



National and Regional Roads Rehabilitation (P148023)

EUROPE AND CENTRAL ASIA | Macedonia, former Yugoslav Republic of | Transport & ICT Global Practice | IBRD/IDA | Investment Project Financing | FY 2015 | Seq No: 5 | ARCHIVED on 27-Dec-2016 | ISR26497 |

Implementing Agencies: Public Enterprise for State Roads

Key Dates

Key Project Dates

Bank Approval Date:23-Sep-2014

Effectiveness Date:22-Dec-2014

Planned Mid Term Review Date:01-Sep-2016

Actual Mid-Term Review Date:31-Oct-2016

Original Closing Date:30-Sep-2019

Revised Closing Date:30-Sep-2019

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project Development Objectives are to enhance the connectivity of selected national and regional roads, primarily to Corridors X and VIII, and to improve Public Enterprise for State Roads' capacity for road safety and climate resilience.

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

No

Components

Name

Component 1: Road Civil Works:(Cost \$78.84 M)

Component 2: Institutional Strengthening and Project Management:(Cost \$4.70 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Satisfactory	● Satisfactory
Overall Implementation Progress (IP)	● Satisfactory	● Satisfactory
Overall Risk Rating	● Moderate	● Moderate

Implementation Status and Key Decisions



Component 1: Road Civil Works - Component 1 includes all activities related to national and regional roads improvements in infrastructure. Overall, all sub-components have been well implemented in the first two years and are on track for satisfactory completion. *The team recommended to PESR to focus in the next six months on preparing the procurement for the rehabilitation for the second round of roads and on completing the identification and procurement preparations for the black spot improvement.*

Component 2: Institutional Strengthening and Project Management

1 Project Management and Implementation. The Team was strengthened with two specialists on procurement and financial management. Despite repetitive public announcements, specialists for monitoring and reporting and contract management have not been contracted due to lack of interest from the market and this has affected these aspects of the implementation.

2 Road Safety Advisor and advisory services to establish Road Safety Unit. The contract with the consultant firm SAFEGE was signed on July 22 and commenced on September 18. The inception report from SAFEGE was well received both by the client and the Bank team. The consultant already prepared the draft road safety audit guidelines and manual. PESR is in discussion with SAFEGE to extend the contract to include additional task – task 4 to carry out road safety inspections of the roads rehabilitated under the NRRRP program as part of the first phase of the program.

3 iRAP. The contract for iRAP is expected to be signed by December 30, 2016 and the actual network assessment is expected to start from March 2017 as weather conditions permit. Upon completion of the above two tasks, the third task for road safety design of black spot improvement will commence using outputs from the above two tasks.

4 Road Asset Management Equipment and Data Collection and Preparation of a Five-year Strategic Program. Due to staff limitations in PESR and the large workload, PESR has been unable to provide the RAMS team sufficient time to dedicate to RAMS and this has negatively impacted the process of understanding RAMS and using the system so far. Unless resolved, this will be the key risk to embedding RAMS in PESR's operation. PESR completed the evaluation of the three offers received for the consultant services to install a RAMS software to be financed with project funds to the Bank for review on December 6. It is expected that the signature will be signed at the beginning of 2017, with the expectation that the consultant firm can start its assignment by February 2017. In the meantime, the hardware for support of this component was already purchased with project funds. On December 6, PESR also completed the evaluation of the two offers received for the supply and installation of traffic counters which should enable PESR to collect traffic data automatically on the entire motorway and national roads network.

5 Technical Assistance and Impact Analysis. PESR engineers have benefited from various training opportunities on FIDIC contracts, safeguards and road safety inspections as agreed in the training plan. The training plan for 2017 should be updated and submitted to the Bank for review and no-objection. It should foresee specific training options with regard to contract management for the PESR technical and procurement specialists, involved in the project, and financial management both on project and contract level, for the financial management specialist. The Bank team has supported PESR to develop a comprehensive ToR for identification of climate resilience remedies on road network and preparation of climate resilience guidelines, emphasizing improving climate resilience on the engineering design of roads works and future maintenance activities on given roads and strengthening PESR's capacity in conducting climate resilience analysis during planning phase as well as emergency response. This activity will be launched at the beginning of 2017. There is a delay in launching the beneficiary survey and determining the baseline for citizens' engagement related indicators due to market unresponsiveness. Activities to capture the beneficiary's feedback and assess their satisfaction with the intervention have been delayed because of complete lack of interest from competent companies to participate in two procurement procedures for the qualitative assessment of the selected roads before and after rehabilitation. Since civil works for most of the selected roads have been completed or are close to completion the ToR was revised to capture the assessment of the beneficiaries ex – post. During the second procurement process only one firm applied but PESR has not started the negotiation of the contract by the time of Midterm review. The following step for PESR is to carry on the negotiation and if possible to start working with the consultant as soon as possible.



Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	● Moderate	● Moderate
Macroeconomic	--	● High	● High
Sector Strategies and Policies	--	● Moderate	● Moderate
Technical Design of Project or Program	--	● High	● High
Institutional Capacity for Implementation and Sustainability	--	● Moderate	● Moderate
Fiduciary	--	● Moderate	● Moderate
Environment and Social	--	● Low	● Low
Stakeholders	--	● Low	● Low
Other	--	● Moderate	● Moderate
Overall	--	● Moderate	● Moderate

Results

Project Development Objective Indicators

► Reduction in travel time for passenger cars, in percentage, along the project roads sections to be rehabilitated (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	3.82	10.00



Date	12-Mar-2014	19-Apr-2016	16-Dec-2016	30-Sep-2019

► Reduction of vehicle operating costs for heavy trucks, in Euro per vehicle-km, along the project road sections to be rehabilitated (Amount(USD), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.79	0.00	0.69	0.69
Date	12-Mar-2014	19-Apr-2016	16-Dec-2016	30-Sep-2019

► Percentage of all PESR road projects that incorporate road safety audit recommendations (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	75.00	100.00
Date	12-Mar-2014	19-Apr-2016	16-Dec-2016	30-Sep-2019

► Climate resilience design guidelines prepared and integrated by PESR in their internal design process (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	N	N	Y
Date	12-Mar-2014	19-Apr-2016	16-Dec-2016	30-Sep-2019

Overall Comments

The VOC reduction was calculated for a sample of five roads, which had complete roughness and rutting data. The other completed roads are currently surveyed and the result will be updated.

Intermediate Results Indicators



► Roads rehabilitated (Kilometers, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	6.00	93.58	112.00
Date	14-Jul-2014	19-Apr-2016	16-Dec-2016	30-Sep-2019

► Roads in good or fair condition as a share of total classified roads (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	79.00	85.00	85.00	81.00
Date	14-Jul-2014	19-Apr-2016	16-Dec-2016	30-Sep-2019

► Road safety design audit guidelines prepared (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	N	Y	Y
Date	14-Jul-2014	19-Apr-2016	16-Dec-2016	30-Sep-2019

► Climate resilience design guidelines prepared (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	N	Y	Y
Date	14-Jul-2014	19-Apr-2016	16-Dec-2016	30-Sep-2019



► Number of km of road network surveyed for road safety (iRAP) (Kilometers, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	500.00	500.00	500.00	4,000.00
Date	14-Jul-2014	19-Apr-2016	16-Dec-2016	30-Sep-2019

► Five year rolling program for national and regional roads preservation works prepared based on the RAMS (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	N	N	Y
Date	14-Jul-2014	19-Apr-2016	16-Dec-2016	30-Sep-2019

► Percentage of beneficiaries expressing satisfaction with condition of the project roads. (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	50.00	0.00	0.00	70.00
Date	14-Jul-2014	19-Apr-2016	16-Dec-2016	30-Sep-2019

► Direct project beneficiaries (number), of which female (percentage) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	0.00
Date	30-Jul-2015	19-Apr-2016	16-Dec-2016	30-Sep-2019



► Annual performance report prepared and published by PESR (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	N	Y	Y
Date	14-Jul-2014	19-Apr-2016	16-Dec-2016	30-Sep-2019

Overall Comments

Roads in good or fair condition as a share of total classified roads - this is based on PESR visual inspections; a network-wide condition survey is scheduled for 2017 and this indicator will be validated afterwards.

"Percentage of beneficiaries expressing satisfaction with condition of the project roads" and "Direct project beneficiaries (number), of which female (percentage)" - these indicators still don't have a baseline and target due to delay in contracting consultants. PESR is working with social safeguards specialist to define the baseline and they should have the first survey results in the course of 2017.

Data on Financial Performance

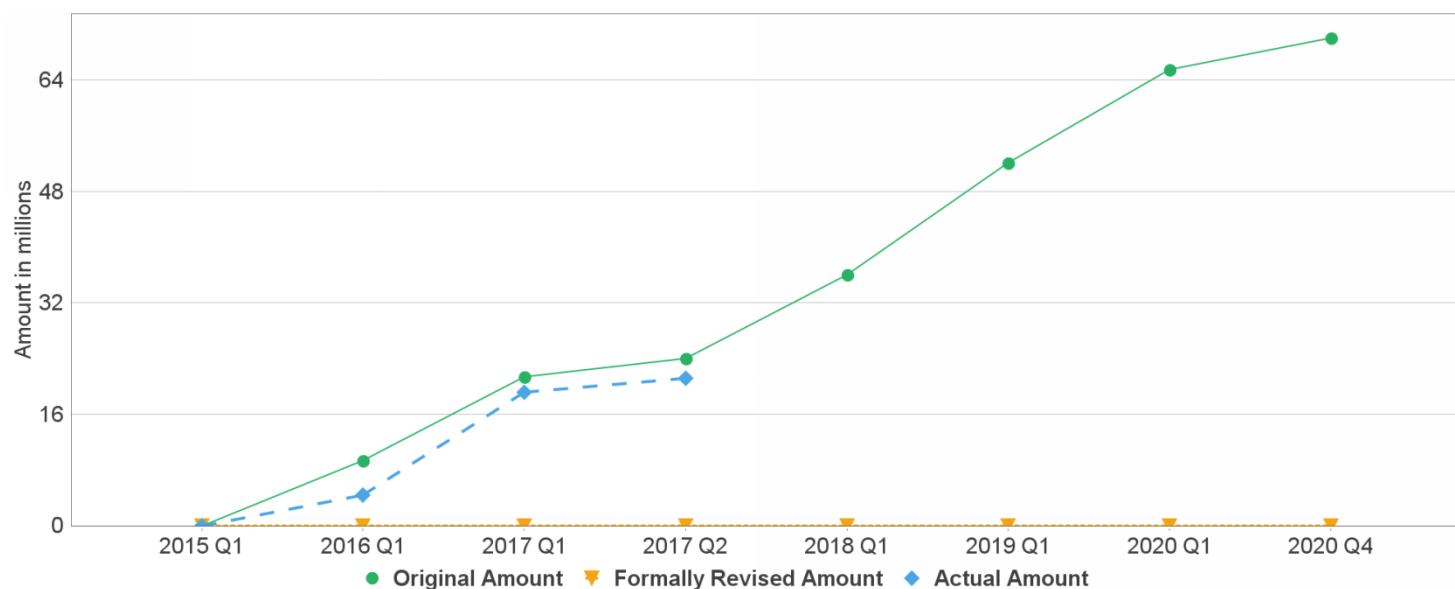
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P148023	IBRD-84200	Effective	USD	70.98	70.98	0.00	21.32	44.81	30%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P148023	IBRD-84200	Effective	23-Sep-2014	21-Oct-2014	22-Dec-2014	30-Sep-2019	30-Sep-2019

Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.