



## Local Economy and Infrastructure Development Project (P150327)

EUROPE AND CENTRAL ASIA | Armenia | Urban, Resilience and Land Global Practice |  
IBRD/IDA | Investment Project Financing | FY 2016 | Seq No: 15 | ARCHIVED on 20-Jun-2022 | ISR50665 |

Implementing Agencies: Armenia Territorial Development Fund, Ministry of Economy, REPUBLIC OF ARMENIA

### Key Dates

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Bank Approval Date: 22-Dec-2015

Effectiveness Date: 29-Dec-2016

Planned Mid Term Review Date: 01-Apr-2019

Actual Mid-Term Review Date: 01-Apr-2019

Original Closing Date: 30-Apr-2021

Revised Closing Date: 31-Mar-2023

### Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project Development Objective is to improve infrastructure services and institutional capacity for increased tourism contribution to local economy in selected regions of Armenia.

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

No

### Components Table

Name

Heritage Hub and Tourism Circuit Development:(Cost \$41.65 M)  
Institutional Development:(Cost \$1.15 M)  
Contingent Emergency Response

### Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Risk Rating	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate

### Implementation Status and Key Decisions

The Local Economy and Infrastructure Development Project (LEIDP) was approved on December 22, 2015, in the amount of US\$ 55 million and became effective on December 29, 2016. The project has been restructured four times on April 24, 2018, June 17, 2020, August 24, 2020 and October 26, 2021, and the current loan amount is US\$42,8 million. The project consists of three components: Component 1 - Heritage Hub Regeneration and Tourism Circuit Development; Component 2 - Institutional Development; and Component 3 - Contingent Emergency Response (CERC). Overall, implementation progress is moderately satisfactory, and the project development objectives remain relevant and achievable.



The Project supports the rehabilitation and improvement of infrastructure services and building institutional capacity for increased tourism contribution to the local economy in selected regions of Armenia. Activities supported under the project have already led to improved public services and facilities for more than 744,040 beneficiaries (of which 379,462 are female) through: (i) 34.4 kilometers of rehabilitated and improved roads leading to key tourist attractions; (ii) 278 lighting posts and 825 bulbs replaced - surpassing the end target; (iii) 7 tourism facilities constructed to support key touristic sites; (iv) 36 rehabilitated historical houses; and (v) 60 piped water connections that have been rehabilitated to enhance water supply services.

## Risks

### Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Macroeconomic	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Sector Strategies and Policies	<input type="checkbox"/> Low	<input type="checkbox"/> Low	<input type="checkbox"/> Low
Technical Design of Project or Program	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Institutional Capacity for Implementation and Sustainability	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Fiduciary	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Environment and Social	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Stakeholders	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Other	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Overall	<input type="checkbox"/> Substantial	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate

## Results

### PDO Indicators by Objectives / Outcomes

Project Development Objective Indicators				
▶ Improved access roads to selected tourism attraction sites (Kilometers, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	15.80	33.80	40.00
Date	22-Dec-2015	16-Jun-2021	15-Jun-2022	30-Mar-2023
▶ Increased tourism spending (Amount(USD), Custom)				



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	749.50	749.50	749.50	862.00
Date	22-Dec-2015	16-Jun-2021	15-Jun-2022	31-Mar-2021
<b>► Number of jobs created by activities linked to the project investments (gender disaggregated) (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	33.00	48.00	350.00
Date	22-Dec-2015	16-Jun-2021	15-Jun-2022	30-Mar-2023
<b>► Number of destination management offices established and operational to ensure sustainability. (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	2.00
Date	22-Dec-2015	16-Jun-2021	15-Jun-2022	30-Mar-2023

### Intermediate Results Indicators by Components

Heritage Hub and Tourism Circuit Development				
<b>► Percentage of beneficiaries who report that citizen engagement processes are effective (Percentage, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	97.00	100.00
Date	22-Dec-2015	16-Jun-2021	15-Jun-2022	30-Mar-2023
Comments:	In order to start collecting the survey data, during FY21, the PIU developed the term of reference for citizens to engage in project feedback through the beneficiary assessment. The beneficiary assessment will now form a key part of the M&E ToR. The procurement process and final selection of the M&E firm that will finalize the questionnaire and carry out the outreach, to ensure this beneficiary feedback, is now nearing completion. The winner of the tender was identified and is pending approval from the Project Steering Committee. As soon as the contract is signed, the M&E company will develop the survey methodology and start collecting the data. The first phase of the field work is expected to start in 2021.			
<b>► Grievances registered, responded to and/or addressed within one month of being filed (Percentage, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	100.00	100.00	100.00
Date	22-Oct-2015	16-Jun-2021	15-Jun-2022	30-Mar-2023
Comments:	Since the commencement of the project, 9 complaints have been received by the PIU thus far, all of which were resolved. 4 complaints were about the design of sub-projects, 3 were about limiting the access of the			



community representatives to various destinations, and 2 were about dust pollution. 2 complaints were received verbally, while 7 were received in a form of a letter, indicating that the GRM uses multiple channels of recording the complaints. In 2021, no new complaints were received, however the GRM is functional, is staffed, and information on the GRM, with relevant forms, is available at all project sites. This functionality was checked during FY21 missions.

► Piped household water connections that are benefiting from rehabilitation works undertaken by the project (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	60.00	60.00	350.00
Date	22-Dec-2015	16-Jun-2021	15-Jun-2022	30-Mar-2023

Comments: Number of piped household water connections benefiting from rehabilitation works. This indicator is measured as the number of piped household water connections benefiting from rehabilitation works. Rehabilitation works are undertaken so that existing customers see the quantity and/or quality of their water supply services enhanced.

► Number of old houses restored (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	36.00	36.00	30.00
Date	22-Dec-2015	16-Jun-2021	15-Jun-2022	31-Mar-2021

► Number of street lighting posts and bulbs replaced/installed (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	800.00	1,103.00	900.00
Date	22-Dec-2015	16-Jun-2021	15-Jun-2022	30-Mar-2023

► Number of Parks upgraded (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	2.00
Date	22-Dec-2015	24-Sep-2021	15-Jun-2022	31-Mar-2023

► Project beneficiaries (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	686,054.00	744,040.00	1,700,000.00
Date	22-Dec-2015	16-Jun-2021	15-Jun-2022	30-Mar-2023

► Of which female (beneficiaries) (Number, Custom)



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	347,143.00	379,463.00	1,100,000.00
Date	22-Dec-2015	16-Jun-2021	15-Jun-2022	30-Mar-2023
<b>► Number of tourism facilities constructed/improved (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	2.00	7.00	10.00
Date	22-Dec-2015	16-Jun-2021	15-Jun-2022	30-Mar-2023
<b>► Number of museum/art galleries refurbished (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	1.00
Date	22-Dec-2015	24-Sep-2021	15-Jun-2022	31-Mar-2021

Institutional Development				
<b>► Number of Public Awareness and Marketing Campaigns launched (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	10.00
Date	22-Dec-2015	16-Jun-2021	15-Jun-2022	30-Mar-2023
<b>► Preparation of Site Management Plans for key touristic sites (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	4.00
Date	22-Dec-2015	16-Jun-2021	15-Jun-2022	30-Mar-2023
<b>► Ministry of Economy, through its Tourism Committee, has improved capacity to regularly report tourism statistical data and analysis (Text, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No updated tourism statistics collected and published	No tourism statistics methodology developed and no visitor exit survey launched	No tourism statistics methodology developed and no visitor exit survey launched	Tourism statistics collected and published
Date	03-Jun-2020	16-Jun-2021	15-Jun-2022	30-Mar-2023



Performance-Based Conditions

Data on Financial Performance

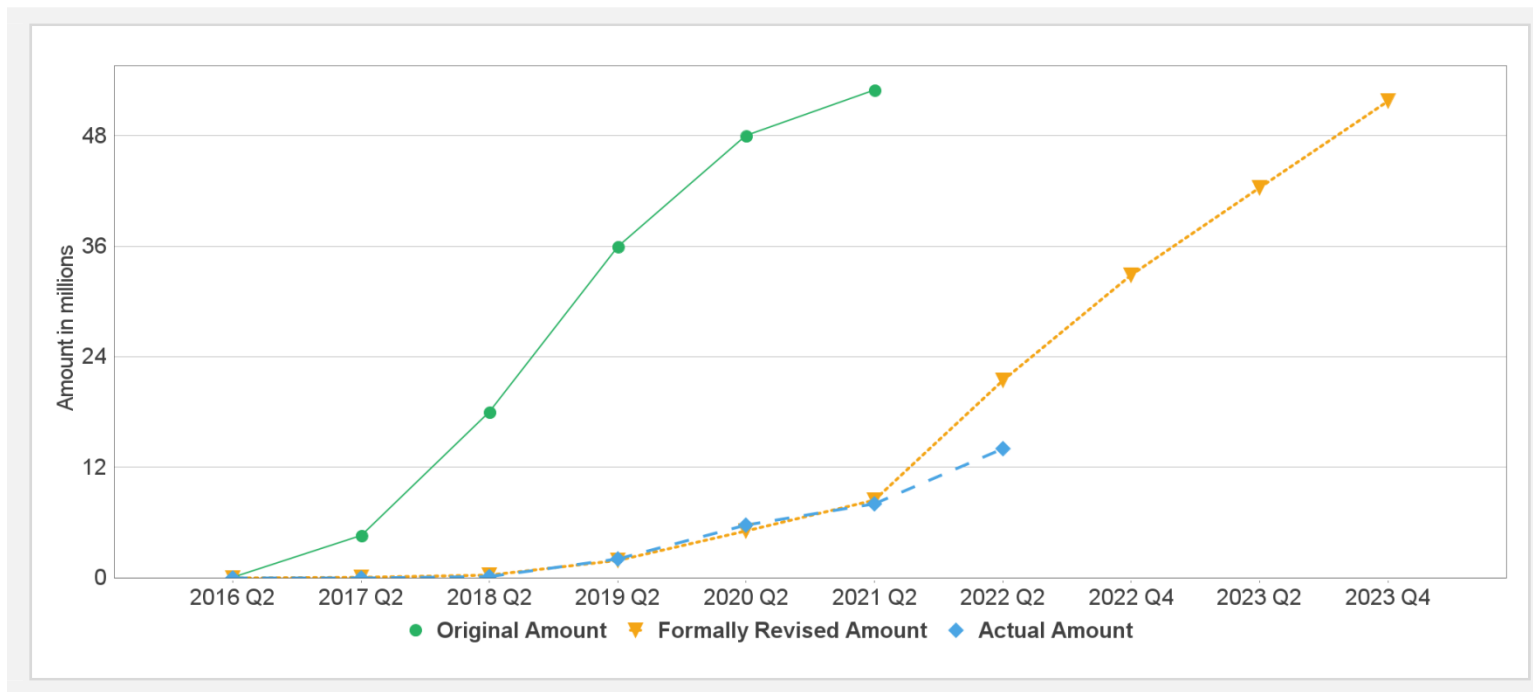
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P150327	IBRD-85720	Effective	USD	55.00	42.80	12.20	14.58	28.22	34%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P150327	IBRD-85720	Effective	22-Dec-2015	23-Feb-2016	29-Dec-2016	30-Apr-2021	31-Mar-2023

Cumulative Disbursements





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### **Restructuring History**

Level 2 Approved on 21-Apr-2018 ,Level 2 Approved on 17-Jun-2020 ,Level 2 Approved on 12-Aug-2020 ,Level Approved on 07-Sep-2020 ,Level 2 Approved on 26-Oct-2021

### **Related Project(s)**

There are no related projects.

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