



Local and Regional Competitiveness Project (P154263)

EUROPE AND CENTRAL ASIA | Macedonia, former Yugoslav Republic of | Trade & Competitiveness Global Practice | Recipient Executed Activities | Investment Project Financing | FY 2016 | Seq No: 1 | ARCHIVED on 19-Apr-2016 | ISR23051 |

Implementing Agencies:

Key Dates

Key Project Dates

Bank Approval Date:12-Jan-2016

Effectiveness Date:--

Planned Mid Term Review Date:31-Jan-2018

Actual Mid-Term Review Date:--

Original Closing Date:--

Revised Closing Date:--

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project Development Objective (PDO) is to enhance the contribution of tourism to local economic development and improve the capacity of the government and public entities to foster tourism growth and facilitate destination management.

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

No

Components

Name

Component 1: Technical assistance for tourism development (Bank executed):(Cost \$1.42 M)

Component 2: Strengthening destination management and enabling environment (Recipient executed):(Cost \$1.35 M)

Component 3: Investment in tourism-related infrastructure and linkages at destinations (Recipient executed):(Cost \$21.81 M)

Component 4: Strengthening project management (Recipient executed):(Cost \$1.50 M)

Overall Ratings

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



Implementation Status and Key Decisions

The Administration Agreement with the EU was signed on December 28, 2015. The Project was approved by the Bank on January 12, 2016 and the Grant Agreement with the Government was signed on January 14, 2016. The Bank executed Trust Fund and the Recipient Executed Trust Fund are active.

The project has two conditions for effectiveness: (1) The Project Implementation Unit (PIU) has been staffed with professionals in numbers and with experience and terms of reference acceptable to the World Bank; (2) The Project Operations Manual has been adopted by the Recipient in a manner acceptable to the World Bank.

As a condition of disbursement of funds for Component 3, the Recipient, through the PIU, shall have adopted the Grants Manual in a manner acceptable to the World Bank.

Progress has been achieved in staffing and establishment of a Project Implementation Unit led by the Cabinet of the Deputy Prime Minister for Economic Affairs. The PIU team has started preparations of the Project Operations Manual and the Bank stands ready to review it and provide technical assistance on the preparation of the Grants Manual. The development of gap analysis and development plans for the tourism circuit and corridor is progressing well under the auspices of the Macedonia Competitive Industries and Innovation Support Program, funded by a grant from a multi-donor Trust Fund. The circuit and corridor development plans expected by June 2016 are core inputs for the targeting of infrastructure and non-infrastructure investments at destinations under Component 3.

Risks

Systematic Operations Risk-rating Tool



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

Results

Project Development Objective Indicators

- ▶ Additional private investment generated in tourism-related activities at beneficiary destinations (US\$, cumulative) (Number, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|------------------|-------------|
| Value | 0.00 | -- | -- | 10000000.00 |
| Date | 15-Jan-2016 | -- | -- | 31-Dec-2019 |

- ▶ Increase in tourism-related jobs in beneficiary destinations (Percentage, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|------------------|-------------|
| Value | 0.00 | -- | -- | 7.00 |
| Date | 15-Jan-2016 | -- | -- | 31-Dec-2019 |

- ▶ Reforms implemented that were identified through a consultative PPD destination management process (Number, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|----------|-------------------|------------------|------------|
| Value | 0.00 | -- | -- | 9.00 |



| | | | | |
|------|-------------|----|----|-------------|
| Date | 15-Jan-2016 | -- | -- | 31-Dec-2019 |
|------|-------------|----|----|-------------|

Overall Comments

Intermediate Results Indicators

► Public and private stakeholders trained in destination management and development (Number, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|------------------|-------------|
| Value | 0.00 | -- | -- | 200.00 |
| Date | 15-Jan-2016 | -- | -- | 31-Dec-2019 |

► Increase in number of overnights by tourists in beneficiary destinations (Percentage, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|------------------|-------------|
| Value | 0.00 | -- | -- | 12.00 |
| Date | 15-Jan-2016 | -- | -- | 31-Dec-2019 |

► New tour packages offered by tour operators (local and foreign) that include the project-supported destinations as a new offering (Number, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|------------------|-------------|
| Value | 0.00 | -- | -- | 30.00 |
| Date | 15-Jan-2016 | -- | -- | 31-Dec-2019 |



▶ Private enterprises that participate in project-supported capacity-building activities (e.g. training, supplier development, others) (Number, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|------------------|-------------|
| Value | 0.00 | -- | -- | 300.00 |
| Date | 15-Jan-2016 | -- | -- | 31-Dec-2019 |

▶ Private enterprises that benefit from activities funded through the project's grants (Number, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|------------------|-------------|
| Value | 0.00 | -- | -- | 100.00 |
| Date | 15-Jan-2016 | -- | -- | 31-Dec-2019 |

▶ Private enterprises that benefit from activities funded through the project's grants, owned or managed by a woman (Percentage, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|------------------|-------------|
| Value | 0.00 | -- | -- | 15.00 |
| Date | 15-Jan-2016 | -- | -- | 31-Dec-2019 |

▶ Grant beneficiaries who consider that supported activities are subject to consultation and reflect their views (Percentage, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|------------------|-------------|
| Value | 0.00 | -- | -- | 80.00 |
| Date | 15-Jan-2016 | -- | -- | 31-Dec-2019 |



► Share of local residents that are satisfied with tourism development in the destinations that benefit from the activities in the project (Percentage, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-------|-------------|-------------------|------------------|-------------|
| Value | 0.00 | -- | -- | 70.00 |
| Date | 15-Jan-2016 | -- | -- | 31-Dec-2019 |

Overall Comments

Data on Financial Performance

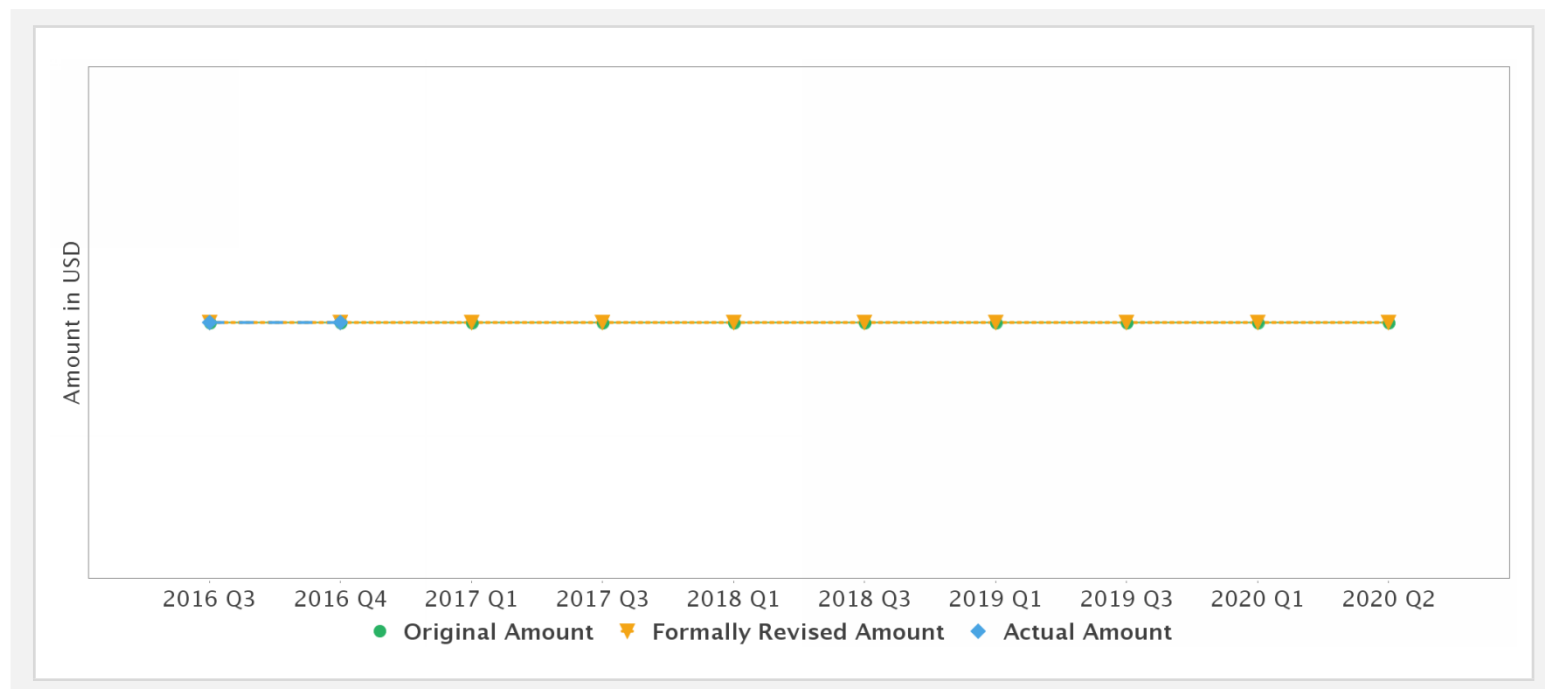
Disbursements (by loan)

| Project | Loan/Credit/TF | Status | Currency | Original | Revised | Cancelled | Disbursed | Undisbursed | Disbursed |
|---------|----------------|--------|----------|----------|---------|-----------|-----------|-------------|-----------|
|---------|----------------|--------|----------|----------|---------|-----------|-----------|-------------|-----------|

Key Dates (by loan)

| Project | Loan/Credit/TF | Status | Approval Date | Signing Date | Effectiveness Date | Orig. Closing Date | Rev. Closing Date |
|---------|----------------|--------|---------------|--------------|--------------------|--------------------|-------------------|
|---------|----------------|--------|---------------|--------------|--------------------|--------------------|-------------------|

Cumulative Disbursements





Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.
