

**Implementation Status & Results**  
**Azerbaijan**  
**Capital Markets Modernization Project (P120321)**

Operation Name: Capital Markets Modernization Project (P120321)	Project Stage: Implementation	Seq.No: 4	Status: ARCHIVED	Archive Date: 09-Jan-2013
Country: Azerbaijan	Approval FY: 2011			
Product Line: IBRD/IDA	Region: EUROPE AND CENTRAL ASIA	Lending Instrument: Technical Assistance Loan		
Implementing Agency(ies):				

**Key Dates**

Board Approval Date	17-Mar-2011	Original Closing Date	31-Dec-2015	Planned Mid Term Review Date	15-Nov-2013	Last Archived ISR Date	08-Oct-2012
Effectiveness Date	07-Nov-2011	Revised Closing Date	31-Dec-2015	Actual Mid Term Review Date			

**Project Development Objectives**

Project Development Objective (from Project Appraisal Document)

**Increase the use of equity and corporate debt as financing and/or investment instruments through the adoption of an effective capital markets regulatory framework and infrastructure.**

Has the Project Development Objective been changed since Board Approval of the Project?

Yes     No

**Component(s)**

Component Name	Component Cost
Component 1: Streamlining and Automating Market Infrastructure.	6.00
Component 2: Updating and Strengthening the Legal and Regulatory Framework.	1.90
Component 3: Stimulating Supply.	1.80
Component 4: Capacity Building	3.90

**Overall Ratings**

	Previous Rating	Current Rating
Progress towards achievement of PDO	Satisfactory	Satisfactory
Overall Implementation Progress (IP)	Satisfactory	Satisfactory
Overall Risk Rating		Substantial

**Implementation Status Overview**

The project is at an early stage of implementation. The contract for the single main consulting assignment under the project has been awarded and contract implementation started in September 2012. The single main consultancy assignment is aimed at providing technical assistance to support the modernization of Azeri capital market by (1) streamlining and automating market infrastructure, (2) updating and strengthening the legal and regulatory framework, (3) stimulating the supply of financial and investment products, and (4) building

capacity for the State Committee on Securities in its role as regulator and for the general public as the end users of the savings and investment vehicles. The project was made effective in November 2011.

**Locations**

No Location data has been entered

**Results**

**Project Development Objective Indicators**

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
Increased issuance of corporate bonds	<input type="checkbox"/>	Percentage	Value	1.90	1.90	3.80
			Date	15-May-2011	31-Dec-2011	
			Comments		The contract implementation for the single main consultancy assignment started in Sept 2012. The project is at an early stage of implementation thus no significant change in PDO level indicators is reported yet.	
Increased number of companies with listed equity (accumulative)	<input type="checkbox"/>	Number	Value	2.00	2.00	8.00
			Date	15-May-2011	31-Dec-2011	
			Comments		The contract implementation for the single main consultancy assignment started in Sept 2012. The project is at an early stage of implementation thus no significant change in PDO level indicators is reported yet.	
Improved price transparency	<input type="checkbox"/>	Percentage	Value	0.00	0.00	90.00
			Date	15-May-2011	24-Jun-2011	
			Comments		The contract implementation for the single main consultancy assignment started in Sept 2012. The project is at an early stage of implementation thus no significant change in PDO	

Public Disclosure Copy

Public Disclosure Copy

					level indicators is reported yet.	
--	--	--	--	--	-----------------------------------	--

**Intermediate Results Indicators**

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
Ratio of market participants electronically linked to market infrastructure (trading, clearing and settlements)	<input type="checkbox"/>	Percentage	Value	0.00	83.00	100.00
			Date	15-May-2011	31-Dec-2011	
			Comments		This indicator has improved substantially as market participants have been granted web-based access for BSE/NDC. Since the frequency is annual the value will be updated based on end December 2012 data.	
Enactment of a new Capital Market Act	<input type="checkbox"/>	Text	Value	No	No	Yes
			Date	15-May-2011	30-Nov-2012	
			Comments		The draft law on securities is well advanced and is currently under inter-government consultations.	
Promulgation of capital markets regulation required upon enactment of Law	<input type="checkbox"/>	Text	Value	No	No	Yes
			Date	15-May-2011	30-Nov-2012	
			Comments		The contract implementation on single main consultancy assignment started in Sept 2012. The implementing regulations will be developed under this consultancy assignment	
Number of companies involved in the listing advisory program (debt and equity)	<input type="checkbox"/>	Number	Value	0.00	0.00	15.00
			Date	15-May-2011	24-Jun-2011	
			Comments		The contract implementation on single main consultancy assignment started in Sept 2012.	
Increased of the threshold pass rate of the Financial Certification examination for market participants	<input type="checkbox"/>	Percentage	Value	50.00	50.00	75.00
			Date	15-May-2011	24-Jun-2011	
			Comments			

Public Disclosure Copy

Public Disclosure Copy

Consumer Awareness of Capital Market Instruments	<input type="checkbox"/>	Number	Value	24.00	24.00	45.00
			Date	15-May-2011	24-Jun-2011	
			Comments		Data will be updated based on annual capital market survey to be conducted under the consultancy assignment	

**Data on Financial Performance (as of 11-Dec-2012)**

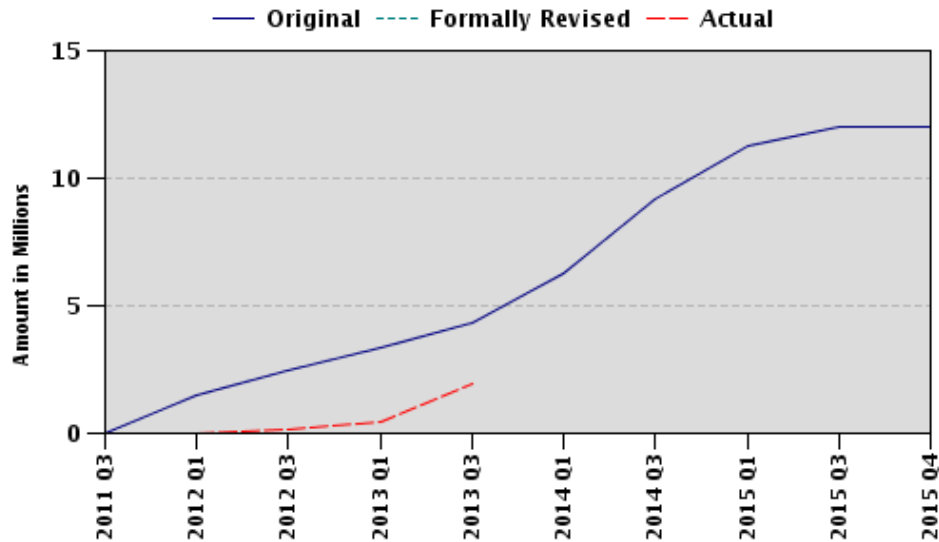
**Financial Agreement(s) Key Dates**

Project	Ln/Cr/Tf	Status	Approval Date	Signing Date	Effectiveness Date	Original Closing Date	Revised Closing Date
P120321	IBRD-80240	Effective	17-Mar-2011	22-Sep-2011	07-Nov-2011	31-Dec-2015	31-Dec-2015

**Disbursements (in Millions)**

Project	Ln/Cr/Tf	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P120321	IBRD-80240	Effective	USD	12.00	12.00	0.00	1.99	10.01	17.00

**Disbursement Graph**



**Key Decisions Regarding Implementation**

None

### **Restructuring History**

---

There has been no restructuring to date.

### **Related Projects**

---

There are no related projects.