



## Local and Regional Competitiveness Project (P154263)

EUROPE AND CENTRAL ASIA | Macedonia, former Yugoslav Republic of | Finance, Competitiveness and Innovation Global Practice | Recipient Executed Activities | Investment Project Financing | FY 2016 | Seq No: 5 | ARCHIVED on 31-May-2018 | ISR32540 |

Implementing Agencies: Cabinet of the Deputy Prime Minister for Economic Affairs, Delegation of the European Union, Government of the Former Yugoslav Republic of Macedonia

## Key Dates

## Key Project Dates

Bank Approval Date:12-Jan-2016

Effectiveness Date:28-Jul-2016

Planned Mid Term Review Date:24-Sep-2018

Actual Mid-Term Review Date:--

Original Closing Date:31-Dec-2019

Revised Closing Date:31-Dec-2019

## Project Development Objectives

Project Development Objective (from Project Appraisal Document)

<p>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.</p>

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	● Moderately Unsatisfactory	● Moderately Satisfactory
Overall Implementation Progress (IP)	● Moderately Unsatisfactory	● Moderately Satisfactory
Overall Risk Rating	● Substantial	● Moderate



## Implementation Status and Key Decisions

In the past six months, implementation of the project has progressed further compared to the previous reporting period. The first call for sub-project proposals under Component 3 (investment in tourism-related infrastructure and services at destinations) has been completed and a second call was launched in March. Four sub-projects on tourism related infrastructure proposed by municipalities from the first call will be funded. The response rate to the second call for expressions of interest is satisfactory. The documentary check is on track and the workshops for the full proposals are being planned for June. Implementation of activities under Component 2 (sector policy and coordination) has been initiated and needs to be advanced. Workshops on destination management were completed in March yet the PIU needs to hire a destination management facilitation firm as a matter of priority. The positions of Financial Management Specialist and Procurement Specialist were filled, but the positions of Monitoring and Evaluation Specialist and Cultural Heritage Specialist remain vacant. Overall implementation progress is Moderately Satisfactory.

## Risks

### Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	● Substantial	● Substantial	● Moderate
Macroeconomic	● Moderate	● Moderate	● Moderate
Sector Strategies and Policies	● Moderate	● Moderate	● Moderate
Technical Design of Project or Program	● Moderate	● Moderate	● Moderate
Institutional Capacity for Implementation and Sustainability	● Moderate	● Substantial	● Substantial
Fiduciary	● Substantial	● Substantial	● Substantial
Environment and Social	● Moderate	● Moderate	● Moderate
Stakeholders	● Substantial	● Substantial	● Substantial
Other	--	● Substantial	--
Overall	● Moderate	● Substantial	● 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	0.00	0.00	10,000,000.00
Date	15-Jan-2016	--	--	31-Dec-2019



## Comments

Baseline will be determined once a Monitoring and Evaluation Specialist is hired at the PIU.

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

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

## Comments

Baseline will be determined once a Monitoring and Evaluation Specialist is hired at the PIU.

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

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	9.00
Date	15-Jan-2016	--	--	31-Dec-2019

## Comments

Baseline will be determined once a Monitoring and Evaluation Specialist is hired at the PIU.

## 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	11.00	11.00	200.00
Date	15-Jan-2016	23-Sep-2016	23-Sep-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	0.00	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	0.00	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	0.00	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	0.00	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	0.00	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	0.00	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	0.00	0.00	70.00
Date	15-Jan-2016	--	--	31-Dec-2019

**Overall Comments**

Baseline values will be determined once a Monitoring and Evaluation Specialist is hired at the PIU.



## Data on Financial Performance

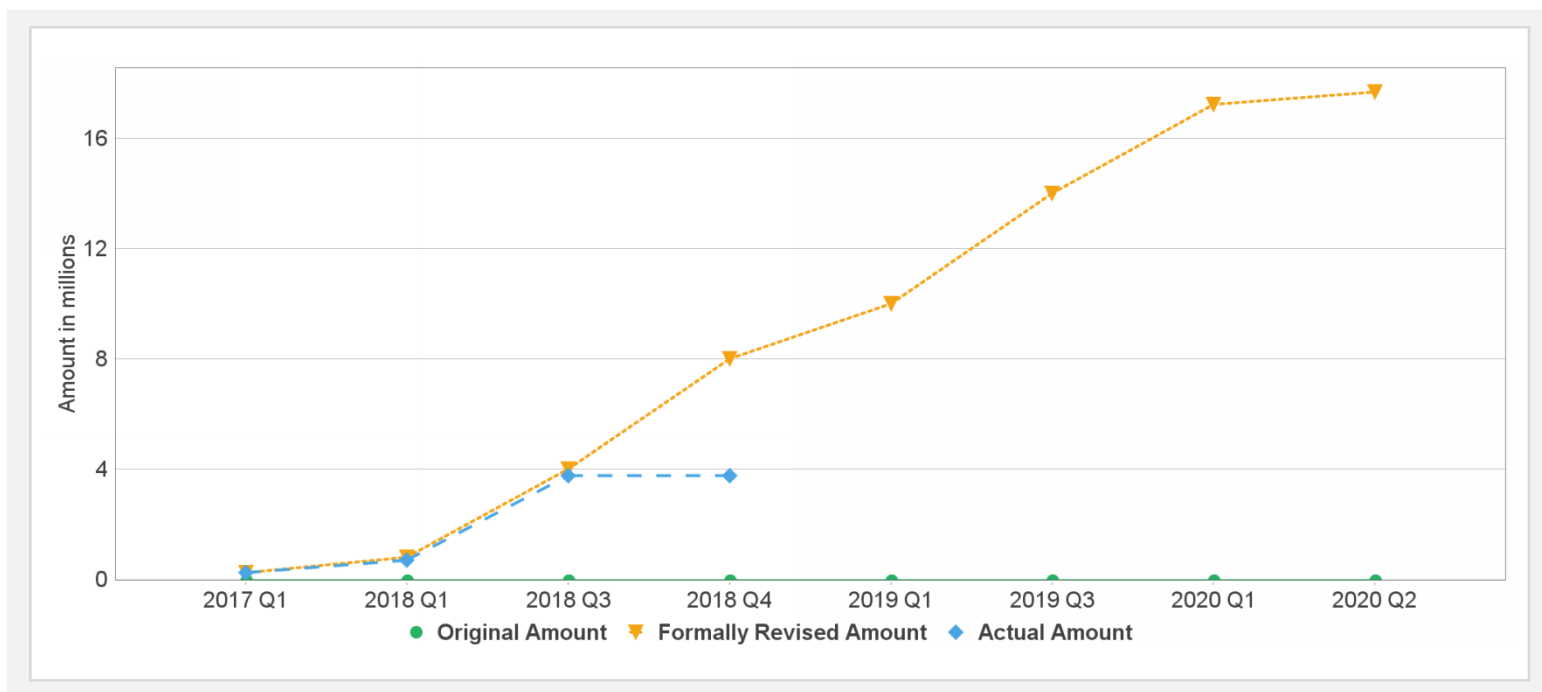
### Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P154263	TF-A1779	Effective	USD	18.58	18.58	0.00	3.76	14.78	20%

### Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P154263	TF-A1779	Effective	14-Jan-2016	14-Jan-2016	28-Jul-2016	31-Dec-2019	31-Dec-2019

## Cumulative Disbursements



## Restructuring History

Level 2 Approved on 16-Feb-2017

## Related Project(s)



There are no related projects.

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