

57201

**STATUS OF PROJECTS IN EXECUTION FY10  
SOPE**

**SOUTH ASIA REGION**

**Nepal**

**Operations Policy and Country Services  
OCTOBER 03, 2010**



## Introduction

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The Status of Projects in Execution (SOPE) Report for FY10 provides information on all IBRD, IDA, and trust funded projects that were active as of June 30, 2010. 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 FY10 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.



## Nepal

**Project Name (ID):** POWER DEVELOPMENT PROJECT (P043311)

**Country:** Nepal

**Board Approval Date:** 05/22/2003

**Midterm Review Date:** 06/01/2007

**Closing Date:** 12/31/2012

**Loan/Credit/Grant Number:** IDA-37660, IDA-H5060, IDA-H0390, IDA-46370

**Sector(s):** Power (62%), Renewable energy (30%), Micro- and SME finance (3%), Other social services (3%), Central government administration (2%)

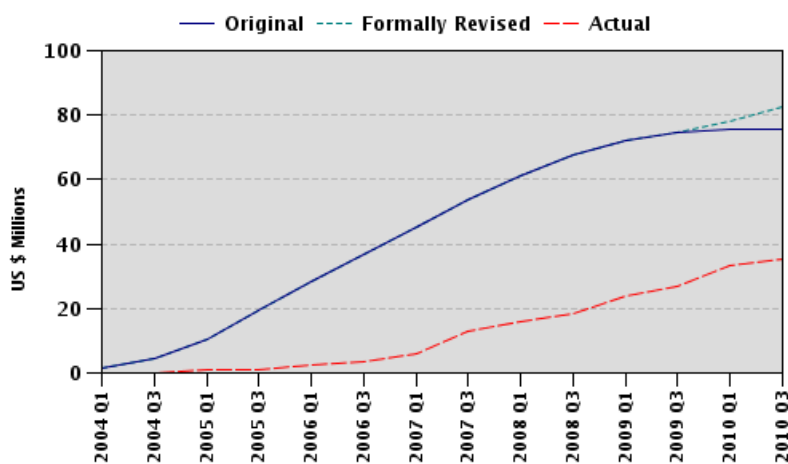
**Theme(s):** Climate change (25%), Rural services and infrastructure (25%), Other financial and private sector development (24%), Small and medium enterprise support (13%), Public expenditure, financial management and procurement (13%)

**Project Development Objectives:** The project development objectives are to increase access to electricity in rural areas and improve the quantum and efficiency of electricity supply.

**Progress toward achieving development objective(s):** Progress towards achieving the Project Development Objective was moderate in FY10. There has been good progress in advancing the emergency rehabilitation of existing generation assets supported by the Additional Financing and in scaling up the rural microhydro village electrification program. In other areas, progress towards the project development objectives has been impeded by the difficult country situation and other delays that influence the environment for implementation.

### Lending Information/Disbursement Summary (USD millions, as of June 30, 2010)

<i>Loan/Credit/Grant</i>	<i>Status</i>	<i>Amount</i>	<i>Disbursed</i>	<i>Undisbursed</i>	<i>Cancellation</i>
IDA-37660	Effective	56.04	12.81	43.08	0.00
IDA-H5060	Effective	15.83	3.79	11.97	0.00
IDA-H0390	Effective	27.77	23.86	3.43	0.76
IDA-46370	Effective	75.04	2.05	73.10	0.00



**Project Name (ID):** Rural Water Supply & Sanitation Project (P071285)

**Country:** Nepal

**Board Approval Date:** 06/01/2004

**Midterm Review Date:** 05/10/2007

**Closing Date:** 12/31/2010

**Loan/Credit/Grant Number:** IDA-H3690, IDA-39110

**Sector(s):** Water supply (90%), Sanitation (5%), Health (5%)

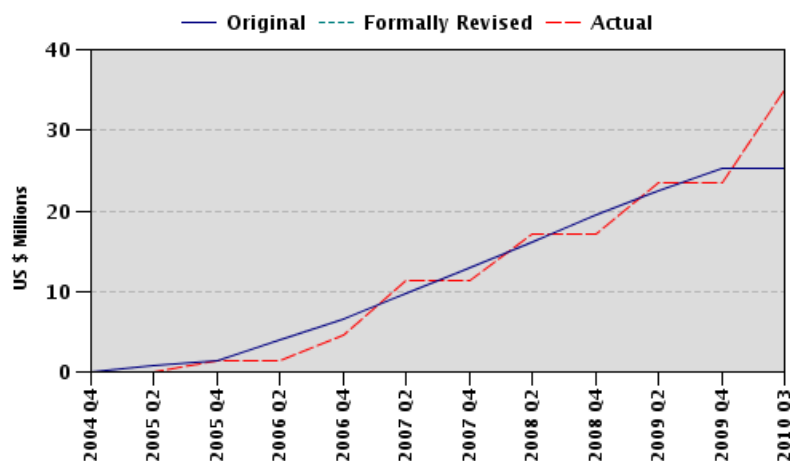
**Theme(s):** Rural services and infrastructure (33%), Participation and civic engagement (17%), Gender (17%), Other human development (17%), Pollution management and environmental health (16%)

**Project Development Objectives:** The project has two development objectives: (i) to improve sector institutional performance and mainstream "the Board" approach in the Government's system, and (ii) to support communities to form inclusive local water supply and sanitation user groups that can plan, implement, and operate drinking water and sanitation infrastructure that delivers sustainable health, hygiene, and productivity benefits to rural households.

**Progress toward achieving development objective(s):** The project is likely to meet its development objectives. The Design of a Rural Water Supply and Sanitation sector Monitoring and Evaluation and Management Information System was completed in December 2009 and is expected to be operational by December 31, 2010. Sixty-two percent of the target population has access to water supply points within a 15 minute round-trip walk and 63 percent of the target population has access to hygienic sanitation facilities within 30 meters of their residence. All Water Supply User Committees have at least 3 women members.

**Lending Information/Disbursement Summary (USD millions, as of June 30, 2010)**

<i>Loan/Credit/Grant</i>	<i>Status</i>	<i>Amount</i>	<i>Disbursed</i>	<i>Undisbursed</i>	<i>Cancellation</i>
IDA-H3690	Effective	24.68	9.45	15.40	0.00
IDA-39110	Effective	25.58	25.55	0.00	0.00



**Project Name (ID):** NP Financial Sector Technical Assistance (P071291)

**Country:** Nepal

**Board Approval Date:** 12/19/2002

**Midterm Review Date:** 12/26/2006

**Closing Date:** 12/31/2011

**Loan/Credit/Grant Number:** IDA-37270, IDA-Q1830, IDA-Q1831, TF-50593

**Sector(s):** Banking (98%), Vocational training (1%), Media (1%)

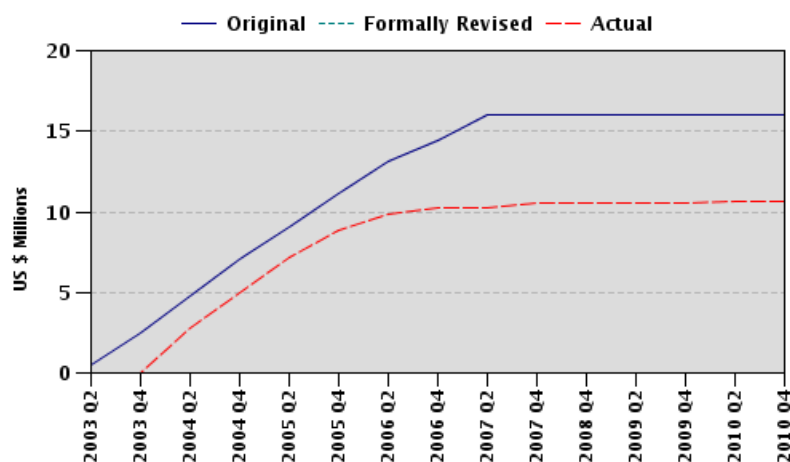
**Theme(s):** State enterprise/bank restructuring and privatization (29%), Regulation and competition policy (29%), Standards and financial reporting (28%), Corporate governance (14%)

**Project Development Objectives:** The project's development objective is to strengthen the financial sector in order to bring about macroeconomic stability and promote private-sector-led economic growth.

**Progress toward achieving development objective(s):** Implementation has been slower than expected and it is unlikely that the development objectives will be met. A Restructuring Paper is therefore being prepared. Some successes attained to date include: (a) lowering of Non-Performing Loans to 4.1 percent by Nepal Bank Ltd. (NBL) and to 12.1 percent by Rastriya Banijjya Bank (RBB) and earning operating profits of US\$13 million by NBL and US\$20 million by RBB; and (b) partial accomplishment of capacity building in the financial sector through training of Debt Recovery Tribunal staff and financial journalists. However, greater impact could have been achieved if the re-engineering of the Nepal Rastra Bank could have been implemented and further improvements in the corporate governance of the two state-controlled banks could have been realized.

**Lending Information/Disbursement Summary (USD millions, as of June 30, 2010)**

<i>Loan/Credit/Grant</i>	<i>Status</i>	<i>Amount</i>	<i>Disbursed</i>	<i>Undisbursed</i>	<i>Cancellation</i>
IDA-37270	Effective	18.70	10.60	1.71	6.52
IDA-Q1830	Closed	0.55	0.00	0.00	0.55
IDA-Q1831	Closed	0.60	0.00	0.00	0.60
TF-50593	Effective	10.56	8.15	3.53	0.00



**Project Name (ID):** Rural Access Improve. & Decentralization (P083923)

**Country:** Nepal

**Board Approval Date:** 06/21/2005

**Midterm Review Date:** 11/10/2008

**Closing Date:** 12/31/2013

**Loan/Credit/Grant Number:** IDA-46640, IDA-H5250, IDA-H1710, IDA-Q3870

**Sector(s):** Roads and highways (100%)

**Theme(s):** Rural services and infrastructure (50%), Decentralization (25%), Other social development (25%)

**Project Development Objectives:** The project's development objective is for residents of participating districts to utilize improved rural transport infrastructure and services and benefit from enhanced access to social services and economic opportunities.

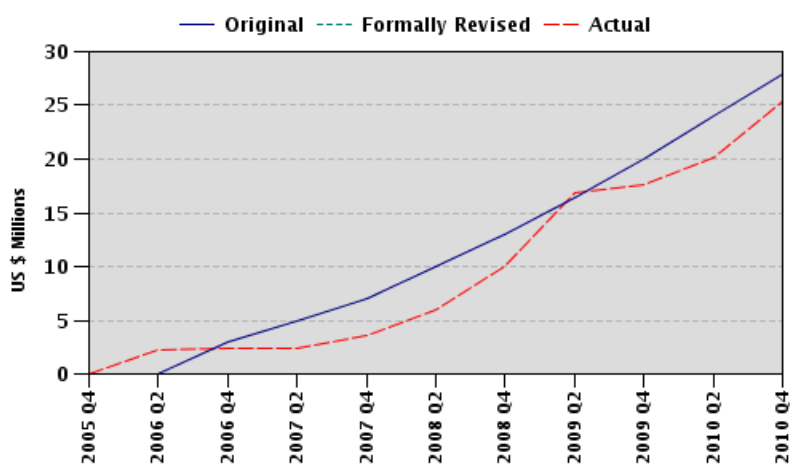
**The project was restructured, or received Additional Financing during FY 10**

The additional financing supports the upgrading of an additional (approximately) 550 kilometers (km) of rural roads to all weather standard and 140 km of rural tracks to dry season standard in 30 districts from the original scope of 615 km of upgrading and 71 km of new construction in 20 districts.

**Progress toward achieving development objective(s):** The project is progressing well having achieved 95 percent of physical target of its original scope. This has resulted in a 20 percent increase in vehicle trips, a 20 percent reduction in travel time, and 14 percent and 7 percent increase respectively in the number of people in participating hill and terai districts that live within a 4 hour and 2 hour walk respectively of all-season roads.

**Lending Information/Disbursement Summary (USD millions, as of June 30, 2010)**

<i>Loan/Credit/Grant</i>	<i>Status</i>	<i>Amount</i>	<i>Disbursed</i>	<i>Undisbursed</i>	<i>Cancellation</i>
IDA-46640	Effective	23.78	0.00	23.78	0.00
IDA-H5250	Effective	19.38	0.00	19.38	0.00
IDA-H1710	Effective	31.19	25.45	7.05	0.00
IDA-Q3870	Closed	0.40	0.00	0.00	0.40





**Project Name (ID):** Agriculture Commercialization and Trade (P087140)

**Country:** Nepal

**Board Approval Date:** 06/04/2009

**Closing Date:** 06/30/2015

**Loan/Credit/Grant Number:** IDA-46030, IDA-H4860, TF-53743

**Sector(s):** General agriculture, fishing and forestry sector (28%), Agricultural marketing and trade (28%), Agro-industry (28%), Public administration- Agriculture, fishing and forestry (16%)

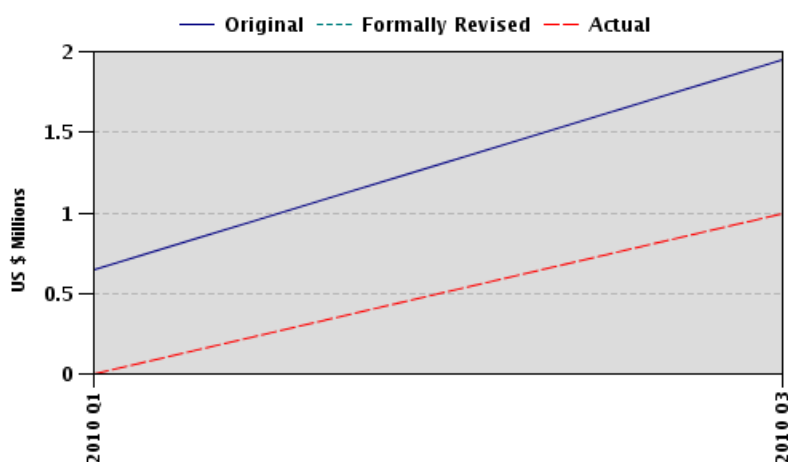
**Theme(s):** Trade facilitation and market access (10%), Rural markets (90%)

**Project Development Objectives:** The project development objective is to improve the competitiveness of smallholder farmers and the agribusiness sector in selected commodity value chains in 25 districts supported by the project.

**Progress toward achieving development objective(s):** Project implementation is progressing well with significant progress evident across all components. The majority of actions agreed during the last review have been completed as planned. A significant number of project concept notes have already been received and agreements with grant recipients for the first tranche of the competitive grants sub-projects are expected to be signed by October 2010. The project is on track to achieve the stated project development objectives.

**Lending Information/Disbursement Summary (USD millions, as of June 30, 2010)**

<i>Loan/Credit/Grant</i>	<i>Status</i>	<i>Amount</i>	<i>Disbursed</i>	<i>Undisbursed</i>	<i>Cancellation</i>
IDA-46030	Effective	10.62	0.00	10.62	0.00
IDA-H4860	Effective	9.29	1.00	8.33	0.00
TF-53743	Closed	0.36	0.28	0.00	0.08



**Project Name (ID):** Second Higher Education Project (P090967)

**Country:** Nepal

**Board Approval Date:** 02/22/2007

**Midterm Review Date:** 02/01/2010

**Closing Date:** 01/15/2014

**Loan/Credit/Grant Number:** IDA-H2740, TF-93397

**Sector(s):** Tertiary education (67%), Secondary education (21%), Central government administration (6%), Other social services (6%)

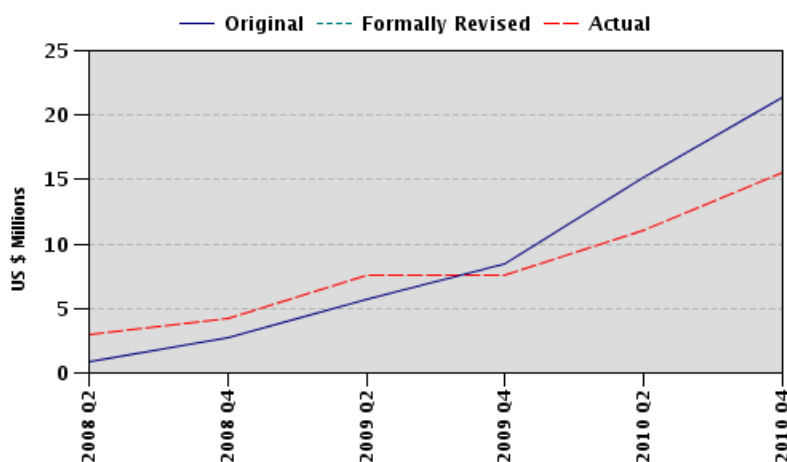
**Theme(s):** Education for the knowledge economy (40%), Social safety nets (20%), Education for all (20%), Rural services and infrastructure (20%)

**Project Development Objectives:** The project development objectives are: (a) enhanced quality and relevance of higher education and research through a set of incentives for promoting effective management and financial sustainability of academic institutions; and (b) improved access for academically qualified under-privileged students, including girls, dalits and educationally disadvantaged janajati to higher education through financial assistance and enhanced capacity of higher secondary schools.

**Progress toward achieving development objective(s):** The project Mid-term Review was held in February 2010 at which time the project was on track to meet most of its stated objectives. The share of girls in higher education has increased from 23 percent to 38.8 percent and from 34 percent to 48 percent in higher secondary education, both of which exceed the end-of-project targets. Forty-seven community campuses are receiving project support based on demonstrated results while only 10 were envisioned at the start of the project. Over 1,300 students are currently being supported for financial assistance through a targeting mechanism - a proxy means testing. A Quality Assurance and Accreditation system has been established and 1 campus has been accredited, 3 have completed the Quality Assurance cycle and 4 others are eligible for peer review. Over 500 community higher secondary schools are also being supported and enrollment in the community higher secondary schools has reached 138,000, exceeding the project target of 68,000. Proficiency Certificate Level has been phased out from Tribhuvan University. However, progress on autonomy has been slower, and the project is undergoing a Level 1 Restructuring to ensure that development objectives can be met.

**Lending Information/Disbursement Summary (USD millions, as of June 30, 2010)**

<i>Loan/Credit/Grant</i>	<i>Status</i>	<i>Amount</i>	<i>Disbursed</i>	<i>Undisbursed</i>	<i>Cancellation</i>
IDA-H2740	Effective	63.55	19.73	44.04	0.00
TF-93397	Effective	1.90	0.32	1.59	0.00



**Project Name (ID):** Road Sector Development Project (P095977)

**Country:** Nepal

**Board Approval Date:** 12/06/2007

**Closing Date:** 06/30/2012

**Loan/Credit/Grant Number:** IDA-Q5710, IDA-H3390

**Sector(s):** Roads and highways (90%), Central government administration (10%)

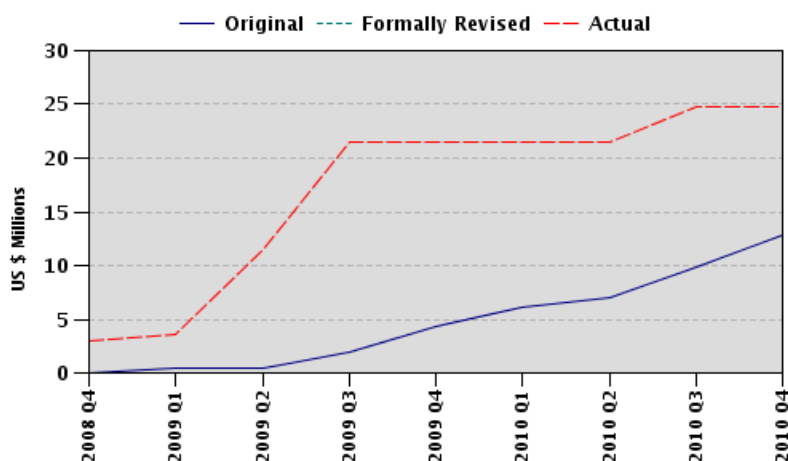
**Theme(s):** Infrastructure services for private sector development (67%), Rural services and infrastructure (33%)

**Project Development Objectives:** The project's development objective is for the residents of beneficiary districts to have all-season road access thereby reducing travel time. This will help improve access to economic centers and social services. The project targets five hill districts which currently lack all-season road access and will improve access to one other district.

**Progress toward achieving development objective(s):** Considerable progress has been made: 223 kilometers (km) out of 295 km contracted for road upgrading are complete, 263 km out of 450 km contracted for periodic maintenance are complete; anecdotal evidence show a 50 percent reduction in journey time which will be verified through surveys currently underway; the activities under the institutional strengthening component are on schedule. These results have been achieved within 3 years of project implementation with the project well on its way to achieving its objectives.

**Lending Information/Disbursement Summary (USD millions, as of June 30, 2010)**

<i>Loan/Credit/Grant</i>	<i>Status</i>	<i>Amount</i>	<i>Disbursed</i>	<i>Undisbursed</i>	<i>Cancellation</i>
IDA-Q5710	Closed	1.00	0.00	0.00	1.00
IDA-H3390	Effective	42.21	30.06	12.13	0.00



**Project Name (ID):** Irrig & Water Res Mgmt Proj (P099296)

**Country:** Nepal

**Board Approval Date:** 12/06/2007

**Closing Date:** 06/30/2013

**Loan/Credit/Grant Number:** IDA-45150, IDA-H3380

**Sector(s):** Irrigation and drainage (76%), Agricultural extension and research (12%), Central government administration (8%), General agriculture, fishing and forestry sector (2%), Sub-national government administration (2%)

**Theme(s):** Water resource management (40%), Rural services and infrastructure (40%), Rural policies and institutions (20%)

**Project Development Objectives:** The project's development objective is to improve irrigated agriculture productivity and management of selected irrigation schemes and enhance institutional capacity for integrated water resources management.

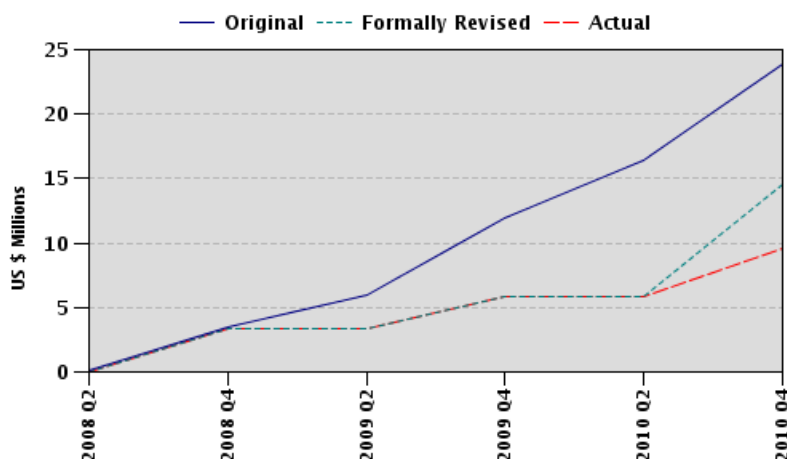
**The project was restructured, or received Additional Financing during FY 10**

The additional financing of US\$14.3 million (IDA credit) supports the immediate outcome of Integrated Crop and Water Management--Component D--that is, farmers in selected districts adopt better agricultural production and water management techniques.

**Progress toward achieving development objective(s):** Although progress has been slow in the first year of implementation, the project is on track. Along with the agricultural support package program, work on 29 small-scale farmer-managed irrigation schemes is ongoing and 42 schemes have been tendered. Management transfer of large Government-managed irrigation systems has made progress with the signing of Memorandum of Understanding between the Department of Irrigation and the Water Users Association of Kankai Irrigation System, together with the implementation of essential structural improvements. Mahakali and Sunsari-Morang irrigation systems are the next candidates for management transfer. On the institutional side, work on Water Resources Information System, basin planning and integrated water resources policy has progressed well. Work on irrigation infrastructure combined with improved agricultural practices will result in the achievement of the first part of the project development objective. However, it is too early to measure the impact due to the project activities.

**Lending Information/Disbursement Summary (USD millions, as of June 30, 2010)**

<i>Loan/Credit/Grant</i>	<i>Status</i>	<i>Amount</i>	<i>Disbursed</i>	<i>Undisbursed</i>	<i>Cancellation</i>
IDA-45150	Effective	13.93	2.63	11.19	0.00
IDA-H3380	Effective	47.49	6.91	42.10	0.00



**Project Name (ID):** Avian Flu (P100342)

**Country:** Nepal

**Board Approval Date:** 01/19/2007

**Midterm Review Date:** 07/23/2009

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

**Loan/Credit/Grant Number:** IDA-H2680

**Sector(s):** General public administration sector (60%), Health (21%), Agricultural extension and research (16%), Animal production (2%), Solid waste management (1%)

**Theme(s):** Natural disaster management (25%), Other communicable diseases (25%), Rural services and infrastructure (24%), Health system performance (13%), Pollution management and environmental health (13%)

**Project Development Objectives:** The overall objectives of the project are to minimize the threat in Nepal posed to humans by Highly Pathogenic Avian Influenza infection and other zoonotic diseases by controlling such infections among domestic poultry and to prepare for, control, and respond to an influenza epidemic and other related infectious disease emergencies in humans. These objectives will be achieved in three ways: (a) prevention; (b) preparedness and planning; and (c) response and containment.

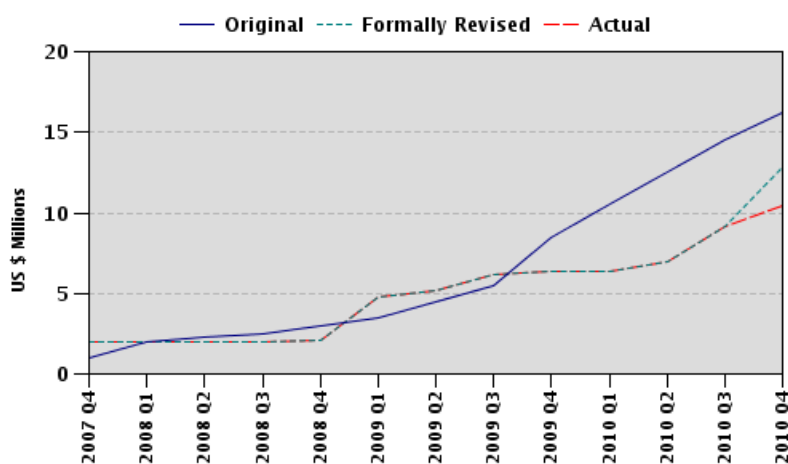
**The project was restructured, or received Additional Financing during FY 10**

To restore satisfactory implementation ratings by strengthening the better-performing activities and downsizing/cancelling those which cannot be implemented by project closure. The major change was the cancellation of construction of two Bio-Security Laboratories Level 2.

**Progress toward achieving development objective(s):** The project is on track to meet its objectives. There were multiple Avian Influenza outbreaks in seven districts in February and March 2010. The project team rapidly detected the outbreaks through the improved surveillance system and successfully contained them. With restructuring, the project implementation has also improved.

**Lending Information/Disbursement Summary (USD millions, as of June 30, 2010)**

<i>Loan/Credit/Grant</i>	<i>Status</i>	<i>Amount</i>	<i>Disbursed</i>	<i>Undisbursed</i>	<i>Cancellation</i>
IDA-H2680	Effective	18.35	10.78	5.46	2.24



**Project Name (ID):** PAF II (P105860)

**Country:** Nepal

**Board Approval Date:** 12/06/2007

**Midterm Review Date:** 05/13/2010

**Closing Date:** 09/30/2012

**Loan/Credit/Grant Number:** COFN-C1200, IDA-H3370

**Sector(s):** Irrigation and drainage (25%), Animal production (25%), Other social services (25%), Water supply (25%)

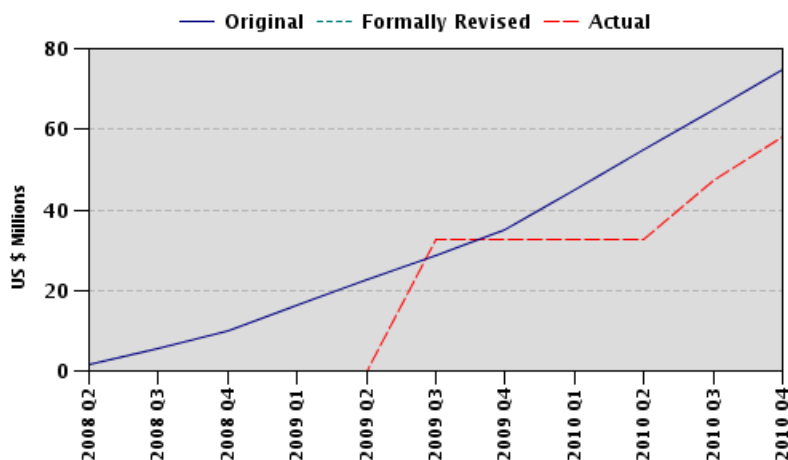
**Theme(s):** Rural non-farm income generation (40%), Rural services and infrastructure (20%), Participation and civic engagement (20%), Other social development (20%)

**Project Development Objectives:** The project's development objective is to improve living conditions, livelihoods and empowerment among the rural poor, with particular attention to groups that have traditionally been excluded by reasons of gender, ethnicity, caste and location.

**Progress toward achieving development objective(s):** The Poverty Alleviation Fund II (PAFII) project is making progress towards meeting its development objectives. Presently, the Poverty Alleviation Fund (PAF) is implementing its program in 59 districts. The overall program under PAF (including financing under PAFII) now covers all 25 districts from Group C and 15 districts from Group B, categorized as most deprived districts by the Central Bureau of Statistics/National Planning Commission, based on 28 poverty related social-economic indicators. Besides working in these regular program districts, PAFII is implementing innovative pocket programs in another 19 districts. To date, 12,682 community organizations (COs) of poor have been registered (4,928 in Initial 6 Districts, 7,369 in Additional 19 Districts and 385 through the Innovative Window Programme Districts). The agreement made with 11,927 COs amounts to Nepalese Rupees 6,070 million and these funds are in the process of disbursement directly to Community Accounts. Based on projections, it is expected that the program will run out of financing within this fiscal year and an additional financing has been requested.

**Lending Information/Disbursement Summary (USD millions, as of June 30, 2010)**

<i>Loan/Credit/Grant</i>	<i>Status</i>	<i>Amount</i>	<i>Disbursed</i>	<i>Undisbursed</i>	<i>Cancellation</i>
COFN-C1200	Effective	3.79	1.27	2.56	0.00
IDA-H3370	Effective	100.05	59.93	38.40	0.00



**Project Name (ID):** Peace Support Project (P110762)

**Country:** Nepal

**Board Approval Date:** 05/06/2008

**Closing Date:** 06/30/2012

**Loan/Credit/Grant Number:** IDA-H3670

**Sector(s):** Other social services (94%), Central government administration (4%), General public administration sector (2%)

**Theme(s):** Conflict prevention and post-conflict reconstruction (67%), Social safety nets (33%)

**Project Development Objectives:** The revised project development objective is to contribute to the peace process by providing interim cash transfers and services to eligible conflict-affected groups and by increasing transparency and accountability in the delivery of these benefits.

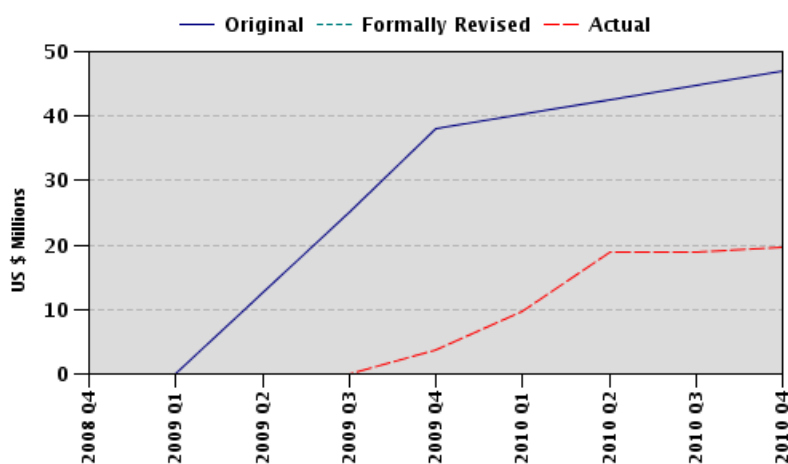
**The project was restructured, or received Additional Financing during FY 10**

The project underwent a Level 1 restructuring, approved by the Board in May 2010. It is expected that the Ministry of Peace and Reconstruction will be able to better achieve the revised development objective in light of the current pace of the political process and the Ministry's operational mandates. The project is more focused on rehabilitation services for conflict-affected groups, particularly employment and training services.

**Progress toward achieving development objective(s):** Although implementation progress has been sluggish, the project has made noteworthy progress over the past year. Cash transfers to assist conflict-affected families have accelerated and were made on a timely and transparent basis, with over 12,000 families of those killed in the conflict having received transfers. The Ministry of Peace and Reconstruction is also designing rehabilitation services for initial introduction in early 2011.

**Lending Information/Disbursement Summary (USD millions, as of June 30, 2010)**

<i>Loan/Credit/Grant</i>	<i>Status</i>	<i>Amount</i>	<i>Disbursed</i>	<i>Undisbursed</i>	<i>Cancellation</i>
IDA-H3670	Effective	47.69	19.59	28.37	0.00



**Project Name (ID):** NP Social Safety Net - Food Crisis Respo (P113002)

**Country:** Nepal

**Board Approval Date:** 09/30/2008

**Closing Date:** 09/30/2013

**Loan/Credit/Grant Number:** TF-93058, IDA-H5790, IDA-H4240, IDA-47500, IDA-45100

**Sector(s):** Other social services (75%), Crops (14%), Public administration- Agriculture, fishing and forestry (11%)

**Theme(s):** Global food crisis response (100%)

**Project Development Objectives:** The project objective is to ensure that vulnerable households meet their requirements for food and basic needs. This project is supported under the Nepal Food Crisis Response Program (NFCRP) which consists of: (i) US\$14.3 million of additional financing to the Irrigation and Water Resource Development Project; and (ii) a Credit/Grant of US\$21.7 million for the Social Safety Nets Project.

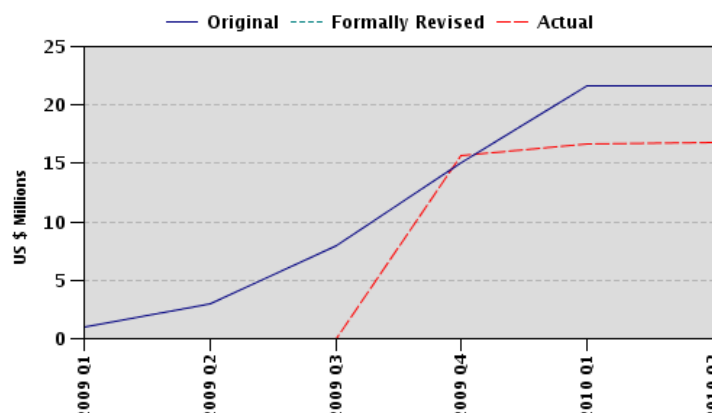
### The project was restructured, or received Additional Financing during FY 10

The Additional Financing for the Social Safety Nets Project (US\$47.8 million) aims to enable the Government to improve access to nutritious food for highly food insecure households in the short term and to create opportunities for improved agriculture production in food insecure districts. Activities for the Additional Financing will support the Government's Food Security Response Program (a public works program) and will incorporate lessons learned from on-going project activities. The additional financing will scale up interventions focused on agriculture production and nutrition, and pilot a new nutrition challenge fund. The project will support the strengthening of existing social safety nets systems under the Government.

**Progress toward achieving development objective(s):** The project has employed 168,263 workers through public works programs, providing food for 940,000 beneficiaries across 28 food insecure districts. Ninety-four percent of beneficiaries have reported an increase in their food security. One-hundred-and-eighteen kilometers of rural roads have been constructed, employing more than 38,000 people. Fifty-one thousand households were assisted by food/cash for work programs, helping improve food sufficiency levels for an additional two - two-and-a-half. Twenty-nine-thousand-two-hundred-and-ninety-nine farming households have been assisted by the fertilizer and seed transport program for remote districts. The program supports the provision of multiple micronutrient powder with essential vitamins and minerals for children aged 6 - 59 months, across 33 districts. More than 850,000 sachets of micronutrient powder have been distributed to over 12,000 children aged 6 - 59 months. Financing provided under this project has leveraged both financing and technical support. Rapid response under the project has enabled the Government and development partners to respond to areas of chronic food insecurity as well as to areas impacted by devastating floods.

### Lending Information/Disbursement Summary (USD millions, as of June 30, 2010)

<i>Loan/Credit/Grant</i>	<i>Status</i>	<i>Amount</i>	<i>Disbursed</i>	<i>Undisbursed</i>	<i>Cancellation</i>
TF-93058	Effective	5.00	5.00	0.00	0.00
IDA-H5790	Not Effective	24.45	0.00	24.45	0.00
IDA-H4240	Effective	14.19	11.20	2.52	0.00
IDA-47500	Not Effective	23.28	0.00	23.28	0.00
IDA-45100	Effective	2.51	0.53	2.04	0.00





**Project Name (ID):** School Sector Reform Program (P113441)

**Country:** Nepal

**Board Approval Date:** 09/22/2009

**Closing Date:** 12/15/2014

**Loan/Credit/Grant Number:** IDA-H5180, IDA-46520

**Sector(s):** Primary education (76%), Secondary education (19%), Public administration- Education (4%), Adult literacy/non-formal education (1%)

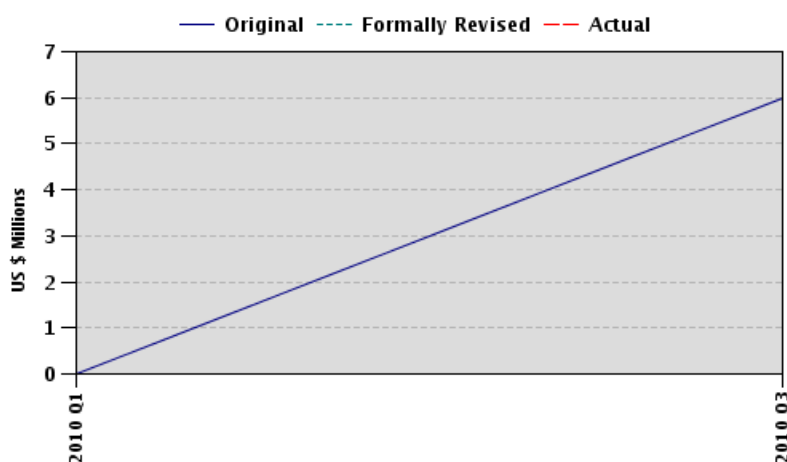
**Theme(s):** Education for all (41%), Education for the knowledge economy (30%), Natural disaster management (29%)

**Project Development Objectives:** The program's development objective is to increase access to, and improve quality of school education, particularly basic education (Grades 1 - 5), for children from marginalized groups.

**Progress toward achieving development objective(s):** Implementation progress is difficult to assess this year since most development partners have not been able to release funds. This is because the Ministry of Education and the Department of Education have not been able to maintain a high level of fiduciary oversight. The audit report covering the last few months of implementation of the Education for All project has numerous qualifications, primarily focusing on failure to comply with agreed Government regulations and guidelines on the part of frontline implementing departments. As the Supervising Entity of the Education for All Fast Track Initiative Grant, amounting to US\$120 million, the Bank has not been able to finalize and sign the Grant Agreement due to these audit issues. However, these issues are currently being addressed in a concerted manner by the government and should be resolved soon. Whether this will affect overall program outcomes, however, remains to be seen since the development partners only account for about 21 percent of the overall project costs, and the Government has been able to frontload expenditures this year. The data that will permit us to assess progress will not become available until October 2010.

**Lending Information/Disbursement Summary (USD millions, as of June 30, 2010)**

<i>Loan/Credit/Grant</i>	<i>Status</i>	<i>Amount</i>	<i>Disbursed</i>	<i>Undisbursed</i>	<i>Cancellation</i>
IDA-H5180	Effective	59.07	0.00	59.07	0.00
IDA-46520	Effective	72.24	0.00	72.24	0.00



**Project Name (ID):** Second HNP and HIV/AIDS Project (P117417)

**Country:** Nepal

**Board Approval Date:** 04/20/2010

**Closing Date:** 07/15/2015

**Loan/Credit/Grant Number:** IDA-47070, IDA-H5570

**Sector(s):** Health (82%), Public administration- Health (18%)

**Theme(s):** Child health (30%), Population and reproductive health (25%), Health system performance (20%), HIV/AIDS (15%), Nutrition and food security (10%)

**Project Development Objectives:** The project's development objective is to enable the Government of Nepal to increase access to essential health care services and their utilization by the underserved and the poor.

**Progress toward achieving development objective(s):** The project was not effective before the close of the reporting period.

**Lending Information/Disbursement Summary (USD millions, as of June 30, 2010)**

<i>Loan/Credit/Grant</i>	<i>Status</i>	<i>Amount</i>	<i>Disbursed</i>	<i>Undisbursed</i>	<i>Cancellation</i>
IDA-47070	Not Effective	67.58	0.00	67.58	0.00
IDA-H5570	Not Effective	57.73	0.00	57.73	0.00

