

**STATUS OF PROJECTS IN EXECUTION – FY09
SOPE**

**EUROPE AND CENTRAL ASIA REGION
COUNTRY: GEORGIA**

**Operations Policy and Country Services
OCTOBER 02, 2009**



Introduction

The Status of Projects in Execution (SOPE) Report for FY09 provides information on all IBRD/IDA projects that were active as of June 30, 2009. 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 FY09 SOPE report¹ contains project level comparisons of disbursement estimates and actual disbursements, and a table showing the loan/credit/grant amount and disbursements to date.

¹ Notes:

- Amounts and Graphs for loans/credits/grants in currencies other than U.S. dollars may not match exactly due to exchange rate fluctuations over the life of the project.
- Disbursement graphs are not included for Development Policy Operations, which provide quick-disbursing financing to support policy and institutional reforms. For these operations, funds are disbursed in one or more stages (tranches), released when the borrower complies with agreed prior actions.
- Projects which are not yet effective may not have a planned disbursement schedule and thus will not include a graph.



Georgia

Project Name(ID):	Health Sector Development Project (P040555)
Country:	Georgia
Board Approval Date:	01-Aug-2002
Mid-Term Review Date:	21-May-2007
Closing Date:	31-Dec-2010
Sector:	Health (80%); Central government administration (15%); Compulsory health finance (5%)
The project was restructured, or received Additional Financing during FY09:	The main goal of the restructuring was to better align project activities and financing with new health sector reform program.
Project development objective(s):	<p>The revised objectives are: (a) improve coverage, utilization and quality of health care services, and (b) strengthen the government's stewardship functions in the health sector.</p> <p>Project activities have contributed to advancing the reform agenda in the health sector. This is being reflected in improved access to and utilization of primary health care services and increased patient satisfaction. About 71 percent of the rural population in project target areas now has access to primary care services within 15 minutes of their place of residence. As a result, the number of consultations per person increased from 1.4 in 2003 to close to 2 in 2008. The utilization of primary care services in project regions is now higher than the national average: in Adjara region by 18 percent, in Imereti by 31 percent and in Shida Kartli by 6 percent. There has been a 2.6 percent increase in the proportion of pregnant women having at least 4 perinatal visits in 2007 compared to 2006. A health system performance assessment reports that 80 percent of the population across the country is satisfied with the care received in the health facilities.</p>
Progress toward achieving development objective(s):	

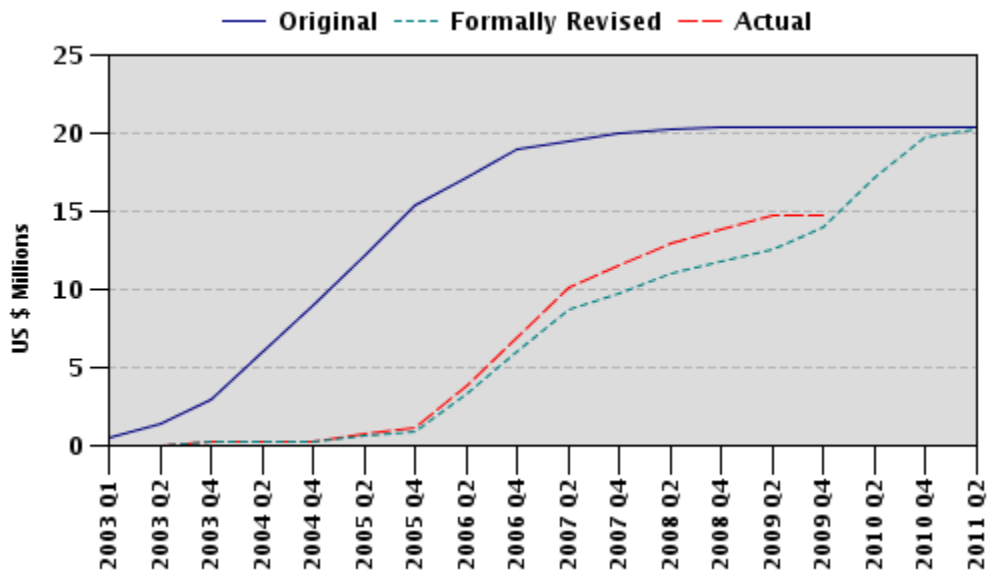
Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IDA-37020	Effective	XDR	24.11	14.81	9.58	0.00
IDA-Q3240	Closed	USD	0.43	0.00	0.43	0.00
TF-29685	Closed	USD	0.50	0.37	0.00	0.13
TF-51330	Closed	USD	0.48	0.46	0.00	0.02



Lending Information/Disbursement Summary (in millions USD)

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Project Name(ID): PUBLIC SECTOR FINANCIAL MANAGEMENT REF (P063081)
Country: Georgia
Board Approval Date: 16-Feb-2006
Mid-Term Review Date: 20-Jan-2009
Closing Date: 01-Mar-2010
Sector: Central government administration (100%)
The project was restructured, or received Additional Financing during FY09: no

Project development objective(s): The development objective is to increase efficiency, effectiveness, and accountability in the use of public resources.

Progress toward achieving development objective(s): Overall, project implementation has been slower than expected due to deficiencies in project management as well as changes in management team and legislative framework. An extension of the current closing date will be required to allow for completion of planned actions and achievement of planned outputs. Nevertheless, progress is being made towards furthering the medium-term expenditure framework initiative. The budget legislation is being revised to provide for better integration of the framework into the regular budget process, and work is underway on piloting results-oriented budgeting as of fiscal year 2010.

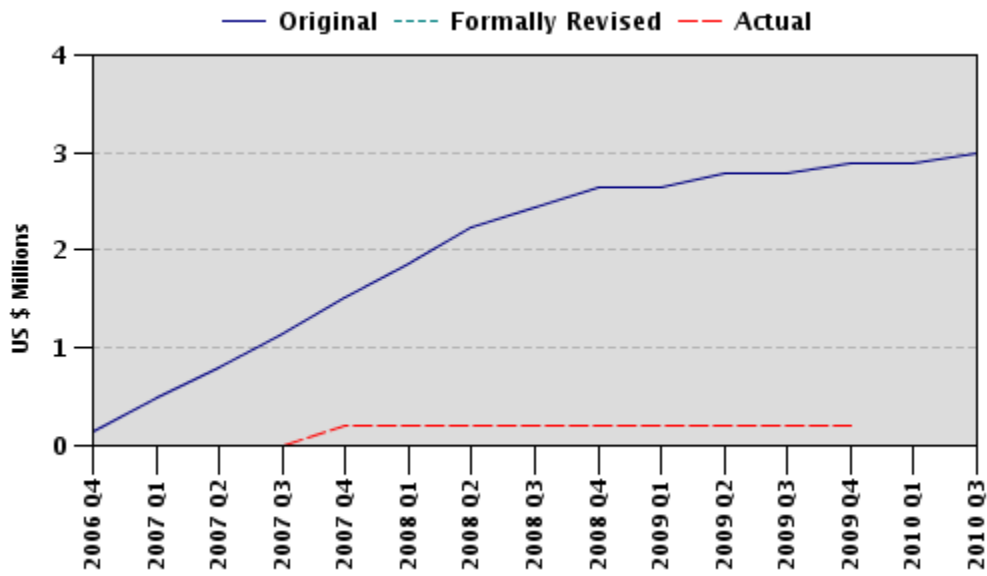
Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IDA-H2050	Effective	XDR	3.25	0.36	2.90	0.00
TF-26116	Closed	USD	0.38	0.00	0.00	0.38
TF-51131	Closed	USD	0.49	0.35	0.00	0.14



Lending Information/Disbursement Summary (in millions USD)

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Project Name(ID): SEC/LOC ROADS (P086277)

Country: Georgia

Board Approval Date: 24-Jun-2004

Mid-Term Review Date: 02-Oct-2006

Closing Date: 31-Oct-2011

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

The project was restructured, or received Additional Financing during FY09: Additional financing in the amount of \$70 million was added to the project to support the rehabilitation of an additional 450 km of secondary and local roads, with a view to increasing employment in a short-run and improving productivity in the future. The expansion in the project will also strengthen capacity of the road sector institutions. The goal of the project restructuring was to reflect changes in the legal and regulatory arrangements for the management and maintenance of local roads in Georgia.

Project development objective(s): The project objectives are to upgrade and rehabilitate secondary and local roads network, and improve capacity of road sector institutions to manage the road network in efficient and sustainable manner.

Progress toward achieving development objective(s): The rehabilitation of 250 km of secondary and local roads funded under the original loan has been completed. Under the institutional strengthening component new geometric design standards for roads were developed and adopted; and as part of the effort to increase the accountability of sector institutions, the Roads Department widely published its annual report for 2008. Works on about 300 km of roads selected under the additional financing are already in progress and the design of additional 150 km is underway.

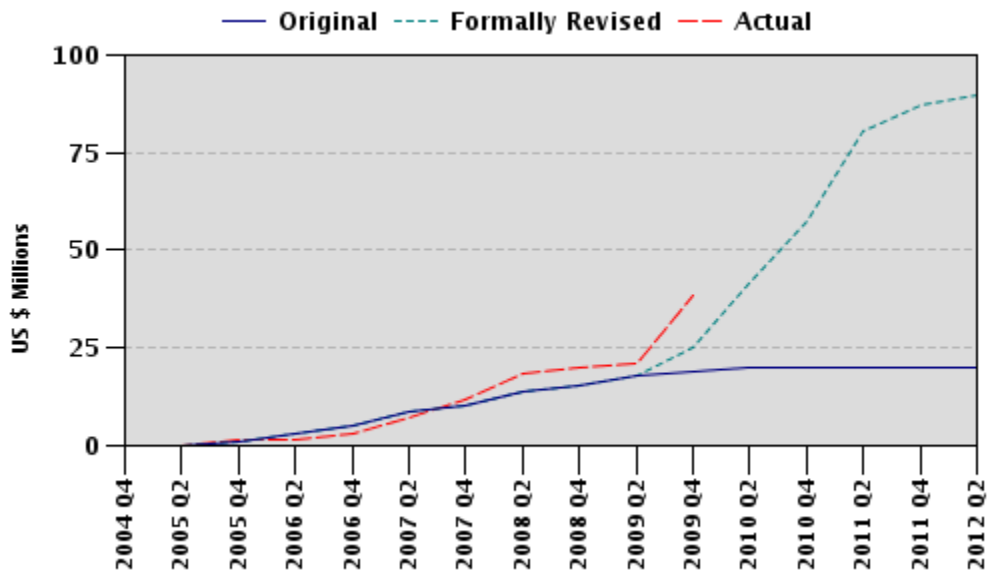
Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-76710	Effective	USD	70.00	18.72	51.28	0.00
IDA-39380	Effective	XDR	21.30	21.00	0.00	0.00



Lending Information/Disbursement Summary (in millions USD)

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Project Name(ID): RURAL DEVT (P078544)
Country: Georgia
Board Approval Date: 17-May-2005
Mid-Term Review Date: 30-Mar-2008
Closing Date: 30-Jun-2010
Sector: Crops (50%); Agro-industry (35%); Central government administration (12%); Agricultural extension and research (3%)

The project was restructured, or received Additional Financing during FY09: no

Project development objective(s):

The objective is to improve agricultural production and access to markets for mainly small and medium-sized farmers and rural enterprises supported by the project, through increasing the competitiveness of selected supply chains, strengthening the delivery of rural financial services and of the financial intermediaries, and modernizing key institutions for food safety and property registration.

Progress toward achieving development objective(s):

Progress toward achieving the development objective has been slower than expected. The wine sector strategy has been developed and is being discussed with the government. Twenty-seven sub-projects received financing of approximately US\$5.7 million from four commercial banks participating in the credit line. Subsidiary loan agreements were signed with 3 microfinance institutions. At the time covered by this report, the project was being restructured to respond to the new government priorities and the changing dynamics of the sector.

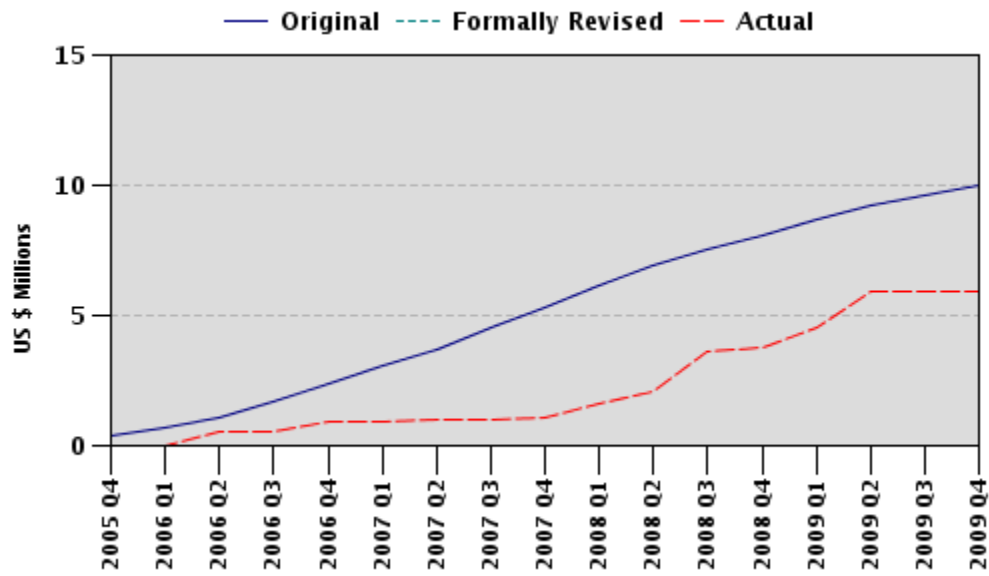
Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
COFN-4600	Effective	XDR	9.39	3.11	6.35	0.00
COFN-4610	Effective	XDR	0.84	0.10	0.75	0.00
IDA-40620	Effective	XDR	9.89	5.95	4.27	0.00
TF-52420	Closed	USD	0.67	0.67	0.00	0.00
TF-54362	Effective	USD	4.50	1.20	3.30	0.00



Lending Information/Disbursement Summary (in millions USD)

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Project Name(ID): ELEC MRKT SUPPORT (P054886)
Country: Georgia
Board Approval Date: 03-May-2001
Mid-Term Review Date: 14-Feb-2006
Closing Date: 31-Dec-2009
Sector: Power (100%)

The project was restructured, or received Additional Financing during FY09: no

Project development objective(s): The project aims to improve the reliability and efficiency of electricity supply, and improve financial and corporate management in the wholesale electricity market.

Progress toward achieving development objective(s): The project continues to make solid progress, and the development objectives are expected to be met upon completion of the project in December 2009. In fiscal year 2009, the focus was on installing a comprehensive supervisory control and data acquisition (SCADA) system and a modern energy management system for the electricity sector. When completed, it will increase system control and the reliability of electricity supply inside Georgia and will also facilitate existing and future expanded trade in electricity in the region.

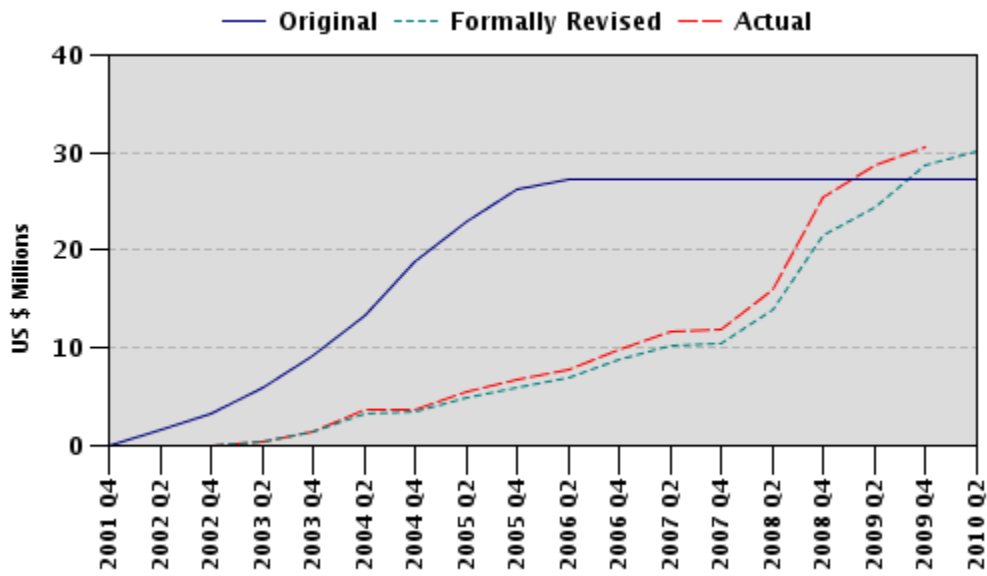
Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IDA-35020	Effective	XDR	32.89	29.01	3.46	0.00
IDA-35021	Effective	XDR	3.74	3.67	0.14	0.00
IDA-Q2270	Closed	USD	1.00	0.00	0.00	1.00
TF-25146	Closed	USD	0.60	0.45	0.00	0.15



Lending Information/Disbursement Summary (in millions USD)

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Project Name(ID): AVIAN FLU - GE (P099808)
Country: Georgia
Board Approval Date: 31-May-2006
Mid-Term Review Date: 31-Mar-2008
Closing Date: 28-Feb-2011
Sector: General public administration sector (41%); Health (34%);
 Agricultural extension and research (20%); Other social services (5%)

The project was restructured, or received Additional Financing during FY09: no

Project development objective(s): The objective is to minimize the threat posed to humans and the poultry industry in Georgia by the highly pathogenic avian influenza and other zoonoses in domestic poultry, and to prepare for, control, and respond to influenza pandemics and other infectious disease emergencies in humans.

Progress toward achieving development objective(s): The project continues to make progress toward achieving its development objectives. The national contingency plan has been drafted and presented to the key stakeholders for their comments and approval. To increase the preparedness of the hospitals 45 ventilators for adults, 10 neonatal ventilators and fifty patient monitors were purchased and distributed among 48 hospitals. Training was provided to 55 professional and support staff on how to use the new equipment. Fifty six kilos of Tamiflu and 9,000 seasonal flu vaccines have been procured and distributed. For the regional offices of the national food safety agency 30 four wheel drive cars were purchased. Disinfectant, protective gear and sprayers were purchased and distributed across the country for preventive measures.

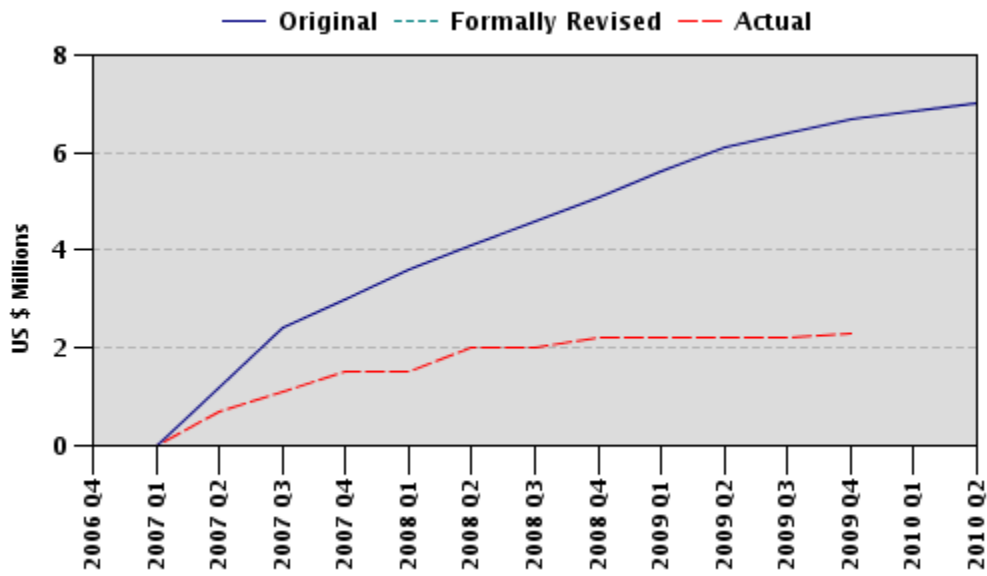
Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IDA-41790	Effective	XDR	3.87	0.73	3.13	0.00
IDA-H2280	Effective	XDR	3.87	1.59	2.26	0.00
TF-56631	Effective	USD	1.40	0.28	1.12	0.00
TF-57342	Effective	USD	1.60	1.06	0.54	0.00



Lending Information/Disbursement Summary (in millions USD)

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Project Name(ID): INFRA PRE-INVEST FACILITY (P098850)
Country: Georgia
Board Approval Date: 16-Feb-2006
Mid-Term Review Date:
Closing Date: 30-Sep-2009
Sector: Power (56%); Roads and highways (35%); Railways (9%)
The project was restructured, or received Additional Financing during FY09: no

Project development objective(s): The development objective is to facilitate preparation of strategic and complex infrastructure investment projects in transport and energy sectors, specifically east-west highway upgrading and Khudoni hydropower investment projects. The project aims to support feasibility and design work for these investment projects, including technical and sectoral studies, engineering design, analysis of economic, financial, social, and environmental feasibility.

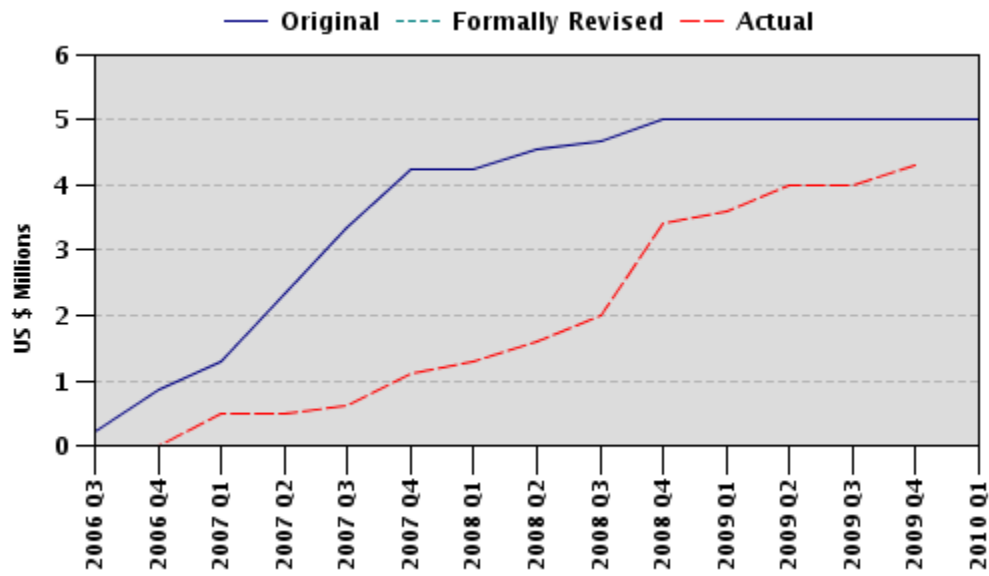
Progress toward achieving development objective(s): The project's transport component was successfully completed in early 2008. The studies undertaken prepared two investment projects that are currently underway--the first and second east-west highway improvement projects. The project's energy component to prepare a proposed Khudoni hydropower construction progressed well in fiscal year 2009. Through a river basin assessment, experts concluded that the original dam site chosen in Soviet times is the best location to erect a dam for a 750 megawatt power plant. Furthermore, conclusions were drawn on the type and basic design of the dam (double-curvature concrete arch dam), and good progress was made also on a range of other engineering aspects. Environmental issues were mapped and management plans drafted, and social surveys as well as first-round public consultations were undertaken.

Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IDA-H2040	Effective	XDR	5.43	4.35	1.12	0.00



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): REGIONAL & MUNICIPAL INFRA DEV (P110126)
Country: Georgia
Board Approval Date: 02-Oct-2008
Mid-Term Review Date:
Closing Date: 30-Jun-2013
Sector: Water supply (30%); Housing construction (25%); Sanitation (20%); Roads and highways (20%); Sub-national government administration (5%)

The project was restructured, or received Additional Financing during FY09: no

Project development objective(s): The objectives of the Project are to: improve the efficiency and reliability of selected municipal infrastructure and services, and assist in restoring infrastructure, services and improving housing conditions of conflict-affected people in Georgia.

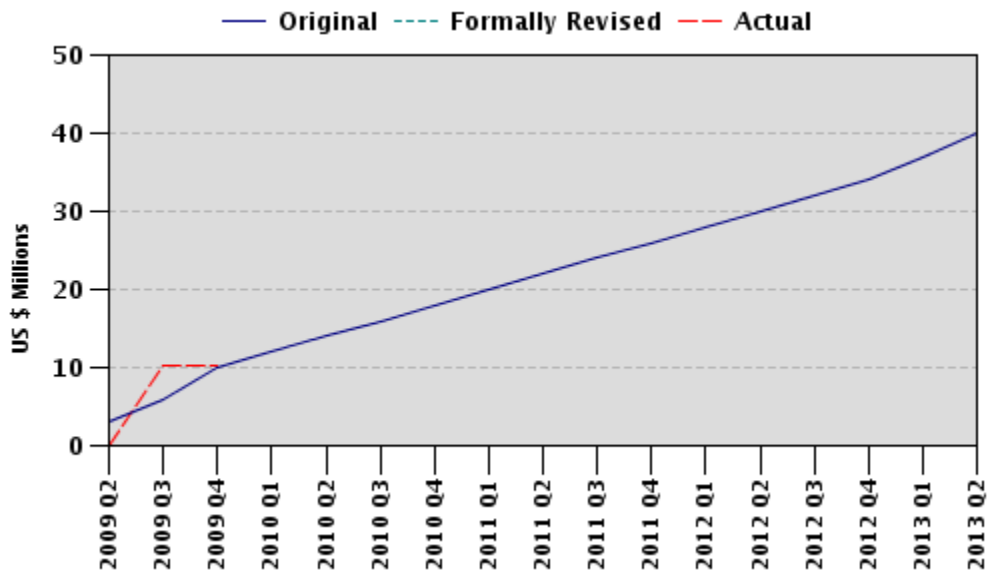
Progress toward achieving development objective(s): The project has made significant progress towards achieving its development objectives. Thirty-one sub-projects to improve local roads, water and wastewater collection systems have been contracted, and many of these sub-projects are under implementation. Soon after the end of the 2008 conflict, which displaced 25,854 inhabitants from South Ossetia, the project implementation agency completed the construction of eight settlements for internally displaced persons.

Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IDA-45160	Effective	XDR	39.75	11.31	27.90	0.00



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): EDUC II (APL 2) (P098217)
Country: Georgia
Board Approval Date: 15-Nov-2006
Mid-Term Review Date:
Closing Date: 31-Dec-2009
Sector: Central government administration (50%); Primary education (20%); Secondary education (20%); Tertiary education (10%)
The project was restructured, or received Additional Financing during FY09: no

Project development objective(s):

The development objective of this project is to increase the quality and efficiency of primary and secondary education in Georgia through the implementation of the institutional and policy framework developed under the first-phase project, as well as the reconstruction of schools in dire physical condition.

Progress toward achieving development objective(s):

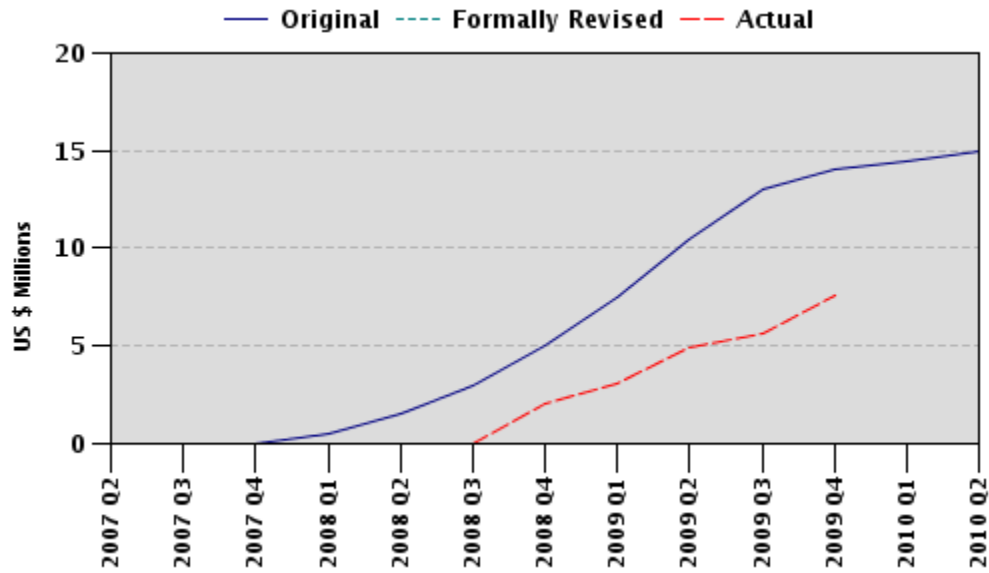
The project is making progress toward meeting its objective in spite of military conflict with Russia and the economic crisis. It is important to note for this project that the IDA credit is supporting the re-construction of schools, while a Japanese grant supports reform elements in basic and secondary education. School construction faced delays this past year due to reasons external to the project, but the works are now back on track. Recognizing implementation delays, the Ministry of Finance requested that the project be extended by one year. In addition to schools being rehabilitated with funds from the project, the Ministry of Education and Science is rehabilitating another 31 additional schools, with 17 already completed. Additional successful achievements include: (a) an increase in the share of teachers introducing more active pedagogical practices in the classrooms due to the successful introduction of new curricula; (b) 25 percent of teachers are now certified according to new standards; (c) a greater autonomy at the school level; (d) the student-teacher ratio has increased from 12:1 to 16:1 indicating that the system is becoming more efficient; (e) and textbooks for the new curricula are under development and/or being translated.

Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IDA-42460	Effective	XDR	15.59	7.59	8.20	0.00
TF-57515	Effective	USD	4.95	1.44	3.51	0.00



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): HIGHWAY IMPROVEMENT 2 (P094044)
Country: Georgia
Board Approval Date: 18-Dec-2007
Mid-Term Review Date: 13-May-2009
Closing Date: 29-Feb-2012
Sector: Roads and highways (98%); Central government administration (2%)

The project was restructured, or received Additional Financing during FY09: no

Project development objective(s): The project aims to upgrade a 24 km section of the East-West highway from Igoeti to Sveneti from two to four lanes, including the construction of new bridges at Igoeti bypass, and to strengthen the government's ability to develop and implement a traffic safety program.

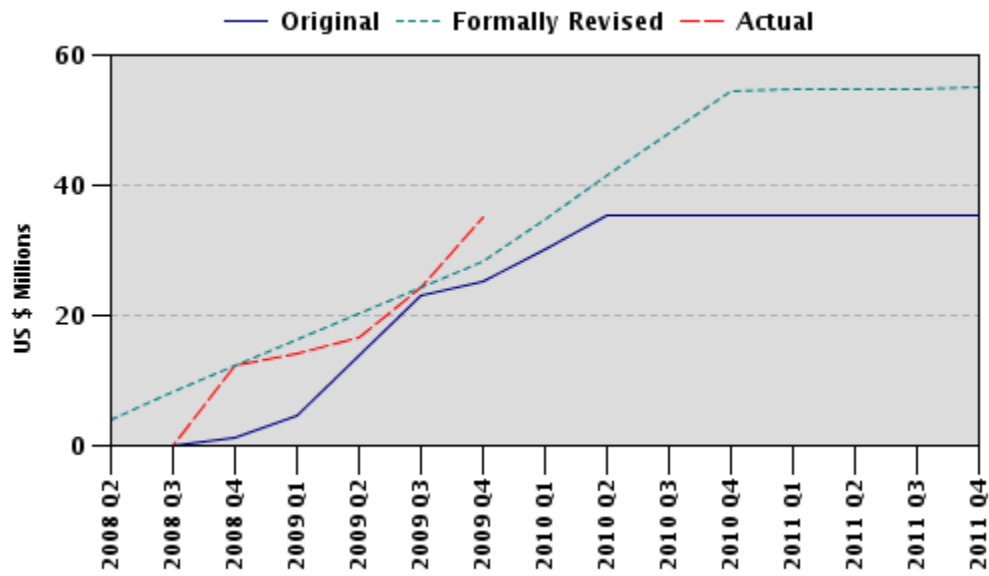
Progress toward achieving development objective(s): The project implementation has had mixed results. The civil works for the project are on-going and are expected to be completed by mid-2010. The project is expected to have cost overruns of about 18 percent of total project costs, mainly due to the redesign and some deficiencies in the supervision of civil works. The road department has taken steps to address these deficiencies by establishing a technical auditing unit, staffed by international and local engineers, and improving construction supervision with a strengthened team. Significant improvement in implementation was noted in the summer of 2009. The implementation of the road safety program is on-going, after some initial delays.

Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IDA-43730	Effective	XDR	34.50	32.41	2.44	0.00
IDA-45120	Effective	XDR	19.94	9.17	10.68	0.00
TF-56956	Closed	USD	0.44	0.43	0.00	0.01



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): HIGHWAY IMPROVEMENT 1 (P083110)
Country: Georgia
Board Approval Date: 05-Dec-2006
Mid-Term Review Date: 13-May-2009
Closing Date: 28-Feb-2011
Sector: Roads and highways (94%); General transportation sector (3%); Central government administration (2%); Tertiary education (1%)

The project was restructured, or received Additional Financing during FY09: no

Project development objective(s): The project aims to upgrade a 13 km section of the East-West highway from 2 to 4 lanes from Agaiani to Igoeti and to support road sector institutional development and capacity building activities to strengthen the ability of the government, road department and the local road construction industry to better plan and manage the country's road network.

Progress toward achieving development objective(s): The project has performed well and is ahead of schedule. The roads civil works are largely completed with some road safety features still to be incorporated. The institutional development activities are on-going, namely, the preparation of standards for design and of bidding documents for the maintenance, rehabilitation, and construction of roads as well as the assistance to the Technical University to modernize its curriculum and improve teaching for road engineers.

Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IDA-42480	Effective	XDR	19.54	20.14	0.00	0.00



Lending Information/Disbursement Summary (in millions USD)

