

PROJECTS CANCELLED/DROPPED

(for the reporting period December 2004 to October 2005)

GEF			Country	IA	Project Title	Council	Cancel.	GEF Allocation	Undisbursed	Explanation for
#	ID	OP				Approval Date	Date	(US\$ million) *	Amount	Cancellation
<u>Biodiversity</u>										
1	203	ST RM	Regional (Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama)	UNDP	Central American Fund for Environment and Development: Account for the Global Environment (FOCADES)	Oct-1996	Oct-2005	15.000	14.677	Explanation for dropping/canceling: The FOCADES project had originally covered both the climate change and biodiversity focal areas. As a result of lessons learned and best practices about Funds and lending practices aimed to stimulate global environmental benefits from private sector development, this old project has now been transformed into two distinct proposals. The climate change proposal “CABEF” (Accelerating Investments in Renewable Energy in Central America– PIMS 2042 - GEF \$7,150,000 incl. PDF B) was approved by GEF Council in November 2004. The biodiversity proposal “CAMBio” (Central American Markets for Biodiversity: Mainstreaming biodiversity conservation and sustainable use within micro-, small, and medium-sized enterprise development and financing – PIMS 3368 – GEF \$10,255,000) was approved by GEF Council in April 2005.
2	1888	3	Bulgaria	World Bank	Forest Development Project	Mar-2004	Mar-2005	7.749	7.749	EXPLANATION FOR DROPPING:: A decision was taken to drop the IBRD/GEF Forestry Development Project because of changes in government priorities. The project supported reforms of the forestry sector, which the government - on the verge of new elections - was not ready to endorse (7/14/05).

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3	412	2 Ukraine	World Bank	Biodiversity Conservation in the Azov-Black Sea Ecological Corridor	Jan-1998	Aug-2005	6.900	7.222	09.08.2005 EXPLANATION FOR CANCELLATION: In view of continued management and technical problems impeding the implementation of the project, and the insufficient corrective action taken by the Recipient to overcome these problems, the project was cancelled by the World Bank. More specifically, it was noted that after more than two years (project mid point) only 10% of the grant had been disbursed; the Ministry of Environment (Implementing Unit) failed to hire key technical staff for the PIU, and to sign procurement contracts essential for the implementation of the project, as recommended by the Bank in all the supervision missions. The absence of credible efforts to address the underlying causes of the delay prevented the project from achieving visible results on the ground. The undisbursed amount is more than the amount of GEF allocation due to currency fluctuation.
Sub total for Biodiversity							29.649	29.649	

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#	ID	OP Country							
<u>Climate Change</u>									
4	926	11 Egypt	UNDP	Fuel Cell Bus Demonstration Project in Cairo, Phase I	Feb-2001	Jul-2005	6.190	6.190	09.08.2005 EXPLANATION FOR CANCELING: 1.Key stakeholders, including international manufacturers, have lost interest in the project due to the technological and economic constraints associated with the fuel cell bus technology. 2.Lack of co-financing to complement the GEF grant.
5	929	11 India	UNDP	Fuel Cell Bus Development in India (Phase II - Part 1)	May-2001	Jul-2005	5.983	5.983	09.08.2005 EXPLANATION FOR CANCELING: 1.Key stakeholders, including international manufacturers, have lost interest in the project due to the technological and economic constraints associated with the fuel cell bus technology. 2.Lack of co-financing to complement the GEF grant.
6	931	11 Mexico	UNDP	Demonstration Project of Hydrogen Fuel Cell Buses and an Associated System for Hydrogen Supply in Mexico City, Phase I	Feb-2001	Dec-2004	5.079	5.033	09.08.2005 EXPLANATION FOR CANCELING: The main reason for cancellation of this project, executed by STE (Electric transport Service of Mexico City), were substantial changes in conditions originally foreseen for the project, in particular technical, financial and institutional aspects of the project.
7	2004	6 Swaziland	World Bank	Energizing Rural Transformation	May-2004	Jul-2005	3.100	3.100	Project has been dropped due to lack of progress on the part of Government with the two key macro issues: i) governance, and ii) creditworthiness, as a result of which the Bank's Country Director has not authorized any additional work on the project since FY04. (8/1/05)
Sub total for Climate Change							20.352	20.306	
Grand Total							50.001	49.955	