



## Sustainable Croatian Railways in Europe (P147499)

EUROPE AND CENTRAL ASIA | Croatia | Transport & ICT Global Practice |  
IBRD/IDA | Investment Project Financing | FY 2015 | Seq No: 2 | ARCHIVED on 20-Jun-2016 | ISR23322 |

Implementing Agencies: Ministry of Maritime Affairs, Transport and Infrastructure

## Key Dates

## Key Project Dates

Bank Approval Date:30-Apr-2015

Effectiveness Date:04-Aug-2015

Planned Mid Term Review Date:30-Dec-2017

Actual Mid-Term Review Date:--

Original Closing Date:31-May-2020

Revised Closing Date:31-May-2020

## Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project Development Objective (PDO) is to improve the operational efficiency and the financial sustainability of the public railway sector in Croatia.

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

No

## Components

Name

Project Coordination and Sector Policy Support:(Cost \$2.90 M)

Support to HZ Passenger Transport Restructuring:(Cost \$58.70 M)

Support to HZ Cargo Restructuring:(Cost \$53.40 M)

Support to HZ Infrastructure Restructuring and Enabling Investment to Increase the System Efficiency:(Cost \$85.80 M)

## Overall Ratings

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



## Implementation Status and Key Decisions

The overall project implementation continues to be moderately satisfactory. All funds related to retroactive financing have been disbursed, while implementation of other activities is advancing. Ongoing restructuring in all companies has shown little result due to the political uncertainty in Croatia. Traffic decline is bigger than anticipated and companies are continuously losing market shares.

It is expected that over the next six months companies and the Government will make progress on the acceptability of restructuring plans of HZ Cargo and HZ Passenger Transport by the European Commission. The Government and the World Bank team will also focus on reinforcing the Ministry of Maritime Affairs, Transport and Infrastructure in its role with assignments in asset management and for the passenger service obligations.







## Risks

### Systematic Operations Risk-rating Tool

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

## Results

### Project Development Objective Indicators

► Prioritized railway sector development and infrastructure maintenance program developed (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	N	N	Y
Date	31-Dec-2014	--	14-Jun-2016	31-Dec-2019

► HZP operating expenses per train-km (in HRK) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	45.00	45.00	45.00	41.10



Date	31-Dec-2014	31-Dec-2014	14-Jun-2016	31-Dec-2019
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► HZC working ratio (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.67	1.46	1.46	0.94
Date	31-Dec-2014	30-Jun-2015	30-Jun-2015	30-Sep-2019

► Number of annual train-km operated per HZI employee (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	4032.00	4032.00	3274.00	3828.00
Date	31-Dec-2014	31-Dec-2014	31-Dec-2015	31-Dec-2019

Overall Comments

**Intermediate Results Indicators**

► Number of Project Beneficiaries including women beneficiaries (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	110 000 including women, 50%	--	110 000 including women, 50%	110 000 including women, 50%
Date	31-Dec-2014	--	14-Jun-2016	31-Dec-2019



▶ Percentage of assets with resolved legal titles (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	0.00
Date	31-Dec-2014	--	14-Jun-2016	31-Dec-2019

▶ Number of HZP staff retrenched (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	729.00
Date	31-Dec-2014	31-May-2015	14-Jun-2016	31-Dec-2019

▶ Number of HZP rolling stock rehabilitated (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	105.00
Date	31-Dec-2014	31-May-2015	14-Jun-2016	31-Dec-2019

▲ DMUs and diesel locomotives (Number, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	17.00
Date	31-Dec-2014	--	14-Jun-2016	31-Dec-2019



▲ EMUs and electric locomotives (Number, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	6.00
Date	31-Dec-2014	--	14-Jun-2016	31-Dec-2019

▲ Passenger wagons (Number, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	82.00
Date	31-Dec-2014	--	14-Jun-2016	31-Dec-2019

▶ HZP commercial revenues per employee (in HRK) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.30	--	0.41	0.30
Date	31-Dec-2014	--	14-Jun-2016	31-Dec-2019

▶ Number of HZC staff retrenched (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	25.00	771.00
Date	31-Dec-2014	--	31-Dec-2015	31-Dec-2019





▶ Number of HZC rolling stock rehabilitated (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	105.00
Date	31-Dec-2014	--	14-Jun-2016	30-Sep-2019

▲ Wagons (Number, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	2772.00
Date	31-Dec-2014	--	14-Jun-2016	31-Dec-2019

▲ Locomotives (Number, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	48.00
Date	27-Feb-2015	--	14-Jun-2016	31-Dec-2019

▶ Number of HZI staff retrenched (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	484.00	484.00	1097.00
Date	31-Dec-2014	31-May-2015	14-Jun-2016	31-Dec-2019



► Cumulated number of kms of line sections rehabilitated or improved (Kilometers, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	338.00
Date	31-Dec-2014	--	14-Jun-2016	30-Sep-2019

► Fatalities per 10 million train-km (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	10.00	4.00	6.00	7.00
Date	31-Dec-2014	31-May-2015	31-Dec-2015	31-Dec-2019

► Million train-km per track-km (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	9965.00	--	9874.00	10170.00
Date	31-Dec-2014	--	14-Jun-2016	31-Dec-2019

► Project-supported organization(s) publish reports on inputs and effect of consultation on project including gender disaggregated impacts (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	N	N	Y
Date	31-Dec-2014	--	14-Jun-2016	31-Dec-2019

Overall Comments

**Data on Financial Performance**



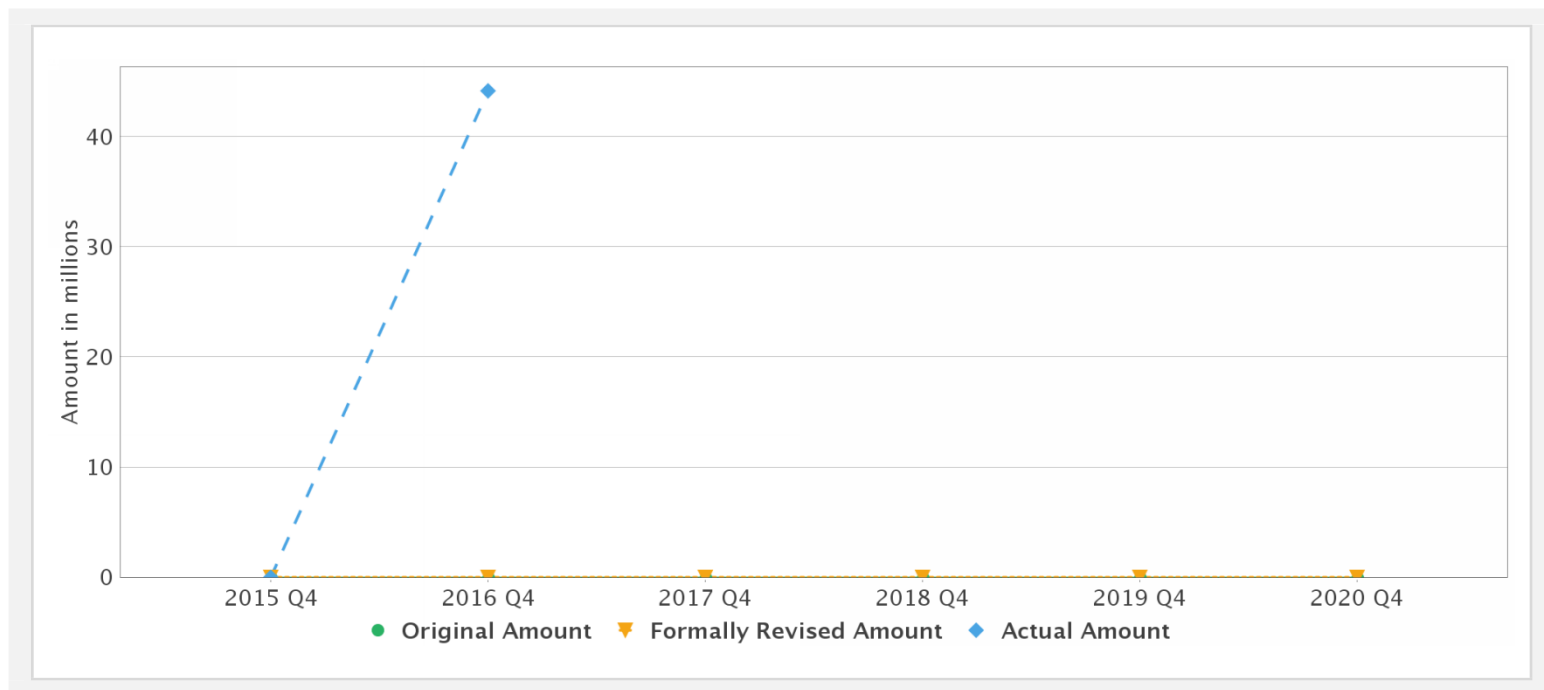
**Disbursements (by loan)**

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P147499	IBRD-85000	Effective	USD	88.65	88.65	0.00	22.60	65.51	25%
P147499	IBRD-85010	Effective	USD	48.20	48.20	0.00	6.44	41.65	13%
P147499	IBRD-85020	Effective	USD	46.50	46.50	0.00	15.57	30.75	33%

**Key Dates (by loan)**

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P147499	IBRD-85000	Effective	30-Apr-2015	06-May-2015	04-Aug-2015	31-May-2020	31-May-2020
P147499	IBRD-85010	Effective	30-Apr-2015	06-May-2015	04-Aug-2015	31-May-2020	31-May-2020
P147499	IBRD-85020	Effective	30-Apr-2015	06-May-2015	04-Aug-2015	31-May-2020	31-May-2020

**Cumulative Disbursements**



**Restructuring History**

There has been no restructuring to date.



## Related Project(s)

There are no related projects.