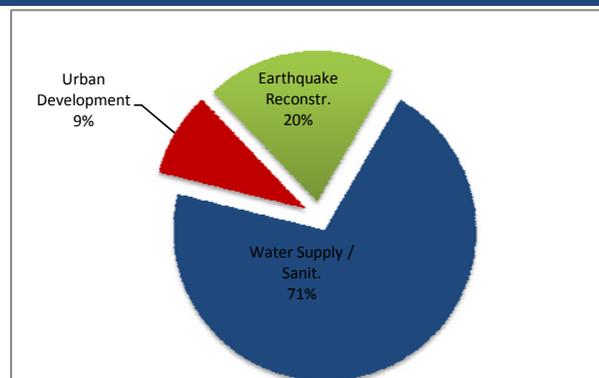
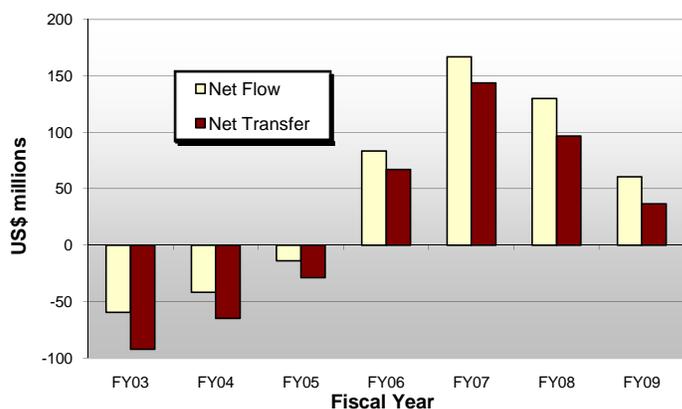


Active Portfolio	Approval Date	Loan / Trust		Primary Sector	Closing Date
		Fund Amount	Undisbursed Amount		
Earthquake Emergency Recovery Project	Jun-03	180.0	19.9	Earthquake Reconstr.	Jun-09
Ahwaz & Shiraz Water and Sanitation Project	May-04	279.0	123.9	Water Supply / Sanit.	Sep-09
Urban Upgrading and Housing Reform Project	May-04	80.0	50.3	Urban Development	Dec-09
Northern Cities Water and Sanitation Project	May-05	224.0	117.0	Water Supply / Sanit.	Dec-10
Alborz Integrated Land and Water Management Project	May-05	120.0	98.7	Water Supply / Sanit.	Oct-12
Total		883.00	409.80		

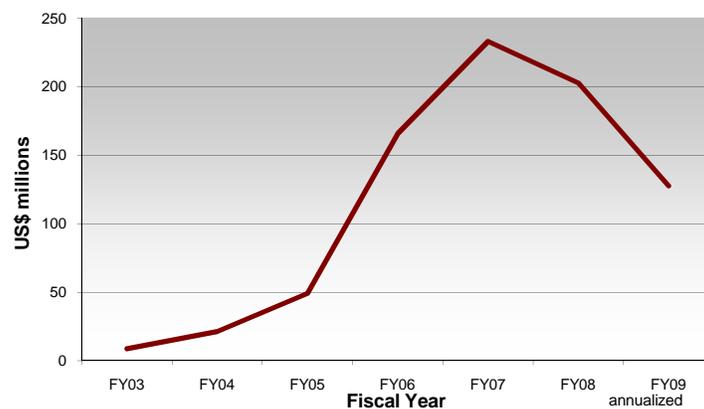
Sectoral Distribution of Active WB Lending



Net Flows and Net Transfers



Disbursements



Key Indicators (2006)

Population (2007)	71 million
Population Growth (2007)	1.0%
Life Expectancy	71 years
GDP (2007)	270.94 billion
GDP Growth (2007)	8.0%
GNI per capita (2007)	US\$ 3,470
External Debt (% GDP)	7.3%
Access to an Improved Water Source (% population)	94%
Literacy rate (% population 15+)	82%

Summary of Bank Lending

Net Principal Amount	\$ 3,162,979,156
of which Disbursed	\$ 2,634,612,787
Repaid	\$ 1,791,074,234
Borrower's Obligation	\$ 763,282,059

Bank Assistance Strategy

An Interim Assistance Strategy was discussed at the Board of Executive Directors on May 10, 2001. The lending proposed in the Interim Assistance Strategy focused on areas that are least constrained by policy distortions, are most resilient to potential country level economic and social risks, and , at the same time, have a quick impact on improving the situation of the poor and the environment, and enhance resource management. Lending was also directed to technical assistance in support of the structural reform program.

Lending has focused mainly on the environment and poverty alleviation. Specifically, priority areas such as low-income housing, sewerage, community-based infrastructure and employment creation schemes have been targeted.

IBRD financial assistance to Iran consists of 9 loans approved by the World Bank's Board of Executive Directors between 2000 and 2005, the current portfolio consists of 6 projects, detailed below.

Description of Projects and Post Conflict Grants in the Portfolio

Earthquake Emergency Response Project (IBRD US\$180 million) The project is assisting in relieving social and economic hardship with a focus on reconstruction in the aftermath of the earthquake that struck the provinces of Qazwin, Hamedan, Zanjan & Markazi in June 2002. It will also help develop effective systems and institutions for disaster monitoring and management to minimize the impact of future earthquakes.

Ahwaz & Shiraz Water Supply & Sanitation Project (IBRD US\$ 279 million). The project assist the Provincial Water Supply and Sewerage Company in improving service levels for urban and rural sanitation. This will be achieved by rehabilitating existing infrastructure, expanding network coverage and modernizing operation and management systems. The project will also promote the efficient reuse of wastewater from sewage treatment plants and provide technical assistance towards encouraging private sector participation.

Urban Upgrading and Housing Reform Project (IBRD US\$80 million) The project will assist the Government of Iran establish a socially and financially viable policy framework for urban development and housing. The project is also strengthening institutions responsible for the delivery of housing to low income groups at the community, local, and national levels with a particular focus on private sector delivery in medium-sized and provincial cities. This includes the provision of essential urban infrastructure and the development of economically and socially viable low-income housing enabling tools (e.g. revolving housing development fund).

Alborz Integrated Land and Water Management. (IBRS US\$120 million) The project assists the Government in (a) conserving upper watershed area through sustainable livestock/forest management and reduction of soil erosion and sediment yield; (b) rehabilitating and improving downstream irrigation/drainage system for improving water use efficiency and management (c) building the community's and the government's institutional capacity with emphasis on the mainstreaming of environmental and social aspects and managing water resources in an integrated manner from surface water, groundwater and to abandon water.

Northern Cities Water Supply and Sanitation (IBRD US\$224 million). The project assists Provincial Water Supply and Sewerage Companies (Rasht, Anzali, Babol and Sari) in: (a) improving service levels of urban water supply and sanitation; (b) improving the quality and efficiency; (c) improving environmental conditions and promoting efficient reuse of effluent from sewage treatment plants for agricultural purposes; (d) improving cost recovery and financial capacity; and (e) providing technical assistance to develop private sector participation in the sector.