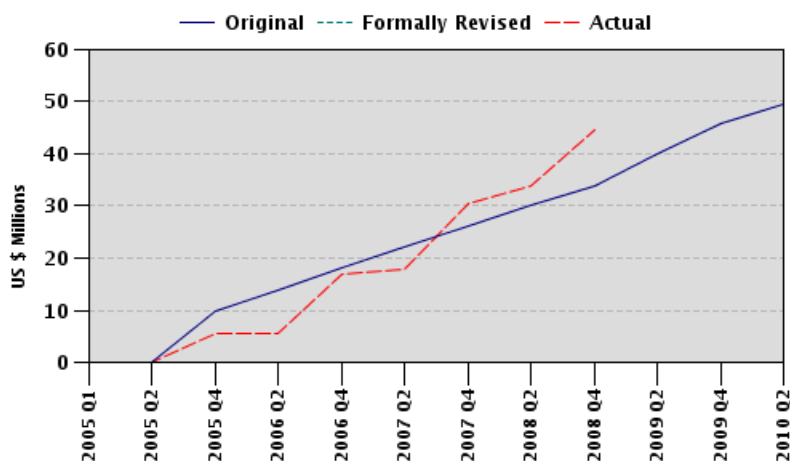
Additional financing in the amount of US\$50 million equivalent was approved by the Board of the World Bank. The additional grant will support the scaling-up of this well performing sector-wide program. A one-year extension of the program will synchronize it with the government's planning cycle. During the next two years, the geographic coverage of essential services will be expanded, and policies aimed at increasing access by the poor more systematically implemented.

Progress toward achieving development objective(s):

The Health Sector Program has achieved some of its initial development objectives, and Nepal appears on course to meeting a number of health-related Millennium Development Goals. Leadership of the sector-wide approach is clearly with the Ministry, which is implementing a free basic health care policy and increasing its own investment in health. With the additional financing, the originally-planned outcomes will be enhanced significantly, better reflecting the inclusion agenda.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H3680	Not Effective	50.70	0.00	50.70	0.00
IDA-H1250	Effective	44.89	41.14	0.00	0.00
IDA-39800	Effective	11.25	3.37	7.89	0.00



Project Name (ID): Rural Water Supply & Sanitation Project (P071285)

Country: Nepal

Board Approval Date: 06/01/2004

Midterm Review Date: 05/10/2007

Closing Date: 12/31/2010

Loan/Credit/Grant Number: IDA-39110, IDA-H3690

Sector(s): Water supply (90%), Sanitation (5%), Health (5%)

Theme(s): Rural services and infrastructure (P), Participation and civic engagement (S), Gender (S), Other human development (S), Pollution management and environmental Health (S)

Project Development Objectives:

The project has two objectives: (i) to improve sector institutional performance and mainstream "the Board" approach in the Government's system, and (ii) to support communities to form inclusive local water supply and sanitation user groups that can plan, implement, and operate drinking water and sanitation infrastructure that delivers sustainable health, hygiene, and productivity benefits to rural households.

The project was restructured, or received Additional Financing during FY08

The Financing Agreements for an additional financing of US\$27 million were signed on August 26, 2008. In addition to the outcomes expected under the original project, the Additional Financing would see the completion of the total scheme cycle and commissioning of rural water supply and sanitation facilities in 582 communities benefiting some 407, 400 additional people. Development phase activities (including social capital development) would be completed for an additional 450 schemes. Social accountability and community score cards systems will be institutionalized. It is also expected that a rural water supply and sanitation sector monitoring and evaluation system will be established and made operational within the Government system prior to the close of the extended project period. It is also envisaged that the Parliament will enact an Act to make the Board a regular sector institution.

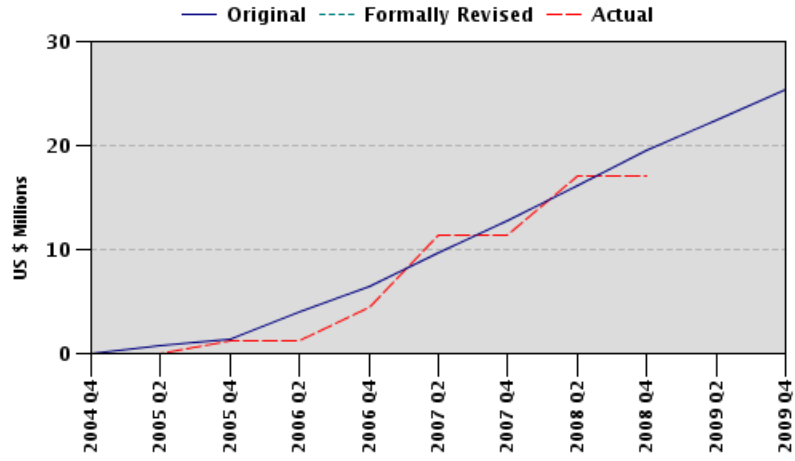
Progress toward achieving development objective(s):

With the Government's continued efforts to realize its objective of a common modality in the sector and the evidence at the grassroots, where a demand-driven participatory approach is increasingly being adopted across the sector, it is expected that the "Board" approach will be institutionalized in the Government system by the end of the project period. The approach is yielding positive results at the community level-community mobilization and social capital development is taking place; water and sanitation user groups/committees have been formed in 1, 140 scheme areas; sanitation coverage is increasing with health, hygiene and sanitation education, with the availability of a Sanitation Revolving Loan Fund-some 38, 000 household latrines have been constructed. To date, 355 schemes have been fully completed serving a present population of about 263, 000 with improved water supply and another 797 schemes of Batches V, VI and VII are in various stages of scheme cycle.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-39110	Effective	27.39	17.14	9.03	0.00
IDA-H3690	Not Effective	26.57	0.00	26.57	0.00





Project Name (ID): Financial Sector Technical Assistance (P071291)

Country: Nepal

Board Approval Date: 12/19/2002

Midterm Review Date: 12/26/2006

Closing Date: 12/31/2011

Loan/Credit/Grant Number: IDA-Q1830, IDA-Q1831, IDA-37270, TF-50593

Sector(s): Banking (98%), Vocational training (1%), Media (1%)

Theme(s): State enterprise/bank restructuring and privatization (P), Regulation and competition policy (P), Standards and financial reporting (P), Corporate governance (S)

Project Development Objectives:

The objective is to strengthen the financial sector in order to bring about macroeconomic stability and promote private-sector-led economic growth.

The project was restructured, or received Additional Financing during FY08

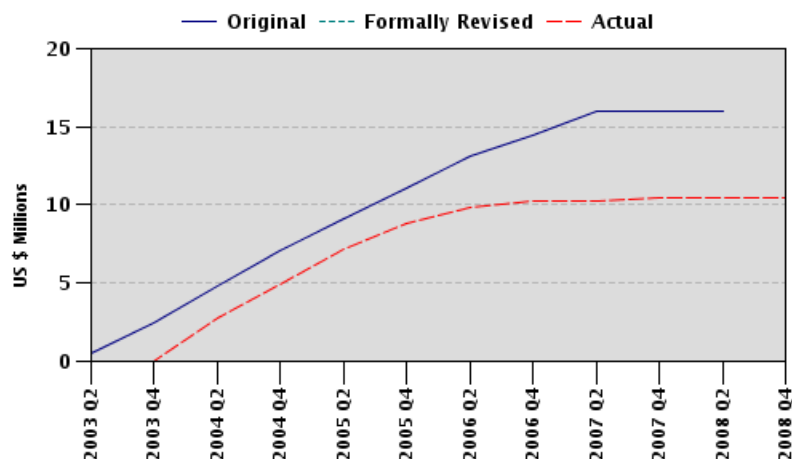
Restructuring was to help assist the counterpart in achieving the project objectives by extending time that would enable a more stable government (post elections in April 2008) to make critical decisions and take measures on end game resolution of two state owned banks. There is no change in the project development objective. From the total financing amount, SDR 4 million of IDA portion has been cancelled.

Progress toward achieving development objective(s):

The project has been successful in turning around the two ailing public commercial banks into profitability and preparing them for next steps of restructuring. There is room for further improvement in building capacity of the central bank through training and technical assistance. Process has been initiated to strengthen the capacity of the Credit Information Centre Ltd. and establish a new movable collateral registry - both expected to take one year. Public awareness of the reform program has increased and the quality of financial news reporting improved.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-Q1830	Closed	0.55	0.00	0.00	0.55
IDA-Q1831	Closed	0.60	0.00	0.00	0.60
IDA-37270	Effective	20.35	10.53	1.91	0.00
TF-50593	Effective	13.59	7.38	5.52	0.00



Project Name (ID): Education for All Project (P074633)

Country: Nepal

Board Approval Date: 07/08/2004

Midterm Review Date: 05/04/2007

Closing Date: 01/31/2010

Loan/Credit/Grant Number: IDA-39560, IDA-H3400

Sector(s): Primary education (70%), Pre-primary education (10%), Adult literacy/non-formal education (10%), Sub-national government administration (5%), Other social services (5%)

Theme(s): Education for all (P), Gender (S), Indigenous peoples (S), Participation and civic engagement (S), Rural services and infrastructure (S)

Project Development Objectives:

The project's long-term development objective is to improve access to and benefit from basic and primary education for children, especially girls and children from disadvantaged groups, and from literacy programs for poor adults.

The project was restructured, or received Additional Financing during FY08

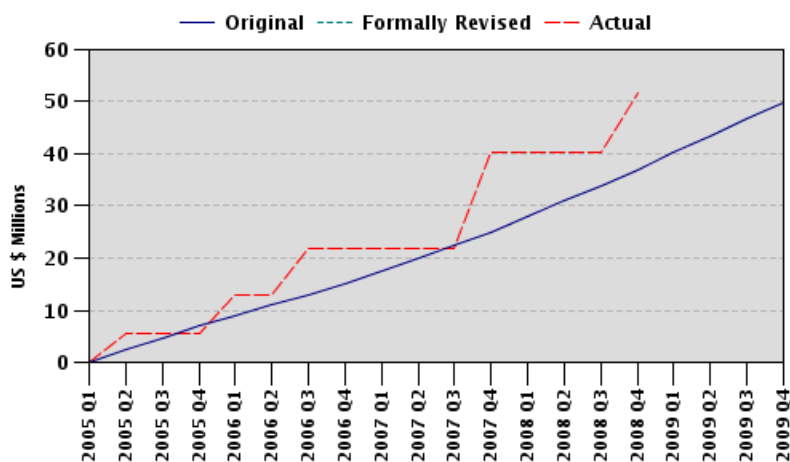
The proposed additional grant of US\$60 million is designed to meet the financing gap resulting from a cost overrun of core project activities and scaling up of reforms. It will help to improve the quality of education by reducing the shortfall of teachers and classrooms, and access to disadvantaged groups by increasing coverage of scholarships. It will also help to expand reforms like community management of schools and per capita financing aimed at improving the efficiency.

Progress toward achieving development objective(s):

Between 2004 and 2007, the net enrolment ratio has increased from 84.4 percent to 89.1 percent, the survival rate to grade 5 has increased from 76 percent to 81.1 percent, and gender parity index has increased from 0.87 to 0.96. School management committees accountable to communities have been formed in almost all schools, and over 6, 500 schools have been transferred to community management.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-39560	Effective	55.62	51.71	0.83	0.00
IDA-H3400	Not Effective	61.06	0.00	61.06	0.00



Project Name (ID): Poverty Alleviation Fund (P081968)

Country: Nepal

Board Approval Date: 06/01/2004

Closing Date: 02/01/2009

Loan/Credit/Grant Number: IDA-H0910, IDA-H2580, IDA-Q3580

Sector(s): Primary education (26%), Roads and highways (26%), Irrigation and drainage (26%), Other social services (18%), Micro- and SME finance (4%)

Theme(s): Rural services and infrastructure (P), Participation and civic engagement (P), Rural non-farm income generation (S), Social risk mitigation (S), Gender (S)

Project Development Objectives:

The project's development objective is to support the country's strategy for reaching the poor, excluded and vulnerable communities, using a pro-poor targeted approach which can be subsequently scaled up. The project is intended to provide direct and indirect benefits initially to six pilot districts by creating infrastructure, employment opportunities, enhancing the capacity of local bodies e.g., Village Development Committees and improving government efforts to better coordinate targeted support to the intended target populations.

The project was restructured, or received Additional Financing during FY08

Under the additional financing the project's development objectives would remain unchanged, as would the components of the project, which include (a) income generation sub-projects; (b) infrastructure sub-projects; (c) innovation and special programs window in any district that meets the agreed criteria; and (d) capacity building for (i) social mobilization; (ii) local bodies; (iii) target groups; (iv) micro-finance intermediaries; and (v) project administration, information, monitoring and evaluation.

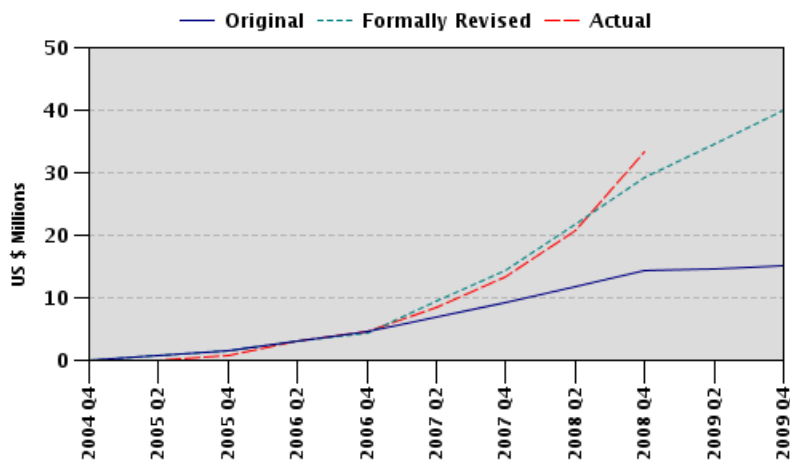
Progress toward achieving development objective(s):

The project is achieving its development objective of improving access to income generation and infrastructure investments by poor rural communities. To date, 7,857 Community Organizations (COs) have been registered under the Poverty Alleviation Fund (PAF) (3,059 in the initial 6 pilot Districts, 4,526 in the additional 19 Districts and 272 through the Innovative Window Program Districts). Of these total registrations, PAF has already made agreements with 7,258 COs. Of the 1,275 Village Development Councils (VDCs) included in the 25 Districts under the regular program, PAF is working in 808 (63 percent). The program is benefiting 223,167 households (around 1.1 million people), or 266,238 households (about 1.3 million people) if infrastructure is included. Benefits are being well targeted, having gone almost exclusively to the poor and to excluded groups. Relative poverty: among beneficiary members in COs, 67.9 percent fall in the hardcore poor category (food sufficiency less than 3 months among criteria fixed by community) and 24 percent in the medium poor category (food sufficiency more than 3 months, but less than 6 months). Ethnicity: CO member households are 36 percent dalit, 29 percent janajati, 2 percent Muslim, 27 percent Brahmin/Chhetri and 6 percent other ethnicities. With regard to key positions (e.g., President, Treasurer, Secretary), 43 percent are held by dalit, 28 percent janajati, 2 percent Muslim, 22 percent Brahman/Chhetri and 4 percent other ethnicities. Gender: some 68 percent of CO members and 57 percent of key position holders are female.



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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H0910	Effective	16.31	14.74	0.40	0.00
IDA-H2580	Effective	27.27	18.69	8.17	0.00
IDA-Q3580	Closed	0.44	0.00	0.00	0.44



Project Name (ID): Rural Access Improve. & Decentralization (P083923)

Country: Nepal

Board Approval Date: 06/21/2005

Closing Date: 12/31/2010

Loan/Credit/Grant Number: IDA-H1710, IDA-Q3870

Sector(s): Roads and highways (100%)

Theme(s): Rural services and infrastructure (P), Decentralization (S), Other social development (S)

Project Development Objectives:

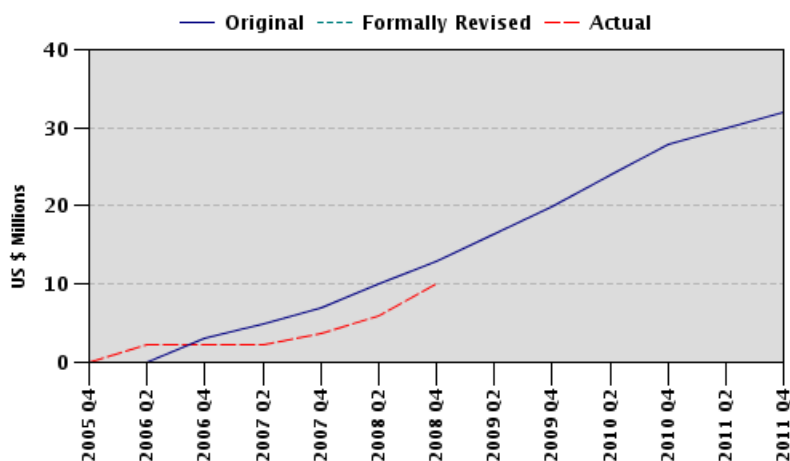
The project's development objective is for residents of participating districts to utilize improved rural transport infrastructure and services and benefit from enhanced access to social services and economic opportunities.

Progress toward achieving development objective(s):

In spite of Nepal's recent political instability and the election of constituent assembly, progress in overall project implementation is good in terms of both physical progress and quality of works. Physical progress in work upgrading is nearly 66 percent complete, dry season road construction 55 percent complete, trail bridges 55 percent complete and community infrastructure works 70 complete. It is expected that the Project Development Objective will be achieved. A Mid-term Review is planned for November 2008.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H1710	Effective	34.27	10.07	23.74	0.00
IDA-Q3870	Closed	0.40	0.00	0.00	0.40



Project Name (ID): Fin Sector Restructuring (Phase II) (P084219)

Country: Nepal

Board Approval Date: 03/09/2004

Midterm Review Date: 05/17/2007

Closing Date: 09/30/2009

Loan/Credit/Grant Number: IDA-H0740, IDA-38640

Sector(s): Banking (100%)

Theme(s): State enterprise/bank restructuring and privatization (P), Standards and financial reporting (S)

Project Development Objectives:

The objective of the project is to support the on-going efforts to develop a healthier financial sector in Nepal which intermediates funds more efficiently and effectively to the benefit of all segments of society and in a manner which supports private sector development, increased investment and faster growth.

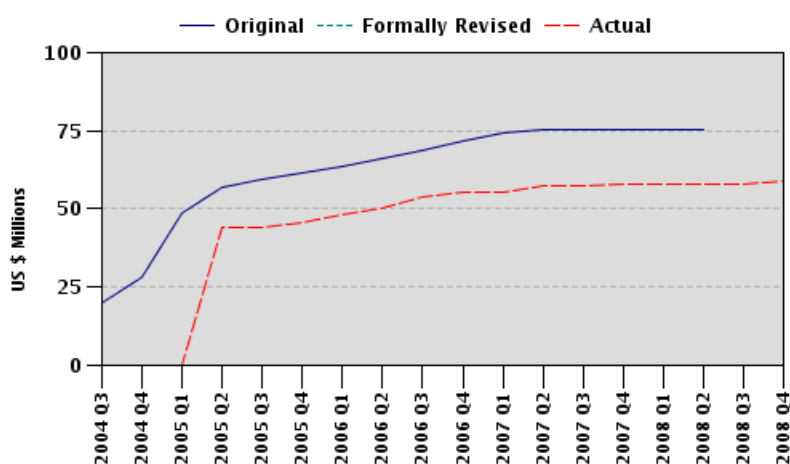
Progress toward achieving development objective(s):

The development objective of the major component i.e., Voluntary Retirement Scheme for two public banks, which was allocated more than two thirds of the total project cost, has been largely achieved. The remaining components critical to achieve the project development objectives could be implemented with the restructuring of another on-going Financial Sector Technical Assistance Project. In addition to turning around two ailing public banks into profitability, the market share of all public banks have reduced to almost half from 50 percent six years ago. Sharing of credit information, financial disclosure and news reporting have improved. Non-Performing Loans of the banking sector have reduced from 29 percent in 2003 to less than 9 percent as of January 2008.

The project is being closed within calendar 2008. All uncommitted funds have been cancelled and all outstanding assignments are expected to be completed by October 2008.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H0740	Effective	8.04	0.55	0.00	7.38
IDA-38640	Effective	78.13	58.35	0.00	13.95



Project Name (ID): Second Higher Education Project (P090967)

Country: Nepal

Board Approval Date: 02/22/2007

Closing Date: 01/15/2014

Loan/Credit/Grant Number: IDA-H2740

Sector(s): Tertiary education (67%), Secondary education (21%), Central government administration (6%), Other social services (6%)

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

Project Development Objectives:

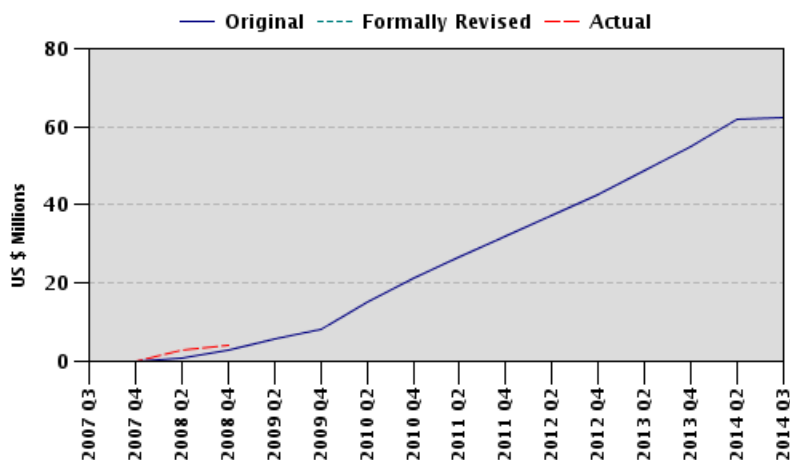
The Project Development Objectives are: (a) enhanced quality and relevance of higher education and research through a set of incentives for promoting effective management and financial sustainability of academic institutions; and (b) improved access for academically qualified under-privileged students, including girls, dalits and educationally disadvantaged janajati to higher education through financial assistance and enhanced capacity of higher secondary schools.

Progress toward achieving development objective(s):

Nine of ten targeted community campuses (private not for profit) subscribing to reforms have been selected for project assistance. All three targeted small universities have agreed to formula-based funding - the precondition for participating in the project. All targeted higher secondary schools have received basic grants (per capita output-based funding). The preliminary list of students selected for financial assistance on the basis of proxy means testing has been published.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H2740	Effective	67.63	4.17	63.34	0.00



Project Name (ID): NP Economic Reform TA (P093294)

Country: Nepal

Board Approval Date: 06/28/2005

Midterm Review Date: 06/08/2007

Closing Date: 12/31/2008

Loan/Credit/Grant Number: IDA-H1730

Sector(s): General public administration Sector (93%), Aviation (5%), Telecommunications (1%), Petrochemicals and fertilizers (1%)

Theme(s): Administrative and civil service reform (P), Public expenditure, financial management and procurement (P), State enterprise/bank restructuring and privatization (S), Health system performance (S), Education for all (S)

Project Development Objectives:

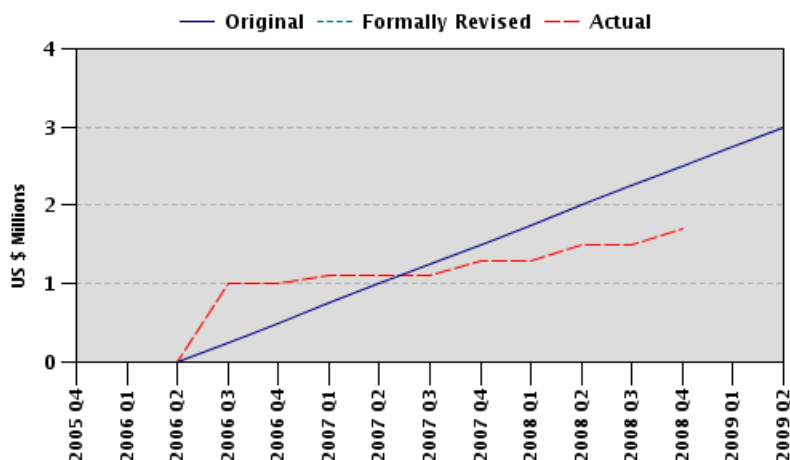
The project's development objective is to strengthen public sector capacity to implement economic reforms through improved governance, public sector management, and service delivery.

Progress toward achieving development objective(s):

The project is on track to achieve its objectives, despite a delay in disbursements. In total, 28 sub-projects have been proposed, reviewed, approved and started implementation, in almost as many government ministries and agencies, of which seventeen have been completed or are near completion. These projects have involved technical assistance, capacity building, training, hardware and software acquisition, and operational/technical support for public sector institutions and individuals to enhance their capacity to implement reforms, deliver better services and ultimately improve their governance.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H1730	Effective	3.21	1.66	1.41	0.00



Project Name (ID): Road Sector Development Project (P095977)

Country: Nepal

Board Approval Date: 12/06/2007

Closing Date: 06/30/2012

Loan/Credit/Grant Number: IDA-Q5710, IDA-H3390

Sector(s): Roads and highways (90%), Central government administration (10%)

Theme(s): Infrastructure services for private sector development (P), Rural services and infrastructure (S)

Project Development Objectives:

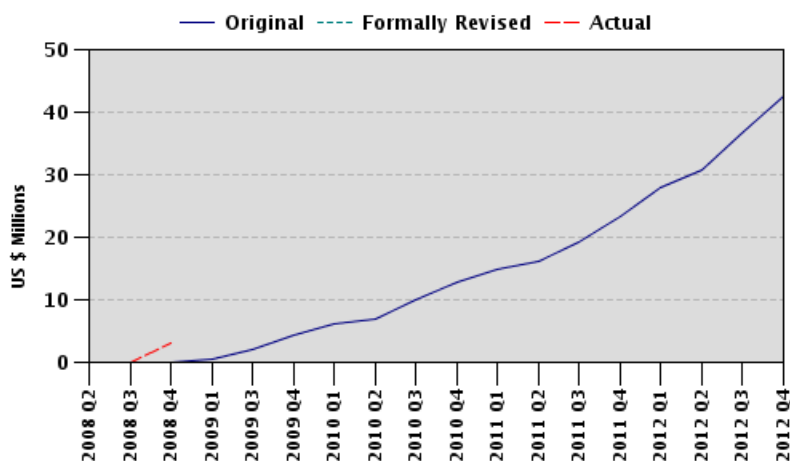
The Project Development Objective is for the residents of beneficiary districts to have all-season road access thereby reducing travel time. This will help improve access to economic centers and social services. The project targets five hill districts which currently lack all-season road access and will improve access to one other district.

Progress toward achieving development objective(s):

The project became effective in the second half of the reporting period and mobilization of contractors for first year physical works has been delayed due to the uncertain political situation, election of constituent assembly and the lack of adequate budget for road maintenance in fiscal year 2008. However, it is still anticipated that the Project Development Objective will be met.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-Q5710	Closed	1.00	0.00	0.00	0.00
IDA-H3390	Effective	45.72	3.00	42.72	0.00



Project Name (ID): Irrig & Water Res Mgmt Proj (P099296)

Country: Nepal

Board Approval Date: 12/06/2007

Closing Date: 06/30/2013

Loan/Credit/Grant Number: IDA-H3380

Sector(s): Irrigation and drainage (76%), Agricultural extension and research (12%), Central government administration (8%), General agriculture, fishing and forestry Sector (2%), Sub-national government administration (2%)

Theme(s): Water resource management (P), Rural services and infrastructure (P), Rural policies and institutions (S)

Project Development Objectives:

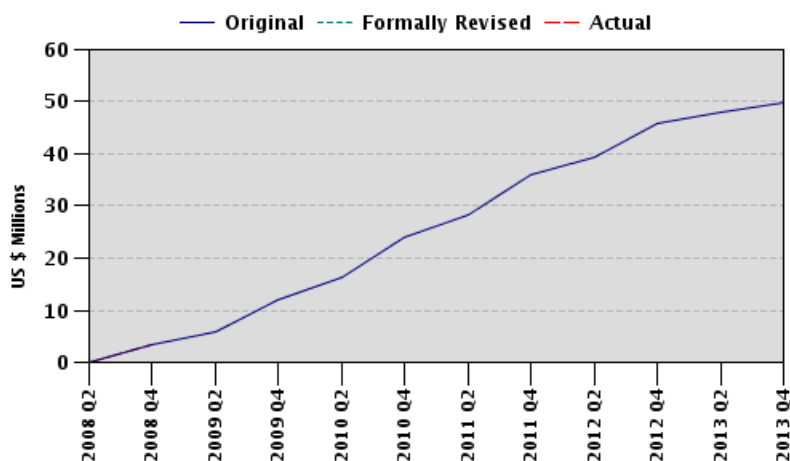
The project's development objective is to improve irrigated agriculture productivity and management of selected irrigation schemes and enhance institutional capacity for integrated water resources management.

Progress toward achieving development objective(s):

The project is in the initial stages of implementation and is progressing well. The office of the project director and implementation entities for all four components have been established and are functioning. Project implementation manuals have been prepared. Work on farmer-managed irrigation schemes and management transfer schemes will begin after the monsoon season.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H3380	Effective	52.15	3.37	48.78	0.00



Project Name (ID): Avian Flu (P100342)

Country: Nepal

Board Approval Date: 01/19/2007

Closing Date: 07/31/2011

Loan/Credit/Grant Number: IDA-H2680

Sector(s): General public administration Sector (60%), Health (21%), Agricultural extension and research (16%), Animal production (2%), Solid waste management (1%)

Theme(s): Natural disaster management (P), Other communicable diseases (P), Rural services and infrastructure (P), Health system performance (S), Pollution management and environmental Health (S)

Project Development Objectives:

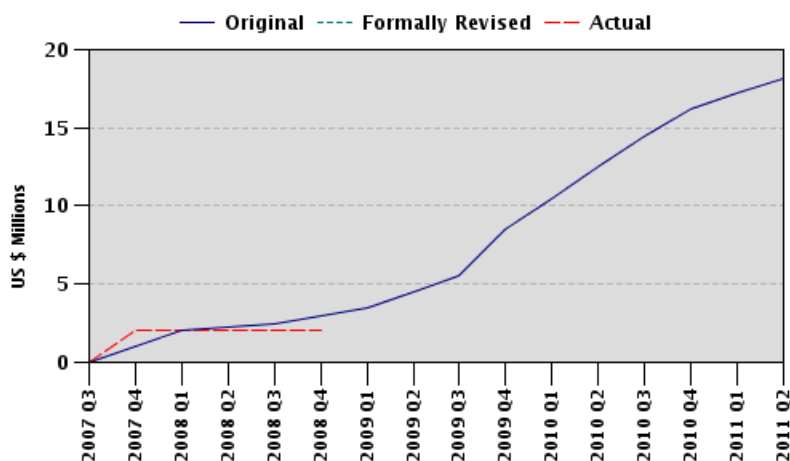
The overall objectives of the Project are to minimize the threat in Nepal posed to humans by HPAI infection and other zoonotic diseases by controlling such infections among domestic poultry and to prepare for, control, and respond to an influenza epidemic and other related infectious disease emergencies in humans. These objectives will be achieved in three ways: (i) prevention; (ii) preparedness and planning; and (iii) response and containment.

Progress toward achieving development objective(s):

The project has made good progress. Critical actions are completed, including signing of implementation support agreements with United Nations agencies (the Food and Agriculture Organization, the World Health Organization and the United Nations Children's Fund), appointing full-time Core Coordination Teams (CCTs) for both the animal and human health component and fully complying with all legal covenants. Disease surveillance and diagnostic laboratory works are intensified and there is high level of vigilance among poultry farmers and the population at large to detect signs of an avian influenza outbreak. The fact that there is no outbreak in Nepal while neighboring countries had outbreaks could be the result of successful preventive actions. This is a good indicator of success so far and the development objectives of the project are likely to be achieved.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H2680	Effective	19.12	2.09	16.97	0.00



Project Name (ID): PAF II (P105860)

Country: Nepal

Board Approval Date: 12/06/2007

Closing Date: 09/30/2012

Loan/Credit/Grant Number: IDA-H3370

Sector(s): Irrigation and drainage (25%), Animal production (25%), Other social services (25%), Water supply (25%)

Theme(s): Rural non-farm income generation (P), Rural services and infrastructure (S), Participation and civic engagement (S), Other social development (S)

Project Development Objectives:

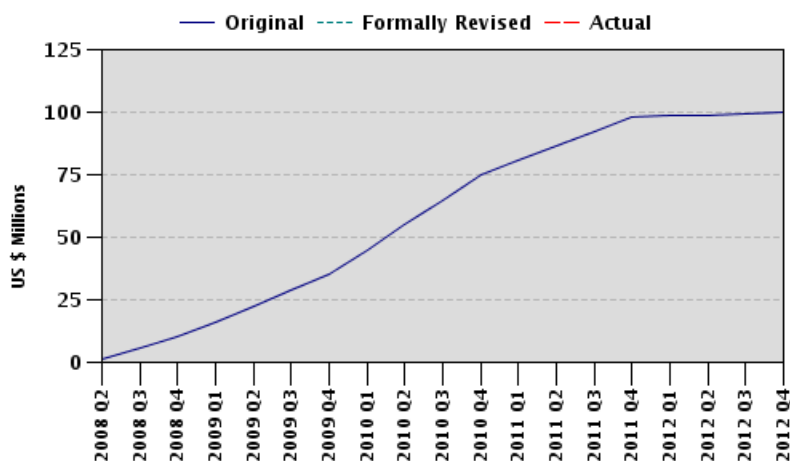
The project's development objective is to improve living conditions, livelihoods and empowerment among the rural poor, with particular attention to groups that have traditionally been excluded by reasons of gender, ethnicity, caste and location.

Progress toward achieving development objective(s):

The project is achieving its development objective of improving access to income generation and infrastructure. The benefits are well targeted having gone almost exclusively to the poor and to excluded groups. Due to the project's ongoing successful implementation, the program is well under way in expanding into a further 15 districts as planned.

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

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H3370	Effective	105.94	0.00	105.94	0.00



Project Name (ID): Peace Support Project (P110762)

Country: Nepal

Board Approval Date: 05/06/2008

Closing Date: 06/30/2011

Loan/Credit/Grant Number: IDA-H3670

Sector(s): Other social services (94%), Central government administration (4%), General public administration Sector (2%)

Theme(s): Conflict prevention and post-conflict reconstruction (P), Social safety nets (S)

Project Development Objectives:

The overall objective of the project is to contribute to the consolidation of the peace process in Nepal by (i) supporting the Government to meet commitments to people affected by the conflict, including families of the deceased, orphans, widows and disabled people, and Maoists in cantonments; (ii) ensuring transparency in implementation of benefits under the project for the conflict-affected groups including the Maoists in cantonments; and (iii) strengthening of key institutions which are tasked with policy and implementation functions in peace building, reintegration and rehabilitation.

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
IDA-H3670	Not Effective	50.70	0.00	50.70	0.00

