

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

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

**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 report<sup>1</sup> contains project level comparisons of disbursement estimates and actual disbursements, and a table showing the loan/credit/grant amount and disbursements to date.

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<sup>1</sup> Notes:

- Amounts and Graphs for loans/credits/grants in currencies other than U.S. dollars may not match exactly due to exchange rate fluctuations over the life of the project.
- 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.



## Ukraine

**Project Name(ID):** SOC ASST SYS MOD (P075231)  
**Country:** Ukraine  
**Board Approval Date:** 17-Nov-2005  
**Mid-Term Review Date:** 12-Dec-2008  
**Closing Date:** 30-May-2010  
**Sector:** Other social services (70%); Central government administration (15%); Sub-national government administration (15%)

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

**Project development objective(s):** The project's objective is to modernize the social assistance system in Ukraine to enable better targeting of cash benefits. Although implementation progress has been slow, the project has made noteworthy progress over the past year and is now at a phase where different activities under the three components start fitting together and provide inputs for achieving overall project objective. The project has contributed to a strategic policy shift in national social assistance programs, from a categorical to a means testing approach for benefits, thus improving their targeting to the poor. In support of achievement of the objective, a new one stop shop business model for client intake and benefits administration has been developed and implemented in almost all of 757 local welfare offices all over the country. Renovations have been accomplished in 250 offices. Another 133 offices are currently under renovation and 369 offices are contracting out renovations. Significant progress has been also achieved in software development for the new Management Information System and procurement of hardware. Overall, the project has achieved good progress, and it is likely that the project activities will be completed.

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

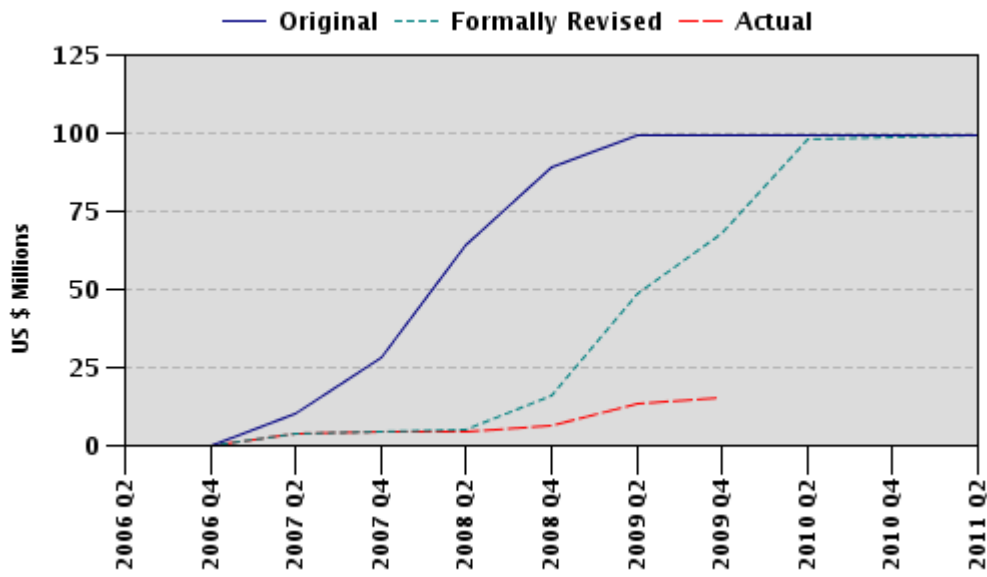
### Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-48070	Effective	USD	99.40	15.28	84.12	0.00
IBRD-P4060	Closed	USD	2.00	0.00	0.00	2.00
TF-51134	Closed	USD	0.46	0.45	0.00	0.01
TF-56178	Effective	SEK	3.72	0.67	3.19	0.00



Lending Information/Disbursement Summary (in millions USD)

□



**Project Name(ID):** DEVSTAT (P076338)  
**Country:** Ukraine  
**Board Approval Date:** 25-Mar-2004  
**Mid-Term Review Date:** 05-Nov-2008  
**Closing Date:** 31-Dec-2010  
**Sector:** Central government administration (100%)  
**The project was restructured, or received Additional Financing during FY09:** no

**Project development objective(s):** The objective is to build a sustainable state statistical system which efficiently provides timely and accurate data for policy evaluation and decision making.

**Progress toward achieving development objective(s):** The project is on track to meet its objectives. New statistical methods and processes are being put in place in several areas, such as price statistics and agricultural statistics; and there have been improvements to data accessibility with growing use of the State Statistical Committee's websites. All oblast and rayon statistical offices have been equipped with modern computer infrastructure to improve data collection and processing efficiency, and a new integrated information processing system has been designed. Steps are being taken to implement this system over the next year and a half.

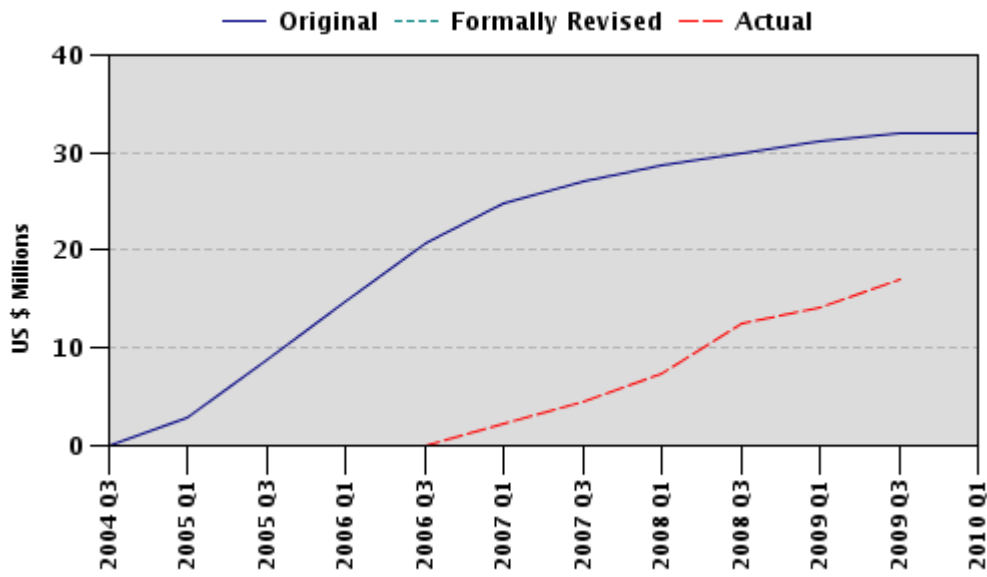
**Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)**

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-47290	Effective	USD	32.00	17.18	14.82	0.00
TF-51135	Closed	USD	0.17	0.17	0.00	0.00



Lending Information/Disbursement Summary (in millions USD)

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**Project Name(ID):** ACC TO FIN SERVS (APL 1) (P076553)  
**Country:** Ukraine  
**Board Approval Date:** 22-Jun-2006  
**Mid-Term Review Date:**  
**Closing Date:** 30-Jun-2010  
**Sector:** Banking (95%); Sub-national government administration (3%);  
 Central government administration (1%); Non-compulsory  
 pensions, insurance and contractual savings (1%)  
**The project was restructured, or received Additional Financing during FY09:** no  
**Project development objective(s):** The objective is to increase access to financial services in rural areas, specifically for rural small and medium-sized enterprises.  
**Progress toward achieving development objective(s):** Early in fiscal year 2009, the project was making good progress towards reaching its objectives. Two dozen small and medium enterprises received financing through the line of credit component. However, the severe banking crisis that hit Ukraine starting in October 2008 put in serious doubt the possibility of completing the project in the given time-frame. The majority of the loan was cancelled. At the time of the reporting the remaining balance was being cancelled.

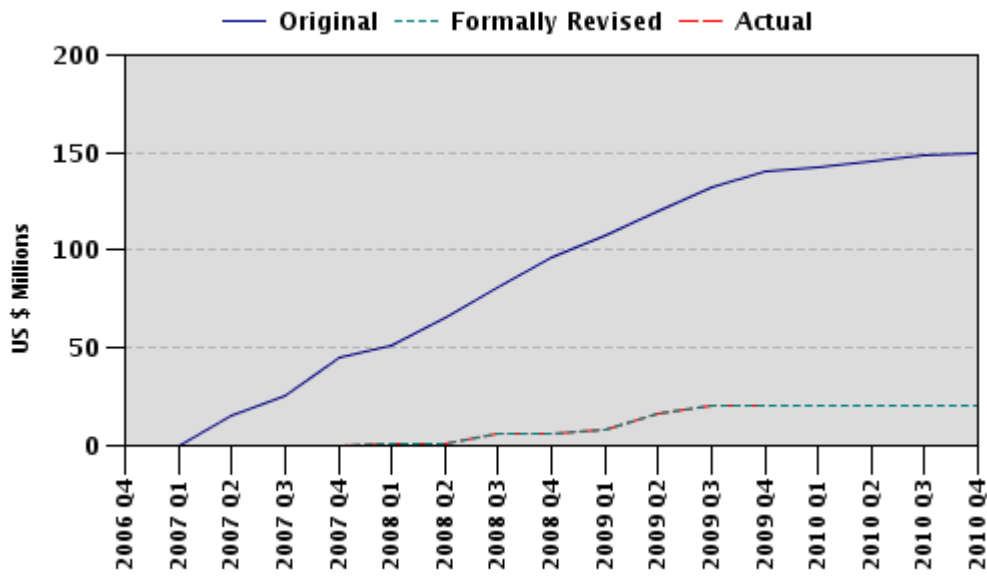
**Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)**

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-48270	Effective	USD	150.00	17.44	3.20	129.36
IBRD-P4020	Closed	USD	1.82	0.00	0.00	1.82



Lending Information/Disbursement Summary (in millions USD)

□



**Project Name(ID):** QUAL EDUC EQUAL ACCESS (APL 1) (P077738)  
**Country:** Ukraine  
**Board Approval Date:** 24-May-2005  
**Mid-Term Review Date:** 30-Mar-2008  
**Closing Date:** 31-Dec-2009  
**Sector:** Secondary education (50%); Central government administration (35%); Sub-national government administration (15%)

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

**Project development objective(s):** The project's objective is to provide equal access to quality education and to improve the efficiency of the education system to prepare Ukraine's graduates for the knowledge society.

**Progress toward achieving development objective(s):** The only successful outcome so far has been Ukraine's participation in the international assessment (the TIMSS) and its continued practice of standardized assessments in the classroom. It is important to note that Ukraine has achieved above average scores in the TIMSS for both math and sciences. Processes to procure laboratory equipment for schools and buses for districts where school optimization will be piloted are well underway, and it is likely that these would be completed and contribute to improving the quality of education in Ukraine. The improvement of the learning environment through the much needed rehabilitation of 211 schools will not take place in its entirety through this project. Given the circumstances, it is likely that this project would not be able to achieve at least half of its objectives despite recent improvements in project management and implementation.

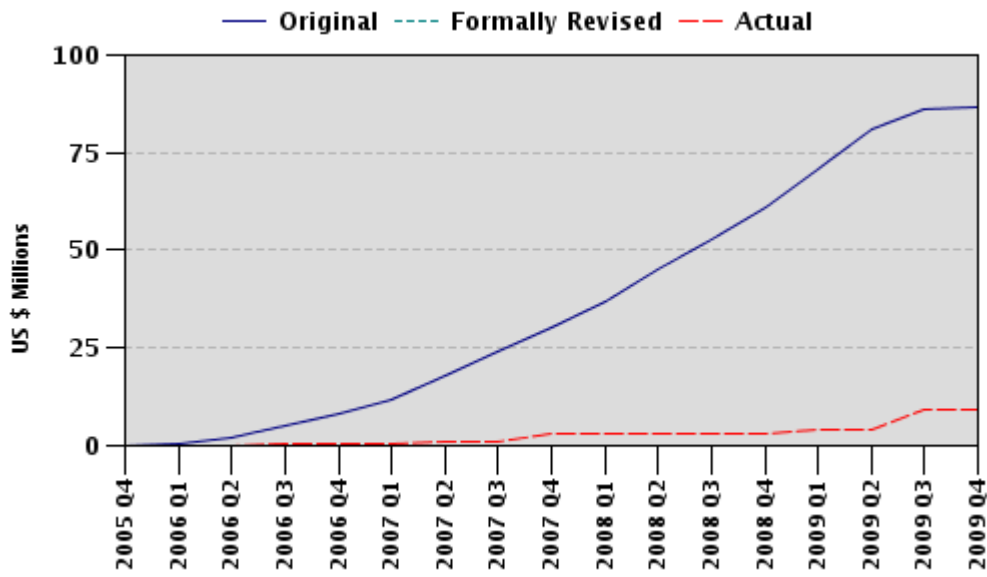
**Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)**

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-47800	Effective	USD	86.59	9.06	77.53	0.00
TF-51136	Closed	USD	0.77	0.76	0.00	0.01



Lending Information/Disbursement Summary (in millions USD)

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**Project Name(ID):** PFMP (P090389)  
**Country:** Ukraine  
**Board Approval Date:** 08-Jan-2008  
**Mid-Term Review Date:**  
**Closing Date:** 30-Jun-2013  
**Sector:** Sub-national government administration (65%); Central government administration (35%)

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

**Project development objective(s):** The objective of the project is to strengthen public financial management in terms of operational efficiency and transparency.

**Progress toward achieving development objective(s):** During the first year of the project, implementation of an automated accounting and reporting software for project financial management needs was completed. The Ministry of Finance is currently focused on the establishment of a countrywide integrated telecommunication network through a protocol signed with a network service provider.

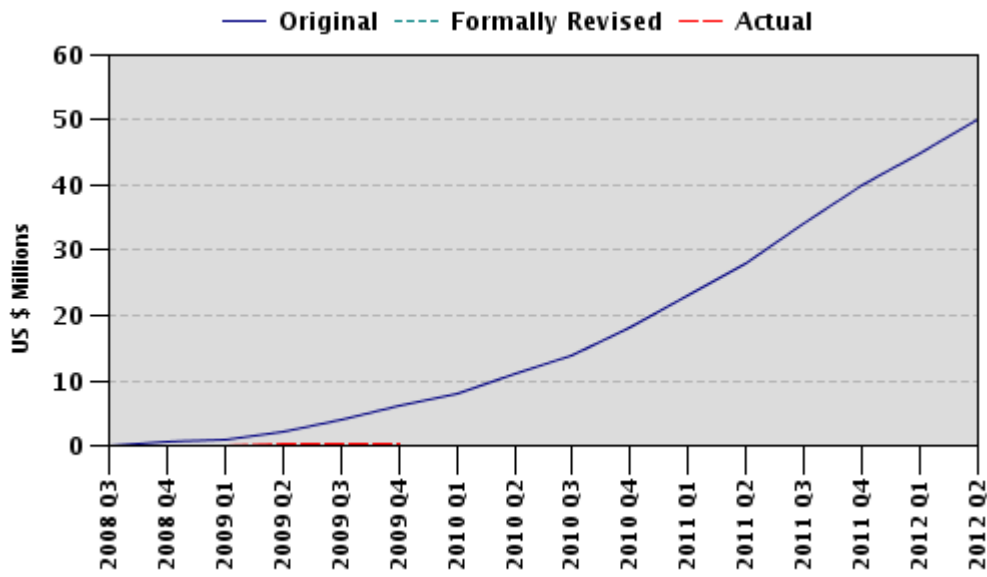
**Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)**

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-48820	Effective	USD	50.00	0.27	49.74	0.00
TF-54609	Closed	USD	0.67	0.62	0.00	0.06
TF-90722	Closed	EUR	0.23	0.23	0.00	0.01



Lending Information/Disbursement Summary (in millions USD)

□



**Project Name(ID):** RURAL LAND TITLING & CADASTRE (P035777)  
**Country:** Ukraine  
**Board Approval Date:** 24-Jun-2003  
**Mid-Term Review Date:**  
**Closing Date:** 30-Jun-2012  
**Sector:** General agriculture, fishing and forestry sector (85%);  
Agricultural extension and research (10%); Central government administration (5%)  
**The project was restructured, or received Additional Financing during FY09:** The project has been unable to establish a property rights registration system because of disputes within Ukraine over who would be responsible for this work. The farm restructuring component had also made little progress because of lack of interest within government. The project was restructured in order to take these constraints into account and redesigned to ensure that project targets were achievable within the remaining time frame of the project. The project has been simplified to include only land titling and development of the complete land cadastre.  
**Project development objective(s):** The project seeks to establish a national cadastre system, allocate land parcels to individuals in rural areas on an equitable basis and establish their property rights by issuing state deeds for land.  
**Progress toward achieving development objective(s):** Large contracts to complete the land titling, provide basic mapping and cadastral mapping are underway for the whole country. The work is progressing with some delays, but should be completed within the time frame of the project. Associated activities that provide public awareness, training for agency staff and improvement of the legal framework are progressing satisfactorily.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-47090	Effective	USD	195.13	23.00	78.53	93.60
IBRD-P3940	Closed	USD	1.44	0.00	0.00	1.44
TF-29537	Closed	USD	0.54	0.48	0.00	0.06



**Lending Information/Disbursement Summary (in millions USD)**



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**Project Name(ID):** EXPORT DEVT 2 (P095203)  
**Country:** Ukraine  
**Board Approval Date:** 27-Jul-2006  
**Mid-Term Review Date:**  
**Closing Date:** 31-Dec-2011  
**Sector:** Banking (100%)

**The project was restructured, or received Additional Financing during FY09:** The project was proactively restructured in April 2009 to allow direct lending by Ukreximbank to beneficiary enterprises, in addition to on-lending through qualified commercial banks. The modification was necessary given the uncertain conditions in Ukrainian banking sector.

**Project development objective(s):** The objective is to provide medium and long-term working capital and investment finance to private exporters and deepen and broaden financial intermediation.

**Progress toward achieving development objective(s):** The project was making good progress towards achieving its objectives up until middle of the reporting period. More than 20 sub-projects were approved in support of financing needs of Ukraine's exporting enterprises. The progress slowed in the second half of the reporting period due to the growing turmoil in Ukraine's banking sector. To ensure the uninterrupted flow of credit to the enterprise sector, direct lending by Ukreximbank to beneficiary enterprises was allowed.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-48360	Effective	USD	154.50	74.53	79.97	0.00



**Lending Information/Disbursement Summary (in millions USD)**



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**Project Name(ID):** URBAN INFRASTRUCTURE (P095337)  
**Country:** Ukraine  
**Board Approval Date:** 28-Aug-2007  
**Mid-Term Review Date:**  
**Closing Date:** 31-Dec-2012  
**Sector:** Water supply (40%); Sewerage (30%); District heating and energy efficiency services (20%); Solid waste management (10%)  
**The project was restructured, or received Additional Financing during FY09:** no

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

**Progress toward achieving development objective(s):** The project became effective during the reporting period. Twenty-two contracts were signed, largely on investments that will reduce the costs of operations to rehabilitate deteriorated aspects of the system. In addition, significant capacity building in financial utility management, procurement and energy efficiency training has been completed. The project has undertaken training for institutional strengthening for staff of the Ministry of Housing and Communal Services and the utilities.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-48690	Effective	USD	140.00	3.11	136.89	0.00
TF-91769	Effective	SEK	4.35	0.10	4.43	0.00



**Lending Information/Disbursement Summary (in millions USD)**



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**Project Name(ID):** ST TAX SERV MOD PROG (APL 1) (P057815)  
**Country:** Ukraine  
**Board Approval Date:** 05-Jun-2003  
**Mid-Term Review Date:** 14-Dec-2007  
**Closing Date:** 29-Jun-2012  
**Sector:** Central government administration (100%)

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

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

**Progress toward achieving development objective(s):** There is good progress in most project activities, and the action plan of the project is being pursued. Risk-based audit selection system was initiated, resulting in reduced number of audits, and improved audit effectiveness. VAT performance has also improved as a result of wider use of e-filing and the introduction of automated invoice matching system. There was improvement in most key performance indicators. The project was granted an extension until June 2012 to facilitate the implementation of the tax block and related activities.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-46980	Effective	USD	40.00	15.98	24.02	0.00
IBRD-P3850	Closed	USD	2.00	0.00	0.00	2.00
TF-25817	Closed	USD	0.25	0.25	0.00	0.00
TF-26696	Closed	USD	0.13	0.13	0.00	0.00



**Lending Information/Disbursement Summary (in millions USD)**



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**Project Name(ID):** POWER TRANSMISSION PROJECT (P096207)  
**Country:** Ukraine  
**Board Approval Date:** 02-Aug-2007  
**Mid-Term Review Date:**  
**Closing Date:** 30-Jun-2012  
**Sector:** Power (100%)  
**The project was restructured, or received Additional Financing during FY09:** no

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

**Progress toward achieving development objective(s):** After considerable delay, the project is beginning to make progress towards meeting its development objective. A draft electricity law, which would form the basis for the implementation of the wholesale electricity market, has been prepared and is under review. The draft grid code has been prepared and is being reviewed. Bidding documents for strengthening of the electricity transmission network are under preparation.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-48680	Effective	USD	200.00	0.15	199.85	0.00
TF-53330	Closed	USD	0.67	0.67	0.00	0.00



**Lending Information/Disbursement Summary (in millions USD)**



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**Project Name(ID):** TB/AIDS CNTRL (P069857)  
**Country:** Ukraine  
**Board Approval Date:** 19-Dec-2002  
**Mid-Term Review Date:** 30-Jan-2006  
**Closing Date:** 30-Sep-2009  
**Sector:** Health (75%); Law and justice (15%); Other social services (5%); Central government administration (5%)

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

**Project development objective(s):** The objective is to reduce tuberculosis (TB) and HIV/AIDS related morbidity and mortality through an effective National Strategy for TB Adapted to World Standard, and an HIV/AIDS Program largely focused on prevention of transmission of the disease among high-risk groups.

**Progress toward achieving development objective(s):** The project is about to close. It has been unsuccessful in achieving its objective as many of the foreseen activities supported by it did not take place due to the lack of implementation capacity and ownership in the Ministry of Health. The tuberculosis situation has not improved under the project. HIV prevalence has actually increased from 1.45 to 1.63 percent between 2005 and 2007, with 100,000 people expected to require treatment by 2013. Despite the shortcomings, the project registered some important activities. There have been a few positive achievements that included the provision of cell-count tests by UNICEF expected to assist in testing all HIV-infected registered persons to assess the need for anti-retroviral drugs. This test will enable the Ministry of Health to have a more precise count as to the number of those infected that require treatment. Another positive aspect of the project has been the provision of drugs for opportunistic infections.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-46820	Closed	USD	60.00	41.73	1.62	16.65
TF-26294	Closed	USD	0.42	0.29	0.00	0.12



**Lending Information/Disbursement Summary (in millions USD)**



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**Project Name(ID):** HYDROPOWER REHAB (P083702)  
**Country:** Ukraine  
**Board Approval Date:** 21-Jun-2005  
**Mid-Term Review Date:** 28-May-2009  
**Closing Date:** 30-Jun-2012  
**Sector:** Renewable energy (81%); Central government administration (19%)

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

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

**Progress toward achieving development objective(s):** The project is making slow progress towards meeting its development objective. The implementation of the hydropower rehabilitation program has experienced delays, with two units completed in 2008 and three units in 2009. Stability and reliability of the power supply is improving by increasing the installed capacity of hydropower plants (156 megawatt capacity increase). An adequately staffed dam safety center has been established and a training plan has been adopted for dam safety professionals. A dam safety management system has been commissioned at Kahovka Dam.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-47950	Effective	USD	106.00	22.74	83.26	0.00



**Lending Information/Disbursement Summary (in millions USD)**



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**Project Name(ID):** ROADS & SAFETY IMPROVEMENT PROJECT (P100580)  
**Country:** Ukraine  
**Board Approval Date:** 07-Apr-2009  
**Mid-Term Review Date:**  
**Closing Date:** 31-Dec-2012  
**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 project will rehabilitate and upgrade several sections of the M-03 main road between Kiev and Lubny. The project will also eliminate numerous traffic accident "black spots" on roads throughout Ukraine.

**Progress toward achieving development objective(s):** The implementation of the project has just started. Presently the bidding processes for the contracts for road works and for works supervision are underway. Physical road works are expected to start in March 2010.

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

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-76770	Not Effective	USD	400.00	0.00	400.00	0.00
TF-56961	Closed	USD	0.70	0.70	0.00	0.00

