

**STATUS OF PROJECTS IN EXECUTION – FY06**  
**SOPE**  
**REGION: SOUTH ASIA**  
**COUNTRY: AFGHANISTAN**

**Operations Policy and Country Services**  
**SEPTEMBER 19, 2006**



**Report on the Status of Projects in Execution - FY06**  
**SOPE**  
**Region: South Asia**  
**Country: Afghanistan**

**Introduction**

The Status of Projects in Execution (SOPE) Report for FY06 provides information on all IBRD/IDA projects that were active on June 30, 2006.

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, 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 FY06 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 for all active projects.

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<sup>1</sup> Notes:

- Amounts for Projects 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 Loans, which provide quick-disbursing external financing to support policy and institutional reforms. For these loans, funds are disbursed in one or more stages (tranches), released when the borrower complies with agreed conditions.
- Projects which are not yet effective may not have a planned disbursement schedule and thus may not include a graph.



**Country: Afghanistan**

**Project Name (ID):** Emergency Transport Rehabilitation Project ( P078284 )

**Country:** Afghanistan

**Board Approval Date :** 03/11/2003

**Midterm Review Date :** 12/18/2004

**Closing Date :** 06/30/2007

**Loan/Credit/Grant Number :** IDA-37350, IDA-H1630

**Sector(s):** Roads and highways (80%), Aviation (20%)

**Theme(s):** Regional integration (P), Infrastructure services for private sector development (P), Trade facilitation and market access (S), Rural services and infrastructure (S)

**Project Development Objectives:**

The objectives are to facilitate the country's economic and social recovery through improved physical access to goods, markets, and administrative and social services.

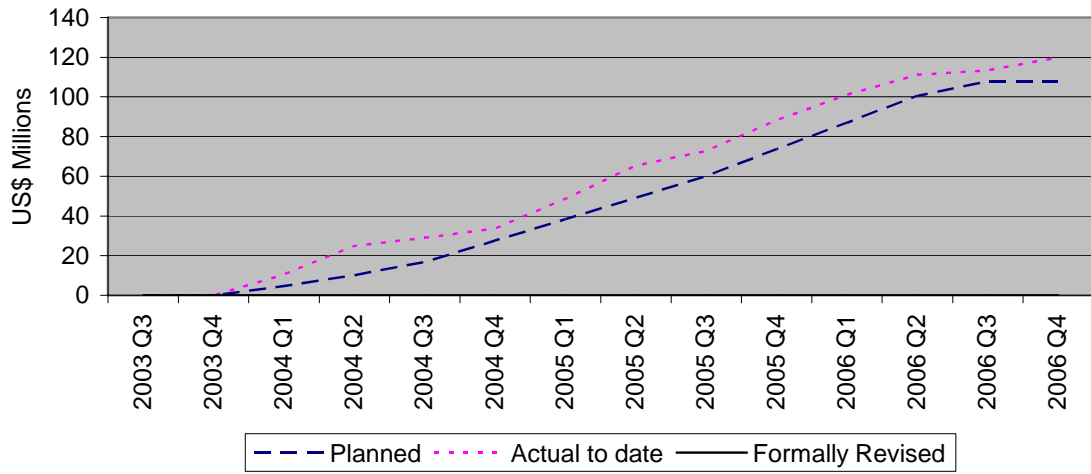
**Progress toward achieving development objective(s):**

Considerable progress towards achieving the project's objectives has been made. Civil aviation safety and accessibility have greatly improved with the completion of the Kabul Int'l Airport runway rehabilitation at the end of August 2005 and by the provision of associated facilities and equipment, etc. Based on these achievements and the overall status of the project to date, the major part of the PDOs has been achieved. Completion of all the rehabilitation work on the Kabul-Doshi Road (175 km) including the earlier completed Salang Tunnel and snow galleries have removed key transport bottlenecks. Average travel time along the northern corridor has drastically improved with completion of all the rehabilitation work on the Kabul-Doshi, Pol-I Khumri-Sherkhan Bandar and Kunduz-Taloqan Roads. Further improvement will occur when the remaining secondary road rehabilitation components (Taloqan-Kishem and Charikar-Bamyán) are done. The Transport Sector Review has provided a solid framework and basis for institutional and policy improvements and based on this work, a number of capacity building efforts are already underway. The equipment provision and TA under the project has been gradually improving the capacity of the transport ministries.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-37350	Effective	117.60	117.39	0.12	0.00
IDA-H1630	Effective	43.95	2.48	41.47	0.00





**Project Name (ID):** Afghanistan Health Sector Emergency Reha ( P078324 )

**Country:** Afghanistan

**Board Approval Date :** 06/05/2003

**Midterm Review Date :** 05/18/2005

**Closing Date :** 03/31/2008

**Loan/Credit/Grant Number :** IDA-H0430, IDA-H2060, JPN-51711

**Sector(s):** Health (88%), Central government administration (10%), Non-compulsory health finance (1%), Water supply (1%)

**Theme(s):** Health system performance (P), Child Health (P), Population and reproductive health (P), Other communicable diseases (S), Gender (S)

### **Project Development Objectives:**

The project's objectives are: (i) to assist the MOH in reducing the rates of infant, child and maternal mortality, child malnutrition, and fertility through expanding delivery of the Basic Package of Health Services and increasing equity in the delivery of services; (ii) strengthen the MOH's stewardship over the sector including a greater role in health care financing, coordination of partners, and overseeing the work of NGOs; and (iii) building the capacity of Afghan health workers to provide and manage health services.

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

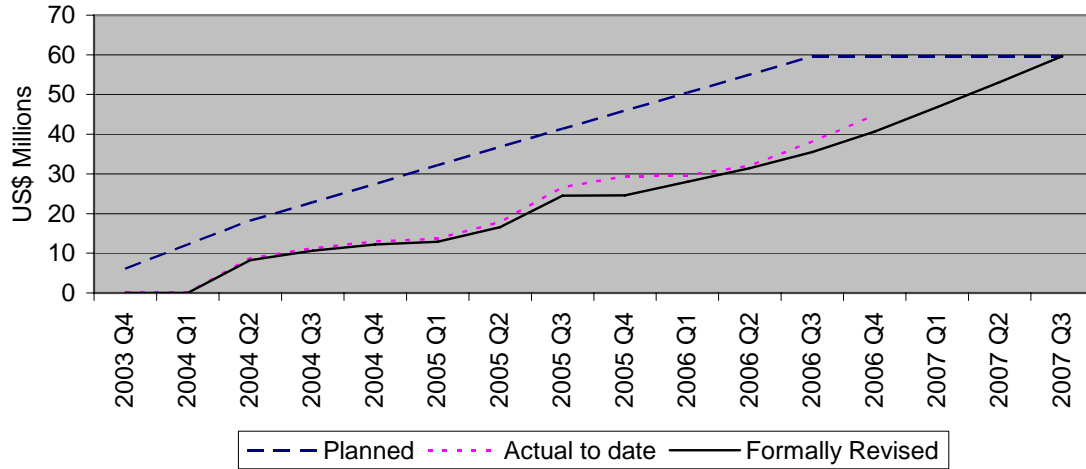
The Ministry of Public Health (MOPH) and its partners continue to make encouraging progress in delivering the basic package of health services to underserved rural communities. Health management information system data indicates that DPT3 vaccination coverage has increased to between 70% and 84% in provinces served by the project. This large increase from the baseline of 19.5% suggests that the project objective of 55% coverage may have already been accomplished. Antenatal care has also increased from 4.6% to 62%. These results are consistent with a 68% increase in the number of functioning health centers, a large increase in trained female staff (85% of health centers now have trained female staff), and deployment of thousands of community health workers. Independent assessment indicates that the skills and knowledge of Afghan health workers has significantly improved and that the quality of care in project supported facilities has also shown a large improvement. This is consistent with the large training effort undertaken by the NGOs and the MOPH itself.

The MOPH has further strengthened its stewardship over the sector in a variety of ways. Partly as a result of the success of this project, other donors are now giving the MOPH greater responsibility for managing externally financed contracts and grants to NGOs thus ensuring all NGOs are following MOPH guidelines. The MOPH has been recognized by the Government and the donor community as the best line ministry in coordinating activities in its sector. The biggest challenges facing the project are the security situation, particularly in southern provinces such as Helmand. The collection of data on infant, child, and maternal mortality rates has proven difficult but is a priority for the coming year.



**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-H0430	Effective	64.24	39.35	24.92	0.00
IDA-H2060	Effective	30.87	5.40	25.50	0.00
JPN-51711	Closed	0.50	0.45	0.05	0.00



**Project Name (ID):** AF: Emergency Irrigation Rehabilitation Project ( P078936 )

**Country:** Afghanistan

**Board Approval Date :** 12/23/2003

**Midterm Review Date :** 03/25/2006

**Closing Date :** 09/30/2007

**Loan/Credit/Grant Number :** IDA-38450

**Sector(s):** Irrigation and drainage (75%), General water, sanitation and flood protection (10%), Central government administration (10%), Sub-national government administration (5%)

**Theme(s):** Water resources management (P), Rural services and infrastructure (P), Other rural development (P), Rural policies and institutions (S)

**Project Development Objectives:**

The project development objective is to provide farmers in the project areas with improved, reliable and equitable distribution of irrigation water to increase agricultural productivity and farm income, improved food security and livelihood, and reduce vulnerability due to droughts.

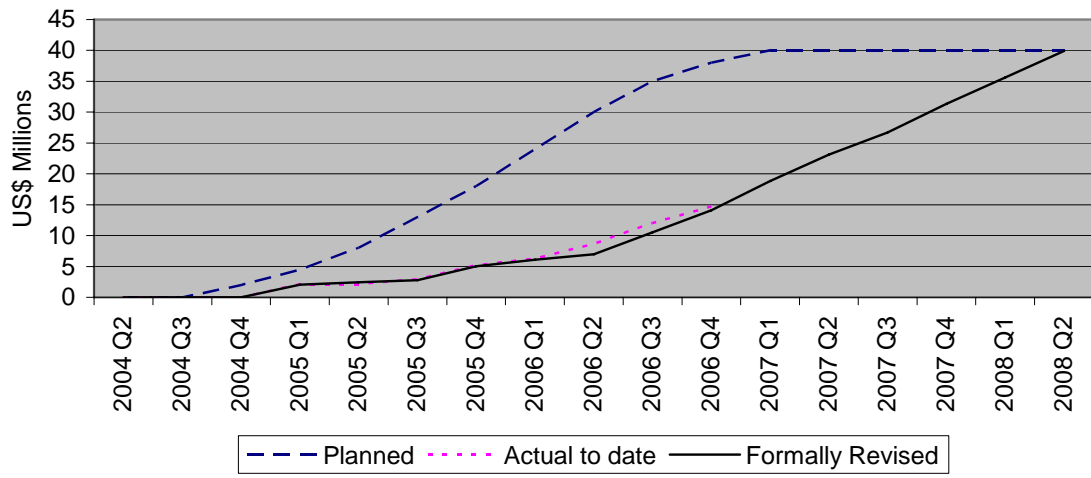
**Progress toward achieving development objective(s):**

The project continues to make progress towards achieving its development objectives. As of June 30, 2006, the project portfolio includes 414 irrigation rehabilitation subprojects designed to provide reliable and adequate irrigation supply to 82,590 ha of incremental farm areas (estimated cost US\$ 25.5 million). Of this total 170 subprojects have been completed and another 179 are in process. Despite initial start up and implementation delays, the project implementation pace has picked up and is progressively building the capacity of the Borrower's implementing ministry both in the center and the regions.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-38450	Effective	41.01	14.76	26.23	0.00







**Project Name (ID):** National Emergency Employment Program for Rural Access ( P082472 )

**Country:** Afghanistan

**Board Approval Date :** 06/24/2003

**Midterm Review Date :** 03/31/2005

**Closing Date :** 09/30/2007

**Loan/Credit/Grant Number :** IDA-37990, IDA-H0540, JPN-53414

**Sector(s):** Other social services (50%), Roads and highways (50%)

**Theme(s):** Other social protection and risk management (P), Rural services and infrastructure (P), Rural non-farm income generation (S), Conflict prevention and post-conflict reconstruction (S)

### **Project Development Objectives:**

The project objective is to provide targeted social protection and vocational training to ex combatants as well as the provision of alternate livelihoods in poppy growing areas. In addition, it is designed to help improve key rural access infrastructure thus enhancing livelihood opportunities of the rural poor.

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

The project is on track towards achieving its development objectives. To date some 2.2 million un-skilled labor days of short term employment have been generated, resulting in an income transfer of over US\$ 8 million to the rural poor. This project is a key element of one of the Government's flagship operation, the National Rural Access Program (NRAP) with US\$ 16.36 million having been disbursed of a US\$ 22.4 million commitment, i.e., 70 % of the allocation for sub-projects. Under the project more than 1,300 km of roads and 6,000 m of cross drainage structures (including bridges) as well as 9 airport and 3 bridge sub-projects have been completed. In line with the project's objectives, the Government is now shifting its focus from emergency short-term employment creation which was appropriate in the post conflict transitional period to longer-term employment opportunities using appropriate labor-based technology. Greater emphasis is being placed on investing in and maintaining good quality rural road infrastructure. UNOPS and ILO are providing technical assistance to the Program Development and Coordination Unit (PDCU) and there has been considerable skill enhancement of the national staff working for Ministry of Rural Rehabilitation and Development and the Ministry of Public Works. National staff have been given on-the-job as well as dedicated technical and project management training. The PDCU has also been instrumental in mobilizing further donor support from DFID, USAID, EC, CNTF, as well as the Government's own resources; in total an additional US\$ 66 million has been obtained for the NEEP/NRAP program.

### **Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-37990	Effective	21.76	20.32	1.18	0.00
IDA-H0540	Effective	19.99	18.76	1.36	0.00



JPN-53414

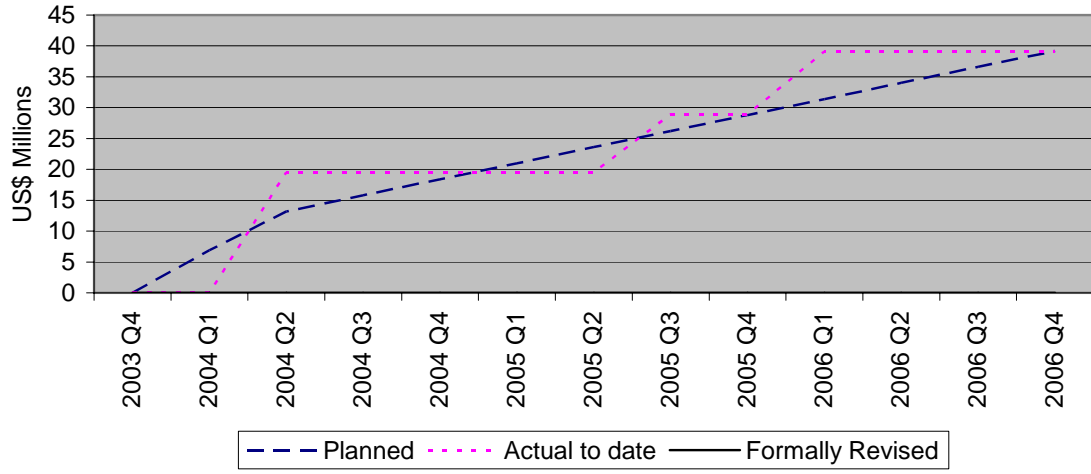
Effective

19.60

9.80

9.80

0.00



**Project Name (ID):** Emergency Public Administration Project II ( P082610 )

**Country:** Afghanistan

**Board Approval Date :** 06/24/2003

**Closing Date :** 07/30/2006

**Loan/Credit/Grant Number :** DFID-52330, IDA-H0550

**Sector(s):** General public administration (100%)

**Theme(s):** Administrative and civil service reform (P), Macroeconomic management (P), Other public sector governance (P)

### Project Development Objectives:

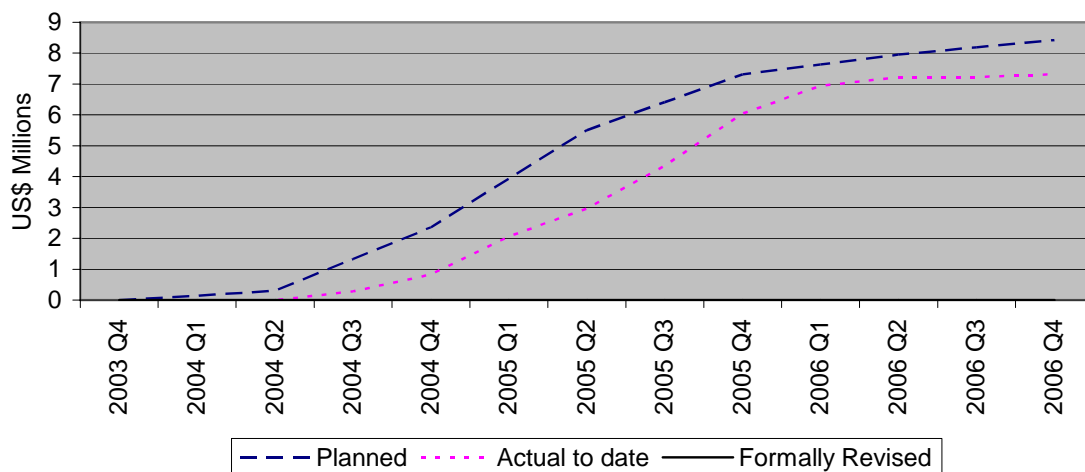
The objective of the project is to enhance accountability, transparency and efficiency in the management and of public resources and the implementation of the National Development Budget.

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

The project is on track to achieve its objective. Key Public Financial Management areas of Procurement, Financial Management, and Audit are functioning well under the Agents that are funded by this project. Progress on more broad-based civil service reform programs has been solid with more ministries and departments implementing Priority Reform and Restructuring status and administrative reforms. Merit-based recruitment is being used for staff at senior levels. These initiatives are laying the basis for the government to achieve its vision of a public administration that is focused on executing its core functions in a transparent manner. Civil Service component has been extended until December 07.

### Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
DFID-52330	Effective	2.98	0.83	2.12	0.00
IDA-H0550	Effective	8.97	7.33	1.71	0.00



**Project Name (ID):** Emergency Communications Development Project ( P083720 )

**Country:** Afghanistan

**Board Approval Date :** 10/07/2003

**Midterm Review Date :** 12/12/2005

**Closing Date :** 09/30/2007

**Loan/Credit/Grant Number :** IDA-38250

**Sector(s):** Telecommunications (65%), Central government administration (23%), Information technology (10%), Postal services (2%)

**Theme(s):** Administrative and civil service reform (P), Other public sector governance (P), Infrastructure services for private sector development (P), Legal institutions for a market economy (S), Regulation and competition policy (S)

### Project Development Objectives:

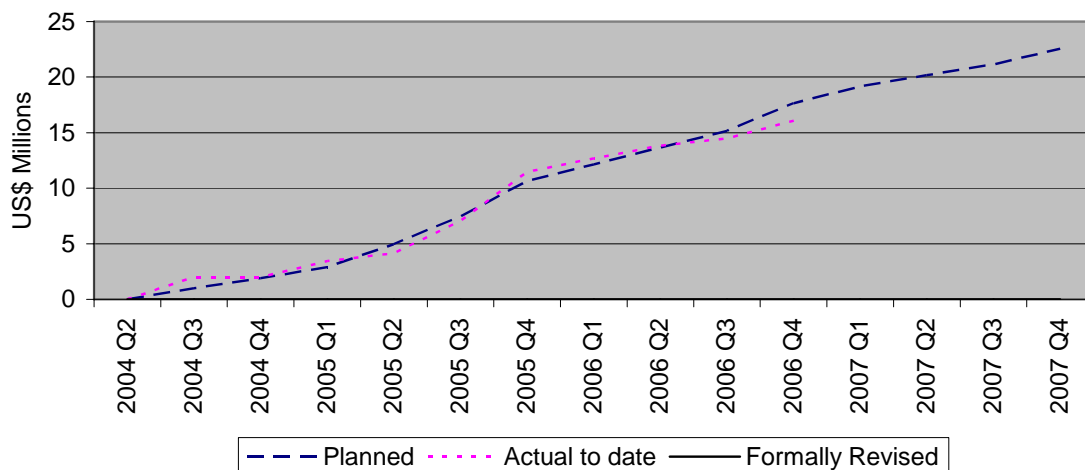
The objective of the Emergency Communications Development Project is improvement of government communications capacity and telecommunications sector development.

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

Substantial progress has been made towards meeting the project's development objective. The Government Communications Network is fully operational, in all provinces and in Kabul. Afghanistan today has over a million telecom subscribers and the licensing of 2 new mobile operators in FY06, is expected to improve coverage and quality of services. On the policy front, two major milestones achieved include the corporatization of Afghan Telecom and the passage of the Telecom Law, establishing the Afghanistan Telecommunications Regulatory Authority.

### Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-38250	Effective	23.08	16.11	7.20	0.00



**Project Name (ID):** Emergency Customs Modernization and Trade Facilitation Project ( P083906 )

**Country:** Afghanistan

**Board Approval Date :** 12/23/2003

**Midterm Review Date :** 11/20/2005

**Closing Date :** 12/31/2007

**Loan/Credit/Grant Number :** IDA-38440

**Sector(s):** Central government administration (100%)

**Theme(s):** Trade facilitation and market access (P), Infrastructure services for private sector development (P), Administrative and civil service reform (S), Tax policy and administration (S)

**Project Development Objectives:**

The objective is to help establish a more efficient customs and transit regime, including key customs and related transit infrastructure and communications, and the capacity for customs and transit administration.

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

While progress is being made towards achievement of project objective the slow pace of implementation by Government of the customs reforms strategy could adversely impact project outcomes. On the positive side Customs revenue has increased (greater than anticipated) from US\$ 50-60 million in 2003 to about US\$138 million in 2006 and further growth is possible. Efficiency of customs staff has increased threefold (from 91 to 300 customs declarations issued per staff) and truck release times have decreased substantially for the Kabul Inland Clearance Depot (ICD)with the overall time cut in half (1080 min in 2003 to 472 minutes in 2006).

After an initial delay, implementation of key customs infrastructure components (including communications) has progressed in a number of locations. Key achievements in Kabul include the completion of site works, award of Customs and Revenue headquarters contract, and the approval of the Kabul ICD layout. The goal of automating customs procedures and connecting customs facilities throughout Afghanistan through AYSCUDA implementation has made substantial progress.

As a result of the work accomplished under the Project, Afghanistan received observer status in the WTO in December 2004; a Ministry of Customs taskforce is now working towards full WTO accession. Progress on the Standards & Metrology development has been slow due to changes in management. This sensitive area, forms the basis of not only Customs valuations and assessments and many sensitive interdictions such as drug control, but also is the basic protection against Afghanistan being supplied with substandard imports.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
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IDA-38440

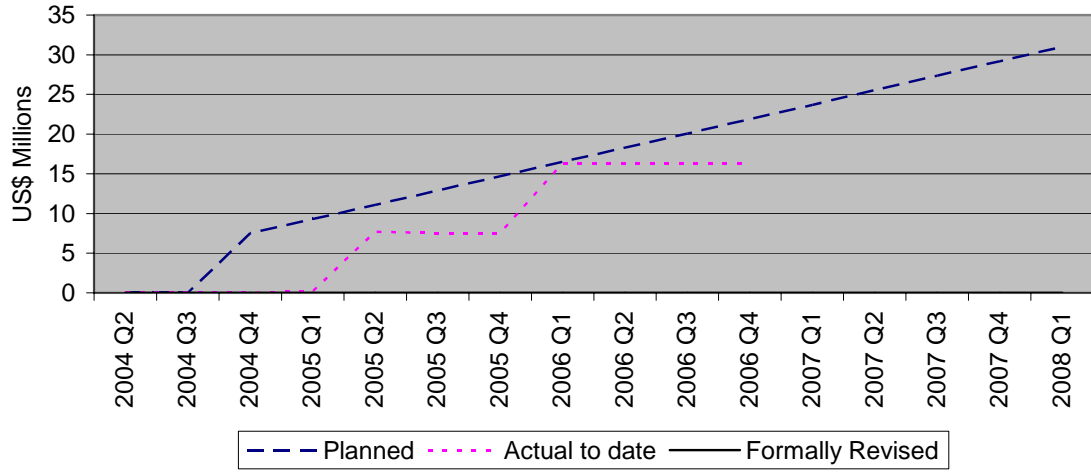
Effective

31.75

16.32

15.40

0.00



**Project Name (ID):** Emergency Power Rehabilitation Project ( P083908 )

**Country:** Afghanistan

**Board Approval Date :** 06/22/2004

**Midterm Review Date :** 12/05/2006

**Closing Date :** 01/31/2009

**Loan/Credit/Grant Number :** IDA-39330, MULT-54718

**Sector(s):** Power (95%), Central government administration (5%)

**Theme(s):** Infrastructure services for private sector development (P), Conflict prevention and post-conflict reconstruction (S)

**Project Development Objectives:**

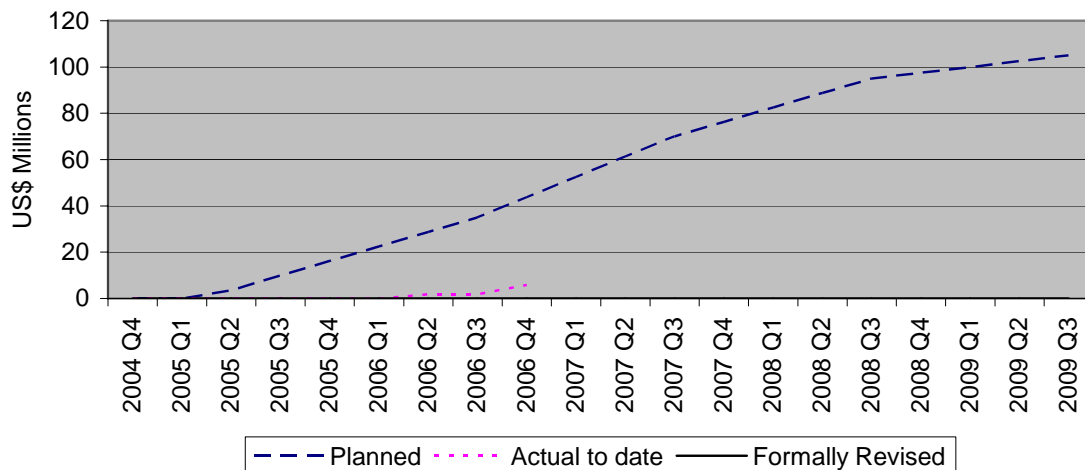
The objective is to provide an improved and more reliable power supply to the people in Kabul.

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

Limited progress has been made towards achieving the project's development objectives due to protracted procurement delays. The project will be restructured in early FY07.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-39330	Effective	106.43	5.87	100.46	0.00
MULT-54718	Effective	20.00	0.00	20.00	0.00



**Project Name (ID):** Kabul Urban Reconstruction Project ( P083919 )

**Country:** Afghanistan

**Board Approval Date :** 07/29/2004

**Closing Date :** 03/31/2009

**Loan/Credit/Grant Number :** IDA-39670

**Sector(s):** General water, sanitation and flood protection (40%), Sub-national government administration (35%), Roads and highways (24%), Central government administration (1%)

**Theme(s):** Access to urban services and housing (P), Other urban development (P), Municipal governance and institution building (P), Pollution management and environmental health (S), Land administration and management (S)

**Project Development Objectives:**

The objective of the Project is to improve urban management and the delivery of urban services in Kabul.

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

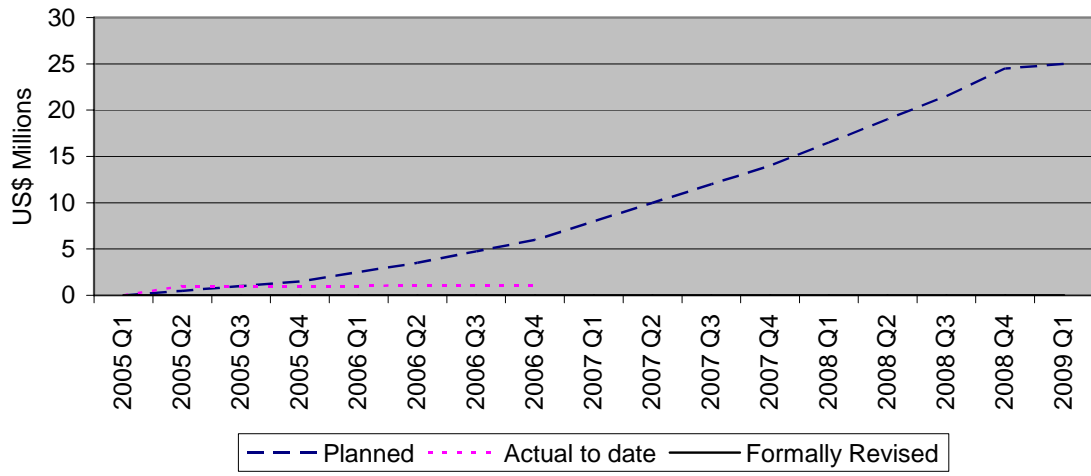
Implementation has been slower than expected due to a delay in the appointment of the project management unit and co-financing funding constraints. These issues have now been resolved. Consequently, progress is being made towards the supply of infrastructure services in the selected neighborhoods. Engineering design has started in two out of 19 neighborhoods and will be rolled out to an additional 8 neighborhoods over the next few months. Urban Management in Kabul Municipality is being improved with the assistance of an accounting consulting firm, a revenue advisor and an urban policy advisor. The project is likely to see an increase in disbursement in the third quarter of the fiscal year.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-39670	Effective	25.14	1.11	24.07	0.00







**Project Name (ID):** Education Quality Improvement Program ( P083964 )

**Country:** Afghanistan

**Board Approval Date :** 07/29/2004

**Midterm Review Date :** 11/01/2006

**Closing Date :** 03/31/2009

**Loan/Credit/Grant Number :** IDA-H1190, MULT-54730

**Sector(s):** Primary education (50%), Secondary education (25%), Sub-national government administration (15%), Central government administration (10%)

**Theme(s):** Education for all (P), Gender (S), Participation and civic engagement (S), Conflict prevention and post-conflict reconstruction (S), Decentralization (S)

**Project Development Objectives:**

The objective is to improve the quality of education especially education of girls through: (a) a focus on schools and communities to strengthen their capacity to better manage teaching-learning activities; (b) investment in human resources (teachers, principals and educational administration personnel) and physical facilities; and (c) institutional development of schools, District Education Departments, Provincial Education Departments and the Ministry of Education.

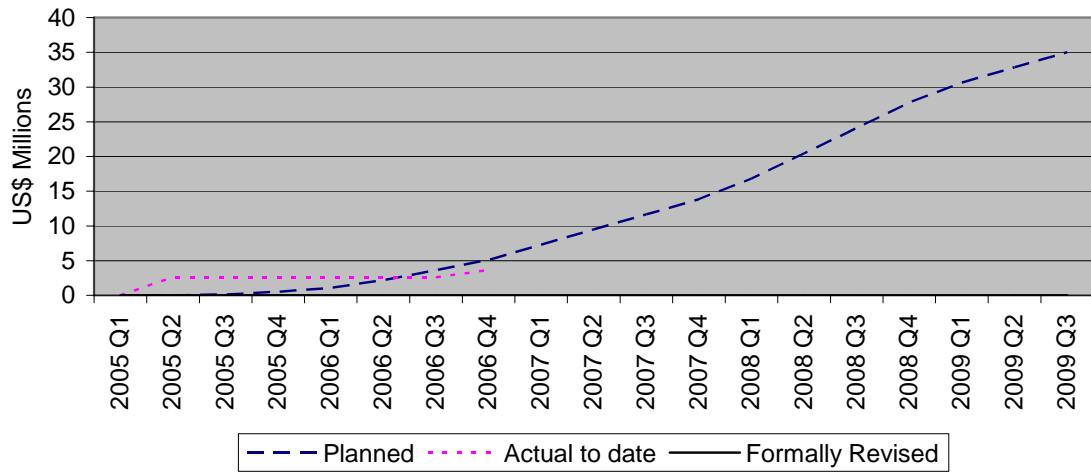
**Progress toward achieving development objective(s):**

Progress had been slow during the first 18 months of the project due to numerous management and political issues within the Ministry. However, since the appointment of a New Minister (May 2006) the program has been jump started by the initiation of much needed public sector reform, teachers ID and registration, and putting in place a strengthened management system. These recent changes suggest that the program will be implemented fairly quickly and reach the project objectives with a follow on project shortly after.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-H1190	Effective	35.28	3.63	31.77	0.00
MULT-54730	Effective	5.00	0.00	5.00	0.00





**Project Name (ID):** Afghanistan: Emergency National Solidarity Project ( P084329 )

**Country:** Afghanistan

**Board Approval Date :** 12/23/2003

**Midterm Review Date :** 03/15/2006

**Closing Date :** 03/31/2007

**Loan/Credit/Grant Number :** IDA-H0720, IDA-H1740, IDA-H2090, JPN-54367, MULT-53939

**Sector(s):** Irrigation and drainage (25%), Primary education (25%), Renewable energy (20%), Water supply (20%), Micro- and SME finance (10%)

**Theme(s):** Participation and civic engagement (P), Rural services and infrastructure (P), Conflict prevention and post-conflict reconstruction (S), Gender (S), Social risk mitigation (S)

### **Project Development Objectives:**

The objective of the project is to lay the foundations for a strengthening of community level governance, and to support community managed sub-projects for reconstruction and development.

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

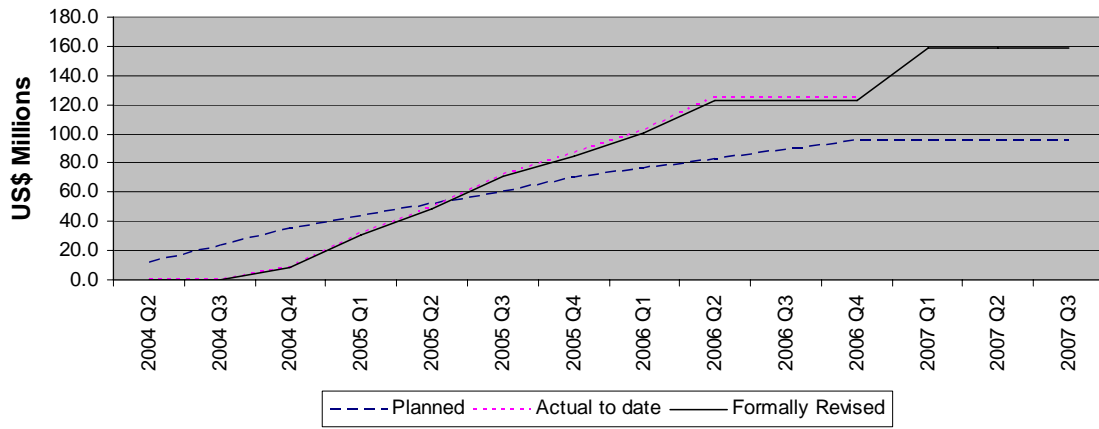
The project is on track to achieve its development objective. Evidence from multiple sources, both internal and external, suggests that the National Solidarity Project (NSP) is being successful in establishing a solid basis for community level governance and in supporting community-managed projects. The project's block grants are being used to build economically productive infrastructure. The returns on NSP outputs are immediate and the evidence indicates that direct benefits to villagers are high. Indirect benefits include increased small business production generated by improved market access, higher education enrolment, and livelihood activities.

The project has already created over 16.6 million labor days for poor villagers and the multiplier effects on the local economy have been enormous. Spot reviews by the World Bank team and other observers confirm that villagers almost always make economically optimal choices for their subprojects.

### **Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-H0720	Effective	97.17	98.30	0.00	0.00
IDA-H1740	Effective	27.58	27.09	0.00	0.00
IDA-H2090	Effective	40.72	0.00	40.72	0.00
JPN-54367	Effective	20.96	11.68	9.28	0.00
MULT-53939	Effective	97.90	95.85	2.05	0.00





**Project Name (ID):** Public Admin Capacity Building Project ( P084736 )

**Country:** Afghanistan

**Board Approval Date :** 01/27/2005

**Closing Date :** 06/30/2009

**Loan/Credit/Grant Number :** IDA-H1440

**Sector(s):** Central government administration (80%), Law and justice (15%), Sub-national government administration (5%)

**Theme(s):** Public expenditure, financial management, and procurement (P), Administrative and civil service reform (S)

**Project Development Objectives:**

To assist in developing the capacity to manage public expenditures in an effective, transparent and accountable manner to achieve satisfactory and sustainable development outcomes in Afghanistan in public sector procurement, financial management, and accountability systems.

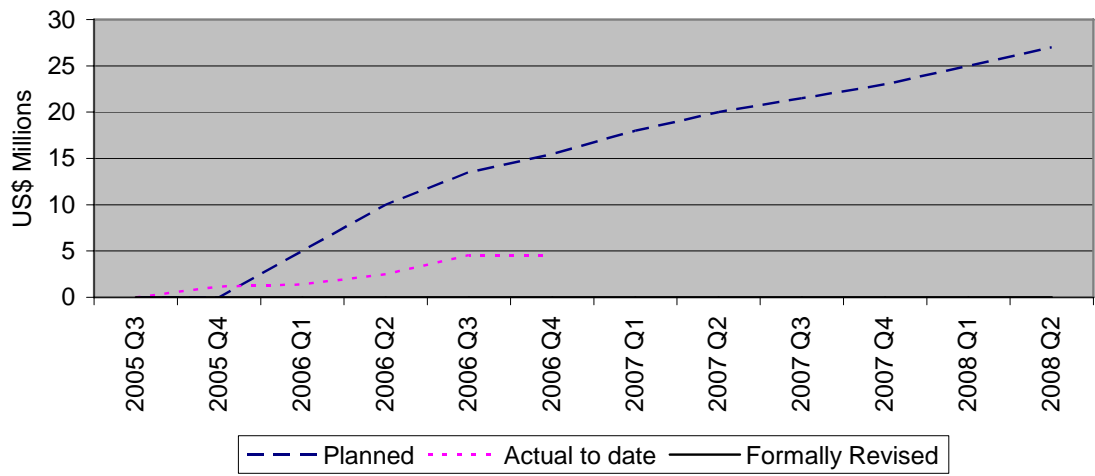
**Progress toward achieving development objective(s):**

Progress is being made towards achieving the project's objectives as demonstrated by the fact that the Government is meeting the project's performance measurements for: budget execution, accounting and reporting, external scrutiny/control and reporting. On procurement key contracts for operations support are in place and disbursing on schedule. Financial management and procurement laws have been passed and the related regulations are in preparation. The systems study has also been completed. Capacity building for procurement and internal audit is behind because of difficulties with finding qualified firms willing to work in Afghanistan but firms for both activities should be in place in 2006. Capacity building in Treasury is behind because of the difficulties, until recently, in filling civil servant mid management posts.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-H1440	Effective	27.05	4.57	22.39	0.00





**Project Name (ID):** Afghanistan Urban Water Sector Project ( P087860 )

**Country:** Afghanistan

**Board Approval Date :** 05/25/2006

**Closing Date :** 06/30/2010

**Loan/Credit/Grant Number :** IDA-H2250

**Sector(s):** Water supply (73%), Central government administration (27%)

**Theme(s):** Access to urban services and housing (P), Conflict prevention and post-conflict reconstruction (P), State enterprise/bank restructuring and privatization (P), Infrastructure services for private sector development (S)

**Project Development Objectives:**

The objectives of the project are to initiate actions to: (i) transform the Central Authority for Water Supply and Sewerage into a technically viable operation; (ii) establish the financial sustainability of the Afghan Urban Water Supply and Sanitation Company; (iii) increase access to and reliability of the water supply service in Kabul; and (iv) prepare a follow-up project under which more substantial institutional and financial objectives could be achieved and coverage further expanded in Kabul and provincial towns.

The project will be financed in parallel by the German Development Cooperation.

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

The project was approved late in the fiscal year and it is too early to provide an indication of progress towards achievement of the project objectives.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-H2250	Not Effective	41.01	0.00	41.01	0.00





**Project Name (ID):** Afghanistan Investment Guarantee Facility ( P088719 )  
**Country:** Afghanistan  
**Board Approval Date :** 07/29/2004  
**Midterm Review Date :** 10/31/2006  
**Closing Date :** 09/30/2009  
**Loan/Credit/Grant Number :** IDA-39680  
**Sector(s):** Non-compulsory pensions, insurance and contractual savings (100%)  
**Theme(s):** Other financial and private sector development (P), Conflict prevention and post-conflict reconstruction (P)

**Project Development Objectives:**

The proposed Investment Guarantee Facility is intended to assist Afghanistan in its reconstruction efforts by stimulating foreign direct investment through a program of political risk assurance.

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

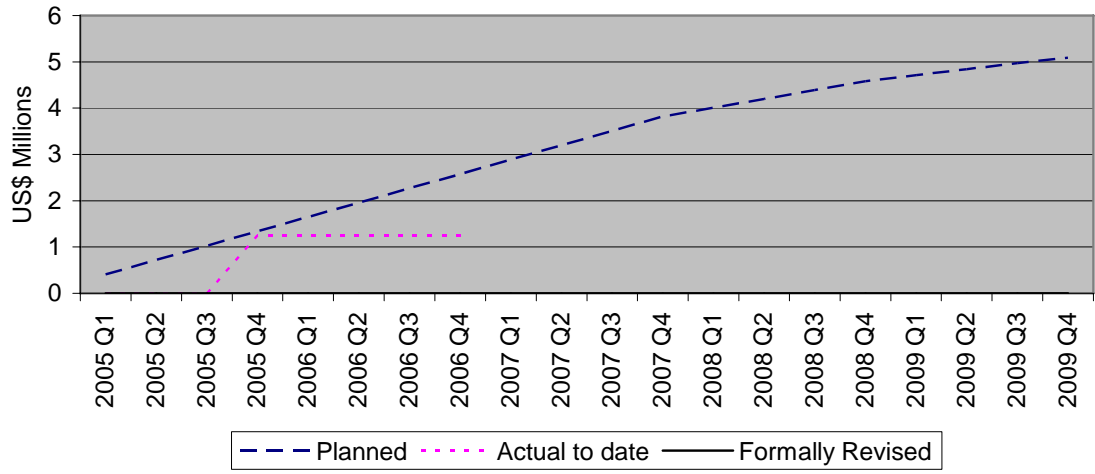
The project has made good progress toward achieving its development objective considering the volatile security situation which impedes the flow of foreign direct investment to Afghanistan,. The first guarantee of US\$1.07 million was issued on February 24, 2006 for the cotton ginning and cottonseed oil production facilities in northern Afghanistan. This is expected to create around 300 permanent jobs, in addition to stimulating local businesses that supply goods to the cotton industry. In its first year, the project supported over 4,600 local farmers.

The Facility is currently processing two applications in the financial sector and one in the telecoms sector with their investments totaling US\$10, US\$85,and US\$3 million respectively. The Facility has also received 17 preliminary applications in various sectors which are being reviewed to determine their investment status and potential for guarantee issuance.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-39680	Effective	5.14	1.25	3.91	0.00





**Project Name (ID):** Strengthening Higher Education Program ( P089040 )

**Country:** Afghanistan

**Board Approval Date :** 05/19/2005

**Midterm Review Date :** 08/31/2007

**Closing Date :** 06/30/2010

**Loan/Credit/Grant Number :** IDA-H1620

**Sector(s):** Tertiary education (96%), Central government administration (4%)

**Theme(s):** Education for the knowledge economy (P), Administrative and civil service reform (S)

**Project Development Objectives:**

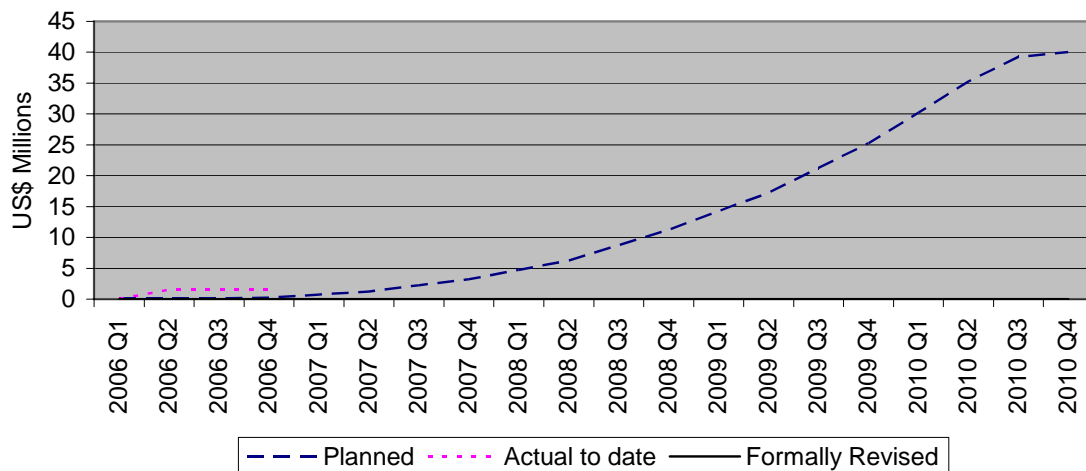
The objective is to progressively restore basic operational performance at a group of six core universities. This will provide an institutional basis for an agenda focusing on tertiary education development, capacity building and reform.

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

The project, which is in its first year of implementation, had a slow start but has been progressing well in the past few months. The universities have begun to use the first tranche of their block grants and several partnerships in the fields of engineering and English as a Second Language will be in place by December 2006.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H1620	Effective	38.51	1.53	36.93	0.00



**Project Name (ID):** Sustainable Development of Natural Resources ( P098118 )

**Country:** Afghanistan

**Board Approval Date :** 06/20/2006

**Closing Date :** 07/31/2011

**Loan/Credit/Grant Number :** IDA-H2380, IDA-Q5090

**Sector(s):** Central government administration (55%), Mining and other extractive (45%)

**Theme(s):** Infrastructure services for private sector development (P), Regulation and competition policy (S), Administrative and civil service reform (S), Legal institutions for a market economy (S), Environmental policies and institutions (S)

**Project Development Objectives:**

The objective of this project is to assist the government to improve its capacity to effectively regulate Afghanistan's minerals and hydrocarbon resources sector in a transparent manner and foster private sector development. This project will assist principally the Ministry of Mines to make the transition from being a producer of minerals and other commodities to a policy-making institution and regulator for the sector through capacity building and institutional strengthening.

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

This project was approved in June 2006 and it is too early to report on progress towards achievement of development objectives.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-H2380	Not Effective	30.28	0.00	30.28	0.00
IDA-Q5090	Effective	1.55	0.40	1.15	0.00



**Project Name (ID):** Afghanistan: Horticulture and Livestock Productivity Project ( P098256 )

**Country:** Afghanistan

**Board Approval Date :** 05/25/2006

**Closing Date :** 12/31/2009

**Loan/Credit/Grant Number :** IDA-H2260

**Sector(s):** Central government administration (32%), Crops (23%), Animal production (19%), Agricultural marketing and trade (16%), Agricultural extension and research (10%)

**Theme(s):** Other rural development (P), Conflict prevention and post-conflict reconstruction (P), Export development and competitiveness (P), Rural services and infrastructure (S), Gender (S)

**Project Development Objectives:**

The project aims to stimulate marketable output of perennial horticulture and livestock in focus areas by :(i) improving the incentives framework for private investments; and (ii) strengthening institutional capacity in agriculture.

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

The project was approved on May 25, 2006. While it is too early to report on progress towards achievement of the project's development objectives start up activities have commenced. The project team is providing support to the Ministry of Agriculture and Irrigation (MAI) to: (i) fulfill the additional condition of effectiveness (constitution and staffing of the Implementation Management Support Team); (ii) prepare and adopt the Financial Management Manual for the project; and (iii)undertake the procurement planning and processing.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-H2260	Not Effective	20.58	0.00	20.58	0.00

