wood needs and protect its watersheds in harmony with other demands on the areas such as domestic stock grazing. Main components are (a) forestry planning (including forest inventory, forest demarcation, forest management plans and a national reforestation plan); (b) forest operations consisting of regeneration of natural forests, plantation establishment, watershed management, forest range management, forest road construction and rehabilitation; and (c) support activities including nature conservation, forest research and fuelwood study, training, institution development and housing and equipment. Since the mid-term evaluation in December 1993, the project has made good progress. However, the plantation component has suffered from previous three years of drought. Other project activities, including the forest inventory, demarcation and infrastructure are continuing to progress well and sometimes to be ahead of schedule. The communal component lags behind mainly to a funding problem, despite assurances from the Ministry of the Interior that funds would be made available.

Ln.3168-MOR Highway Sector Project: US\$79.0 Million Loan of March 15, 1990; Effective Date: July 12, 1990; Closing Date: December 31, 1994; Implementing Agency: Ministry of Public Works and Ministry of Transport. The Project consists of an investment component, and a policy adjustment and institutional development component. The project has largely met its objectives and will close on schedule. Early disbursement problems have been resolved. A complement of road strengthening works approved by the Bank in the fall of 1993 brought the level of commitments to close to 100 percent. The institution building at the Ministry of Public Works has been satisfactory, including development of a pavement management system, commissioning in July 1993 of the new training center financed by Japan, and completion of studies on rural roads and a road widening program. Components executed by the Ministry of Transport have been disappointing. The project is close to completion in the field.

Loan 3171-MOR Health Sector Investment Project: US\$104.0 Million Loan of June 15, 1990; Effective Date: September 11, 1990; Closing Date: December 31, 1995; Implementing Agency: Ministry of Public Health (MOPH). The project provides resources to (a) reinforce priority programs in primary health care and emergency and diagnostic services; (b) strengthen the administration and management of health services and the maintenance of buildings and biomedical equipment. It includes the rehabilitation of about 150 urban and rural dispensaries and health centers, 37 rural and