

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

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

**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.



Montenegro

Project Name(ID): SOLID WASTE (MESTAP) (P079116)
Country: Montenegro
Board Approval Date: 11-Sep-2003
Mid-Term Review Date: 10-Mar-2006
Closing Date: 31-Mar-2010
Sector: Solid waste management (95%); Central government administration (5%)

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

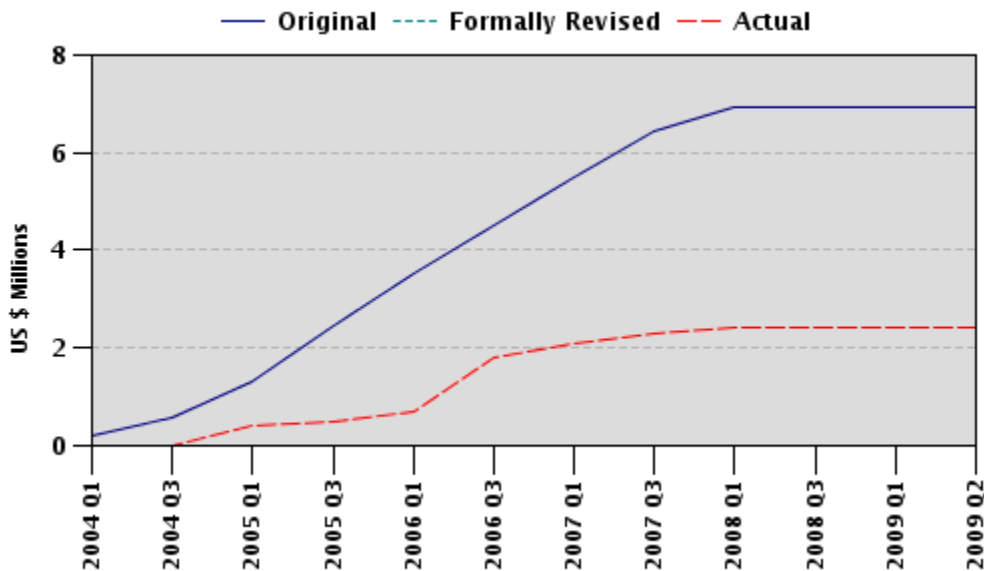
Project development objective(s): The main objective of the project is to create ecological and commercially sustainable solid waste collection and disposal services in Montenegro coastal municipalities, needed to maintain a clean, environmentally attractive coastal area.

Progress toward achieving development objective(s): Progress towards achieving the development objectives has been slow due to procurement delays. Nonetheless, 65 percent of the solid waste produced on the coast is collected on a set schedule and disposed of in adequate facilities. Two municipal disposal sites have been properly closed.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IDA-38230	Effective	XDR	7.58	2.44	5.16	0.00

Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): SUST TOURISM DEVT (P093461)
Country: Montenegro
Board Approval Date: 12-Jun-2007
Mid-Term Review Date: 08-Jul-2009
Closing Date: 30-Sep-2011
Sector: Water supply (89%); Sub-national government administration (8%); Central government administration (3%)

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

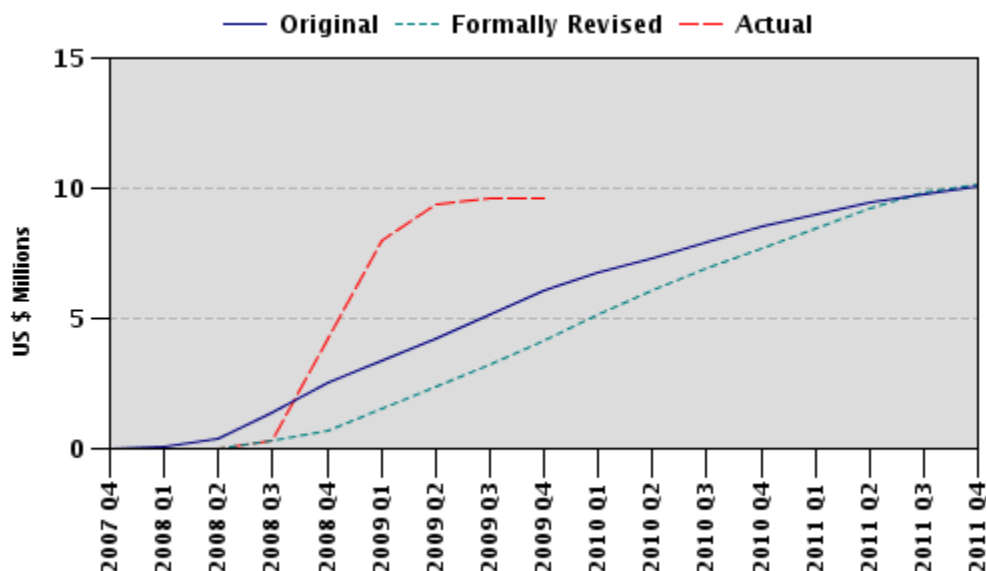
Project development objective(s): The project development objective is to assist Montenegro in better designing and implementing an integrated coastal zone management approach to reduce coastal degradation and at the same time foster environmentally sound tourism development.

Progress toward achieving development objective(s): While the project is making steady progress towards achieving part of its objective in terms of improvements in water supply to the coast through construction of the regional water supply scheme, progress towards reducing coastal degradation and improving environmental protection has been limited.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IDA-43220	Effective	XDR	10.14	9.61	0.82	0.00
IDA-Q5250	Closed	USD	1.78	0.00	1.78	0.00

Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): LAND ADMINISTRATION AND MANAGEMENT (P106906)
Country: Montenegro
Board Approval Date: 09-Dec-2008
Mid-Term Review Date:
Closing Date: 30-Apr-2014
Sector: Housing finance and real estate markets (50%); Sub-national government administration (30%); Central government administration (20%)

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

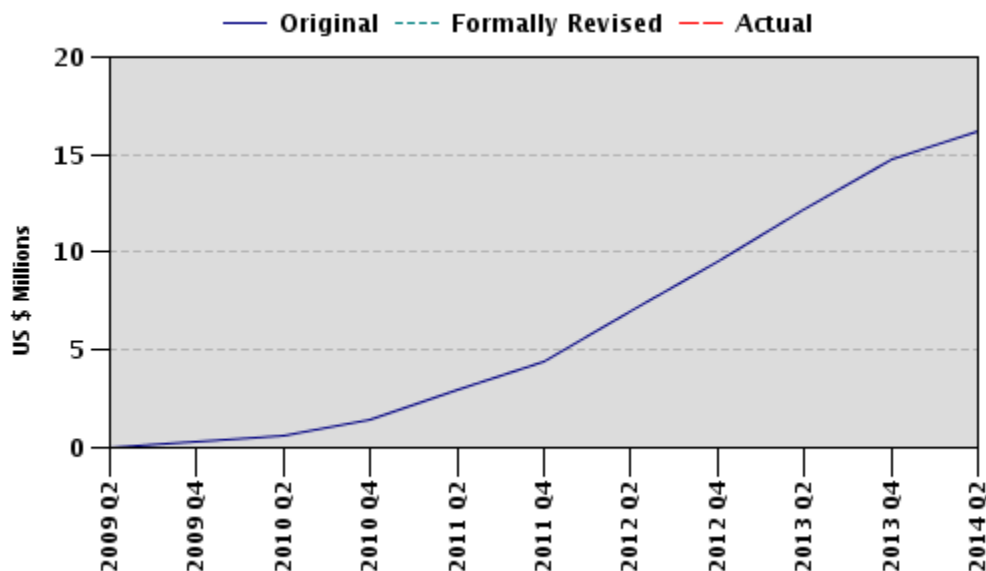
Project development objective(s): The objective of the project is to improve the efficiency of the permitting and property registration systems.

Progress toward achieving development objective(s): The project loan became effective in the latter part of the reporting period and was still in an early stage for meaningful progress.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-76470	Effective	USD	16.20	0.60	15.57	0.00

Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): HEALTH SYSTEM (P082223)
Country: Montenegro
Board Approval Date: 08-Jun-2004
Mid-Term Review Date: 16-Feb-2007
Closing Date: 31-Dec-2009
Sector: Health (55%); Central government administration (30%); Compulsory health finance (10%); Non-compulsory health finance (5%)

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

Project development objective(s): The project's objective is to put in place the first phase of steps towards reform of the health system in Montenegro, giving priority to (a) increasing capacity for policy, planning and regulation; (b) stabilizing health financing; and (c) improving primary health care service delivery.

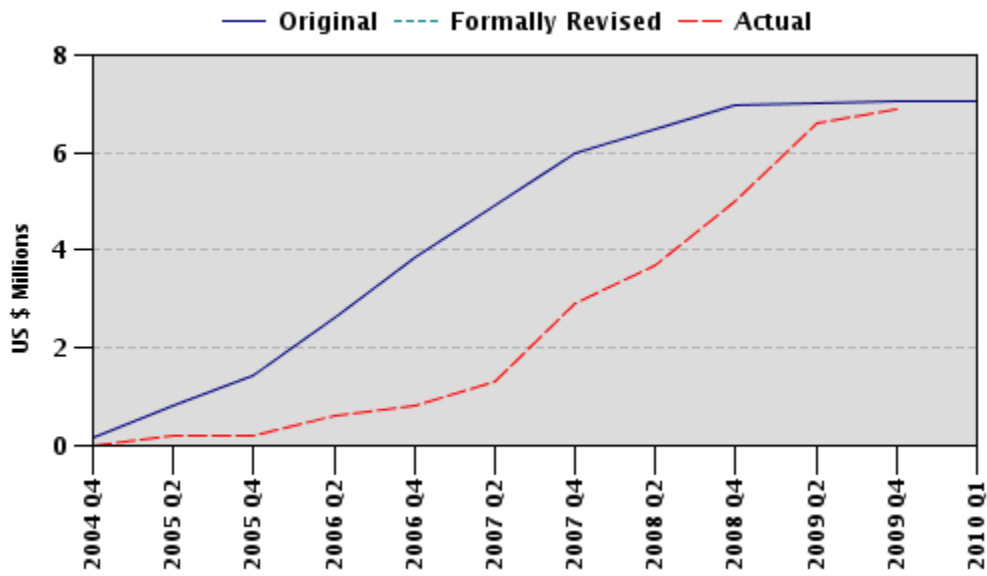
Progress toward achieving development objective(s): The project has supported: (a) the establishment of the basic legal framework for the health sector resulting in the adoption of national health laws; (b) the development of health institutions which contributed to the stabilization of health financing (Health Insurance Fund adequately controlling health expenditures); and (c) the design and implementation of detailed plans and regulations for the development of the primary health care sector which led to improvements in the delivery of primary health care services. User utilization has increased and citizen satisfaction improved; other quality proxies also show improvement.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IDA-39180	Effective	XDR	7.64	7.29	0.27	0.00
TF-52794	Closed	USD	0.45	0.39	0.00	0.06
TF-55474	Closed	USD	0.83	0.83	0.00	0.00



Lending Information/Disbursement Summary (in millions USD)



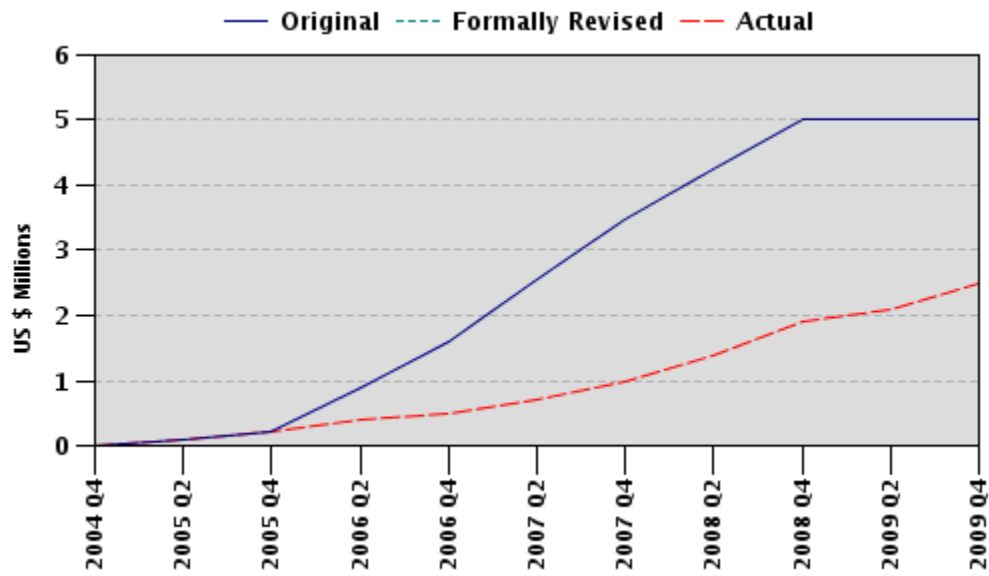
Project Name(ID): PENSION ADMIN (P087470)
Country: Montenegro
Board Approval Date: 08-Jun-2004
Mid-Term Review Date: 22-Jan-2007
Closing Date: 31-Mar-2010
Sector: Compulsory pension and unemployment insurance (95%);
 Non-compulsory pensions, insurance and contractual savings (5%)
The project was restructured, or received Additional Financing during FY09: no
Project development objective(s): The objectives are to improve the financial sustainability, effectiveness, and efficiency of the pension system.
 The progress towards achieving the development objectives of the project has been substantial. The new business processes for a unified contribution collection and reporting system have been defined, and the software is currently being developed to support the new system. The central registry is being finalized in the Tax Department and the testing is currently on-going to ensure data quality. The new business processes in the Pension Fund have been defined and the software for their implementation is close to being completed, and the software modules that have been completed and tested are now being used in regular operations. The long-term model for the Montenegrin pension system has been developed and the staffs in the Ministry and the Pension Fund have been trained in using it for pension system analysis and policy design.
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-39190	Effective	XDR	5.38	2.47	2.92	0.00



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): ENERGY EFFICIENCY (P107992)
Country: Montenegro
Board Approval Date: 09-Dec-2008
Mid-Term Review Date:
Closing Date: 31-Dec-2012
Sector: District heating and energy efficiency services (92%); Public administration- Energy and mining (8%)

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

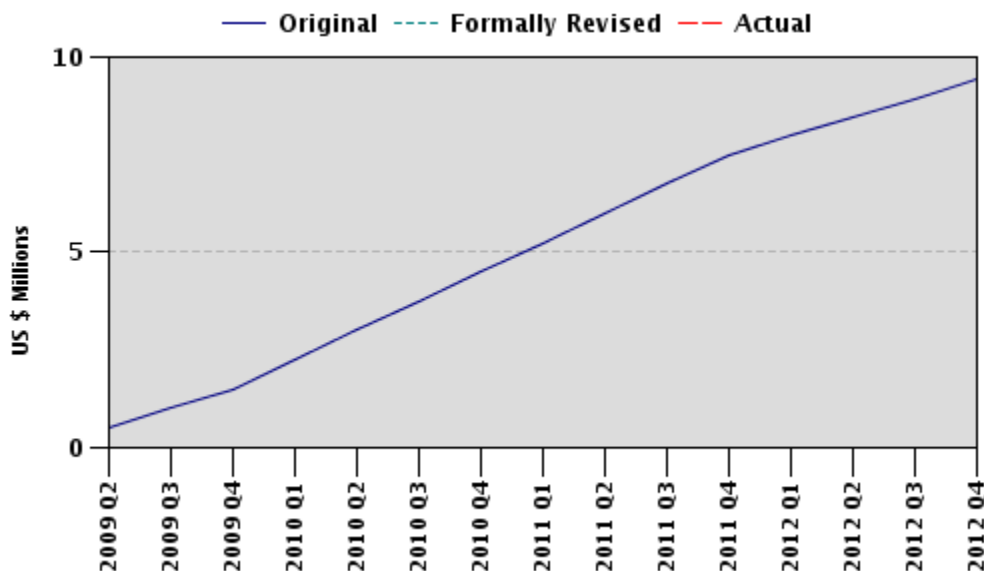
Project development objective(s): The development objective of the project is to improve energy efficiency performance in targeted public sector buildings (such as schools, hospitals, clinics and facilities for social care) in order to provide a demonstrated basis for development of a sustainable energy efficiency improvement program in the public sector in Montenegro.

Progress toward achieving development objective(s): The project loan became effective in the latter part of the reporting period and was still in too early a stage for meaningful progress.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-76370	Effective	USD	9.40	0.02	9.38	0.00

Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): EDUC Reform Project (P084597)
Country: Montenegro
Board Approval Date: 31-Mar-2005
Mid-Term Review Date: 01-Nov-2007
Closing Date: 31-Dec-2009
Sector: Primary education (55%); Secondary education (25%);
 Central government administration (15%); Sub-national
 government administration (5%)

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

Project development objective(s): The project objective is to strengthen the capacity of the education system to make continuous improvements, especially in the quality of teaching and learning in schools and in the efficient use of budgetary resources.

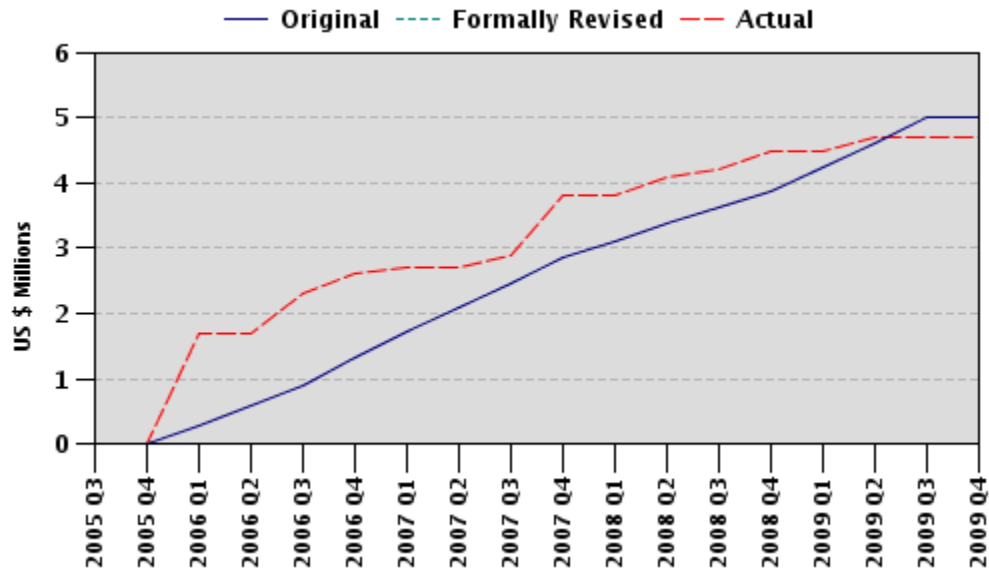
Progress toward achieving development objective(s): The project continues to make excellent progress towards achieving its objective. Concrete advances includes: an increase in the capacity of the Ministry of Education and Science and affiliated agencies to implement important international student assessments; sustainable restructuring of the education budget leading to an increase in non-salary expenditures from 5 to 17 percent between 2005 and 2008; 74 percent of observed teachers using the skills and knowledge acquired through training provided under the project; the rehabilitation of five schools; textbooks available on time for all targeted schools; and a measured impact of teacher and principal training. The project is expected to be completed in time by December 2009.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IDA-40480	Effective	XDR	4.90	4.72	0.21	0.00
TF-53327	Closed	USD	0.38	0.29	0.00	0.09



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): ECSEE APL 3 - MONTENEGRO (P106899)
Country: Montenegro
Board Approval Date: 06-Jul-2007
Mid-Term Review Date:
Closing Date: 31-Mar-2012
Sector: Power (81%); Renewable energy (19%)
The project was restructured, or received Additional Financing during FY09: no

Project development objective(s): Within the overall Energy Community of South East Europe (ECSEE) APL 3 objectives/context, this project would provide investment support to the Electric Power Utility of Montenegro. Specifically, the objective of the ECSEE APL3 Montenegro project is to improve the efficiency and reliability of the power system in Montenegro, through better supply security and closer integration into the regional markets.

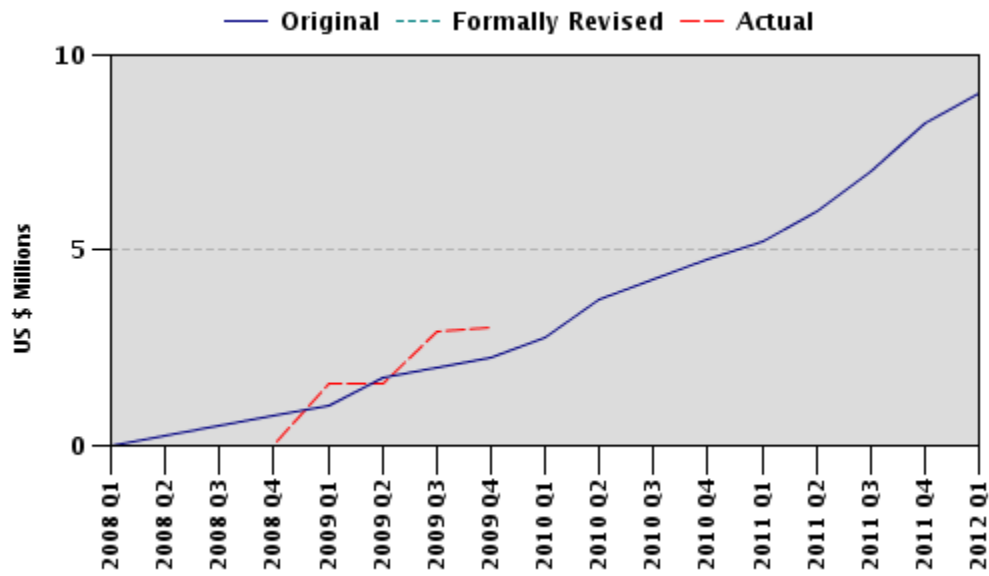
Progress toward achieving development objective(s): The project is making good progress towards achieving its development objective. Most installation of modern optical wire cable for the 400, 220, and 110 kilovolt networks has been completed and will lay the groundwork for the development of a modern telecommunications network, including links with regional utilities and closer integration into the regional markets. Replacement of the obsolete trash rack and trash rack cleaning machine (to remove waste from the reservoir) at the Perucica Hydropower Plant is expected to reduce operations and maintenance costs. The modern equipment has been purchased but not yet installed.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IDA-43510	Effective	XDR	9.00	2.96	6.30	0.00



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): MONTENEGRO INSTITU DEV AND AGR STRENGTH (P107473)

Country: Montenegro

Board Approval Date: 21-Apr-2009

Mid-Term Review Date:

Closing Date: 30-Jun-2014

Sector: Public administration- Agriculture, fishing and forestry (48%);
General agriculture, fishing and forestry sector (46%);
Agricultural extension and research (6%)

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

Project development objective(s): The objective is to improve delivery of government assistance for sustainable agriculture and rural development in a manner consistent with the European Union's pre-accession requirements. The project also has co-financing by the Global Environment Facility of USD 4 million. This will finance the integration of sustainable land use and natural resource management into the Ministry of Agriculture, Forestry and Water Management's policies, programs, and investments.

Progress toward achieving development objective(s): Having been effective for less than one month, the project is really in its initial phase. One of the first priorities will be to carry out an agricultural census.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-77160	Not Effective	USD	15.70	0.00	15.70	0.00

