

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

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

**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.



Kazakhstan

Project Name(ID): AGRIC COMPETITIVENESS (P049721)
Country: Kazakhstan
Board Approval Date: 28-Apr-2005
Mid-Term Review Date:
Closing Date: 30-Jul-2010
Sector: Agricultural extension and research (50%); Agricultural marketing and trade (18%); Animal production (13%); Crops (12%); Central government administration (7%)

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

Project development objective(s): The project's development objective is to increase the competitiveness of the agricultural sector in Kazakhstan. The project will facilitate access to markets by supporting measures to improve the quality and safety of agricultural products, enhance access to information, and harmonize standards; and help to increase the quality, quantity, and relevance of applied agricultural research and facilitate transfer of knowledge to farmers via an innovative mechanism of the competitive grant program.

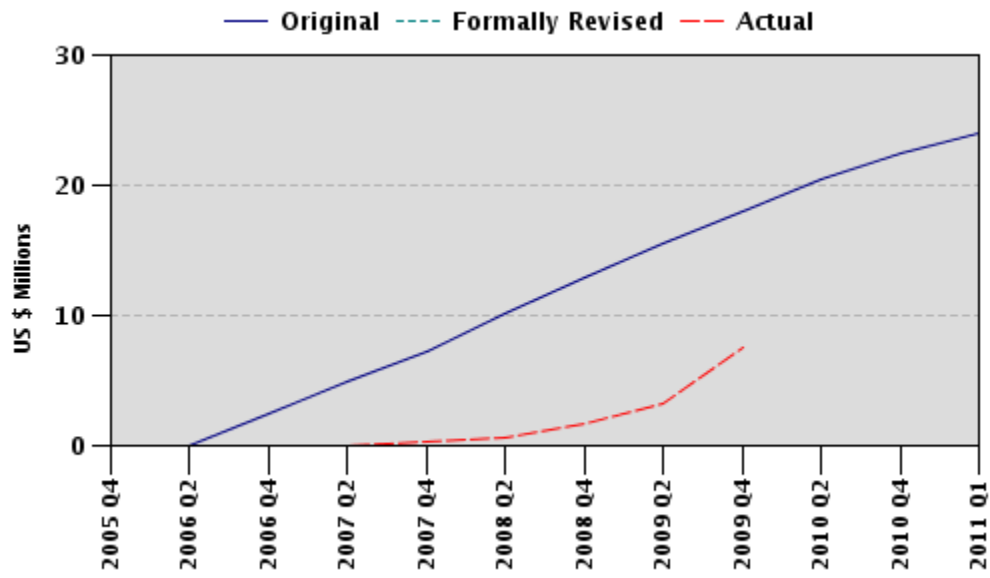
Progress toward achieving development objective(s): The project started to achieve important results mostly through the competitive grant scheme and training activities. However, it still suffers from shortcomings in extension and monitoring and delays in the design of the national agricultural reference laboratory. At the moment a total of 356 grants have been approved, three grants completed and 105 grants under implementation. The project supported modernization of nine state oblast laboratories and 60 rayon laboratories with new equipment. The development of seven technical regulations is fully completed (of which, four regulations already approved by government resolutions). A total of 171 training sessions were held on marketing information system, extension and other aspects of agricultural production. In order to allow for full implementation of the delayed activities the government asked for an extension of the project implementation period.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-47740	Effective	USD	24.00	7.54	16.46	0.00
TF-26444	Closed	USD	0.62	0.62	0.00	0.00



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): CUSTOMS DEVT (JERP) (P096998)
Country: Kazakhstan
Board Approval Date: 27-Nov-2007
Mid-Term Review Date:
Closing Date: 31-Dec-2012
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 the efficiency, effectiveness and accountability of the Customs Control Committee in order to: (a) promote internationally acceptable practices for expeditious processing of international trade flows; (b) improve taxpayer compliance with the Customs Code; and (c) support transparency of customs operations.

Progress toward achieving development objective(s): The project became effective in March 2009 when the Project Steering Committee (PSC) was officially constituted - an effectiveness condition. The PSC met in July 2009 and has approved the annual action plan in order to fast-track the implementation of the project. Meanwhile, the Customs Committee has already started work on the single window and the customs code.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-48740	Effective	USD	18.50	0.00	18.50	0.00



Project Name(ID): AG POST PRIV ASSIST (APL 2) (P058015)
Country: Kazakhstan
Board Approval Date: 13-Dec-2004
Mid-Term Review Date: 09-Nov-2007
Closing Date: 31-Dec-2009
Sector: Agro-industry (89%); Micro- and SME finance (11%)
The project was restructured, or received Additional Financing during FY09: no

Project development objective(s):

The project will promote rural financial services through expanding rural financial advisory services, improving agricultural risk management, facilitating rural financial product development, and promoting sustainable rural micro-finance.

Progress toward achieving development objective(s):

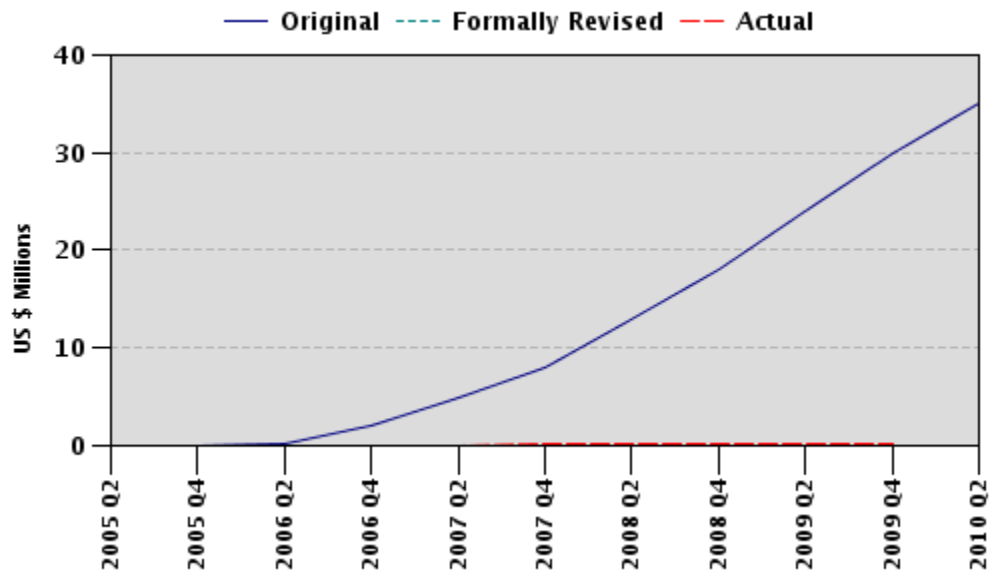
The technical assistance activities financed by the government (such as creation of rural advisers network and training of staff of banks and microfinance institutions) are progressing very well: around 660 local consultants have been trained throughout the country to provide advice in tax issues, commercial borrowing requirements and business planning, 741 staff of commercial banks have been trained in investment lending and structured finance, and 180 staff of microfinance institutions have been trained in a variety of subjects pertaining to successful management of microfinance operations. Significant delays have been experienced with the credit line for agricultural investments, which is financed jointly by the World Bank and the government. However, the government reiterated its interest in the implementation of the credit line and the agricultural risk management activities (which also have experienced some delays), and a subsidiary loan agreement has been signed with a qualified bank with a view of starting the implementation of the credit line. It is expected that the closing date for the project will be extended shortly.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-47630	Effective	USD	35.00	0.17	34.83	0.00
TF-51894	Closed	USD	0.68	0.28	0.00	0.40



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): HLTH SEC TECH (JERP) (P101928)
Country: Kazakhstan
Board Approval Date: 15-Jan-2008
Mid-Term Review Date:
Closing Date: 30-Jun-2013
Sector: Health (83%); Central government administration (10%); Sub-national government administration (4%); Tertiary education (3%)

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

Project development objective(s): The project's objective is to introduce international standards and build long-term institutional capacity in the Ministry of Health and related healthcare institutions in support of key health sector reforms pursued by the Government of Kazakhstan in the context of the State Health Care Reform and Development Program.

Progress toward achieving development objective(s): The project loan became effective in December 2008, but the implementing agency has faced some delays in readiness. Current efforts are focused on ensuring that the technical team and implementation arrangements are in place. As such, there is still no measurable progress in terms of the project achieving its objective.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-48830	Effective	USD	117.70	0.00	117.70	0.00



Project Name(ID): SYR DARYA CONTROL N. ARAL SEA (P046045)
Country: Kazakhstan
Board Approval Date: 05-Jun-2001
Mid-Term Review Date: 31-Jul-2004
Closing Date: 31-Dec-2009
Sector: Irrigation and drainage (66%); Flood protection (29%); Central government administration (4%); Animal production (1%)
The project was restructured, or received Additional Financing during FY09: no

Project development objective(s): The project objectives are to sustain and increase agriculture, livestock and fisheries production in the Syr Darya basin; and to secure the existence of Northern Aral Sea and improve ecological/environmental conditions in the delta area and around the sea leading to improved human and animal health and biodiversity conservation.

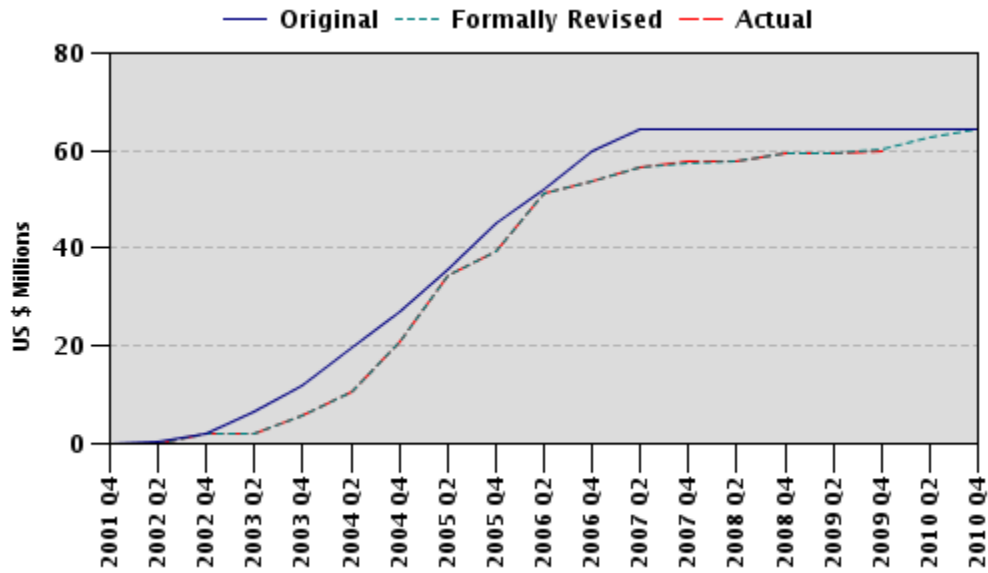
Progress toward achieving development objective(s): The construction and rehabilitation of several hydraulic structures along the river and a dike across the Northern Aral Sea has stabilized the sea at a four-meter higher level than before the project, while the salinity level of the sea water has reduced to a level that allows freshwater fish to live in the sea. About 1,500 tons of fish was caught in the sea in 2009, about 8 times as much as before the project. The increased water flows in the Syr Darya have benefitted wetlands and irrigation areas, thereby sustaining agricultural production. The micro-climate around the sea is improving, benefiting air, soil and water qualities, biodiversity and flora/fauna.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-46090	Effective	USD	64.50	59.94	4.56	0.00
IBRD-P3710	Closed	USD	1.80	0.00	0.00	1.80
TF-25236	Closed	JPY	0.75	0.62	0.00	0.02
TF-27108	Closed	USD	0.90	0.90	0.00	0.00
TF-56801	Effective	USD	1.90	0.10	1.80	0.00



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): N-S ELEC TRANSM (P095155)
Country: Kazakhstan
Board Approval Date: 27-Oct-2005
Mid-Term Review Date: 15-Nov-2007
Closing Date: 31-Dec-2009
Sector: Power (100%)

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

Project development objective(s):

The primary development objective is to ensure that business enterprises and households in southern Kazakhstan have access to reliable, cost effective and high quality supply of electricity. The project also aims to promote competition on the electricity market.

Progress toward achieving development objective(s):

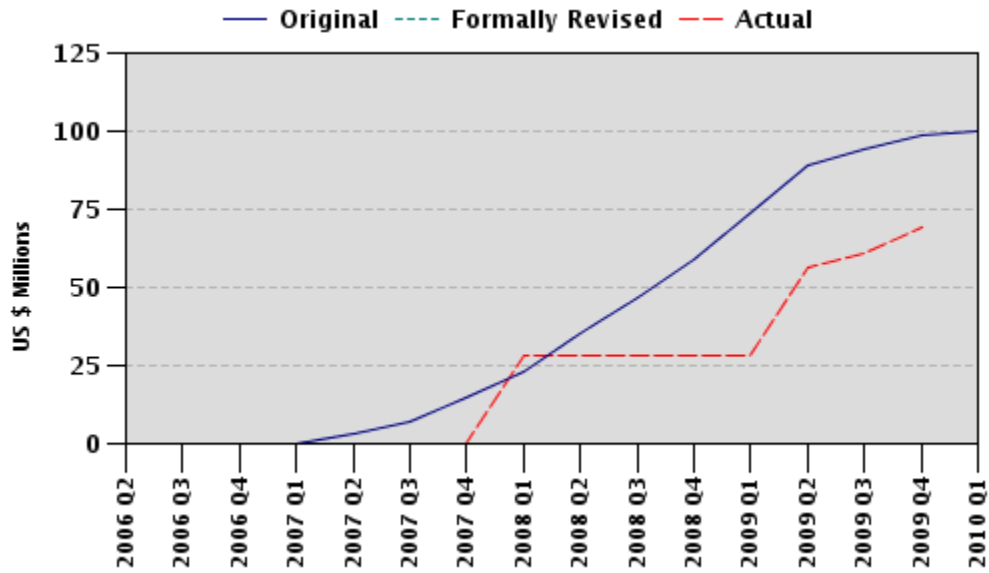
Project implementation is fully on track, and the Ekibastuz-Agadyr transmission line will be completed on schedule by December 2009. After completion of the transmission line and the rehabilitation of substations, access to reliable, cost effective and high quality supply of electricity is expected to improve. All sector reforms have been substantially completed. Zonal transmission tariffs have been implemented and maintained. The real time balancing market was launched in 2008 and is now operating on a trial basis.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-48050	Effective	USD	100.00	70.62	29.38	0.00



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): FORESTRY (P078301)
Country: Kazakhstan
Board Approval Date: 29-Nov-2005
Mid-Term Review Date:
Closing Date: 30-Nov-2012
Sector: Forestry (85%); Central government administration (10%);
 Animal production (5%)

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

Project development objective(s): The objective is to develop cost effective and sustainable environmental rehabilitation and management of forest lands and associated rangelands, with a focus in the northeastern pine forest, the dry Aral Seabed, and southern saxaul woodlands.

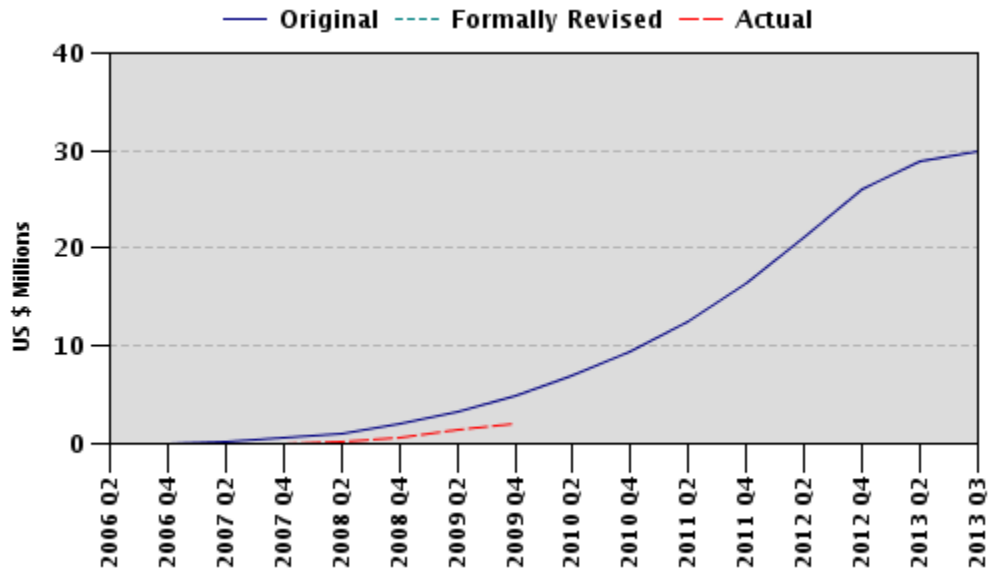
Progress toward achieving development objective(s): The project is lagging behind schedule, with key activities like the plantation program in the Semey region and the construction of nurseries just now commencing. However, several activities, including the planting of 5,500 ha in the Dry Aral Seabed have been completed. The project objectives can be achieved, but this will require changes in the scope of project activities and extension of the implementation period.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-48080	Effective	USD	30.00	2.08	27.92	0.00
TF-51351	Closed	USD	0.41	0.40	0.00	0.01



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): UST-KAMENOGORSK ENV REMED (P078342)
Country: Kazakhstan
Board Approval Date: 01-Feb-2007
Mid-Term Review Date:
Closing Date: 30-Mar-2013
Sector: Solid waste management (50%); General water, sanitation and flood protection sector (35%); Central government administration (15%)

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

Project development objective(s): The project development objectives are: (a) to prevent industrial groundwater contamination to reach residential areas of Ust-Kamenogorsk, the city's sources of drinking water supply and eventually the Irtysh River; and (b) to strengthen institutional mechanisms for groundwater quality monitoring to enable control of ongoing groundwater pollution from local municipal and industrial sources.

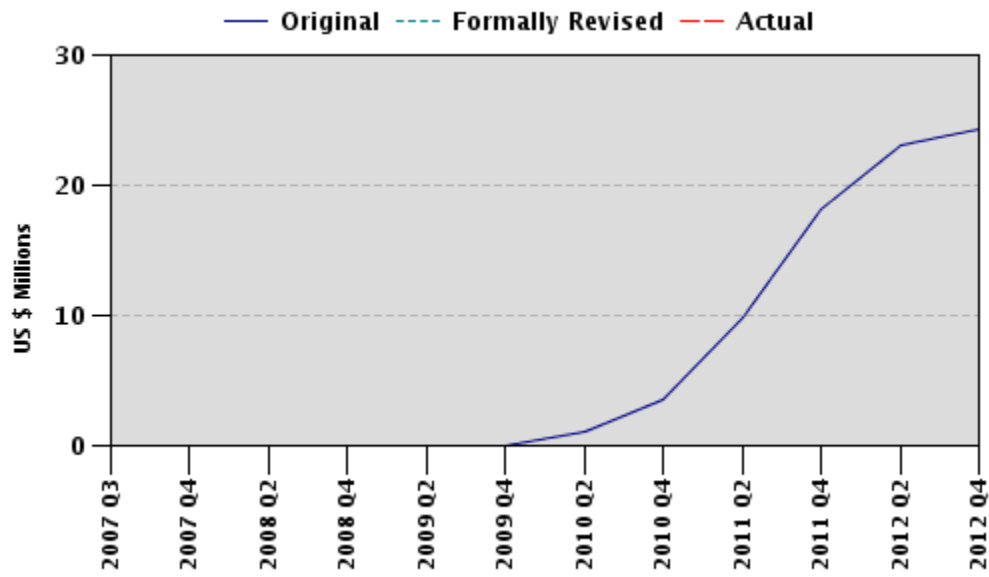
Progress toward achieving development objective(s): The project loan only recently became effective, so it is too early to report on outcomes.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-48480	Effective	USD	24.29	0.00	24.29	0.00
TF-51352	Closed	USD	0.86	0.73	0.00	0.14
TF-58070	Effective	EUR	4.50	0.45	4.36	0.00



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): SOUTH WEST ROADS (P099270)
Country: Kazakhstan
Board Approval Date: 30-Apr-2009
Mid-Term Review Date:
Closing Date: 31-Dec-2013
Sector: Roads and highways (99%); Public administration-
Transportation (1%)

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

Project development objective(s): The proposed objective is to upgrade and reconstruct road sections between Aktobe/Kyzylorda Oblast border and Shymkent, and thus increase transport efficiency and improve road management and traffic safety in Kazakhstan.

Progress toward achieving development objective(s): The project loan is not yet effective. The procurement for 14 civil work contracts (amounting to more than half of project amount) is underway and will be completed by the end of the year. The road safety seminar took place in May 2009 and highlighted a broad consensus on the priorities to improve road safety in Kazakhstan.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-76810	Not Effective	USD	2125.00	0.00	2125.00	0.00



Project Name(ID): TECHNOLOGY COMMERCIALIZATION PROJECT (P090695)
Country: Kazakhstan
Board Approval Date: 15-Jan-2008
Mid-Term Review Date:
Closing Date: 31-Dec-2012
Sector: General industry and trade sector (60%); Central government administration (20%); Tertiary education (20%)
The project was restructured, or received Additional Financing during FY09: no

Project development objective(s): The objective is to demonstrate significantly improved scientific performance and commercial relevance of research performed by inter-disciplinary teams of scientists selected through transparent competitive process.

Progress toward achieving development objective(s): The project loan became effective in the middle of the reporting period following delays associated with the government's ratification procedures. Progress has been slow due to several delays in meeting post-effectiveness loan conditions.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-48840	Effective	USD	13.40	0.00	13.40	0.00



Project Name(ID): NURA RIVER CLEAN-UP (P059803)
Country: Kazakhstan
Board Approval Date: 08-May-2003
Mid-Term Review Date:
Closing Date: 30-Sep-2009
Sector: Petrochemicals and fertilizers (36%); Irrigation and drainage (30%); General agriculture, fishing and forestry sector (17%); Solid waste management (16%); Central government administration (1%)

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

Project development objective(s): The objective is to improve the welfare of the population in the Nura River Basin by cleaning up serious mercury pollution in and adjacent to the Nura River while restoring flow control for flood management and ecological purposes.

Progress toward achieving development objective(s): The Karbide factory has been safely demolished, and all metallic mercury has been collected and immobilized. The foundation of the factory and all the polluted soil under and surrounding the factory have been transported to the landfill. The construction of the landfill has been completed, and this facility has been operational since November 2008. The landfill has received more than 100,000 cubic meters of mercury-polluted soil from the Karbide factory site and other territories. Pre-excavation investigation and pollution mapping of the Zhaur Swamp have also been completed. With regard to the Intumak Dam component, the dam strengthening works, bottom outlet repair works as well as installation for the dam reinforcement are on-going.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-46930	Effective	USD	40.39	29.25	11.14	0.00
TF-25802	Closed	USD	0.70	0.70	0.00	0.00



Lending Information/Disbursement Summary (in millions USD)

