



Social Protection System Modernization Project (P145171)

EUROPE AND CENTRAL ASIA | Croatia | Social Protection & Labor Global Practice |
IBRD/IDA | Investment Project Financing | FY 2015 | Seq No: 4 | ARCHIVED on 22-Nov-2016 | ISR25742 |

Implementing Agencies: Ministry of Demographics, Family, Youth and Social Policy, Ministry of Labor and Pension System

Key Dates

Key Project Dates

Bank Approval Date:19-Sep-2014

Effectiveness Date:24-Dec-2014

Planned Mid Term Review Date:01-Mar-2017

Actual Mid-Term Review Date:--

Original Closing Date:31-Dec-2018

Revised Closing Date:31-Dec-2018

Project Development Objectives

Project Development Objective (from Project Appraisal Document)
The project aims to improve the efficiency and effectiveness of Croatia's social protection system.

Has the Project Development Objective been changed since Board Approval of the Project Objective?
No

Components

Name
Improving efficiency and effectiveness of the social protection system:(Cost \$68.00 M)
Investments and TA to support improvements in efficiency and effectiveness of the social protection system:(Cost \$26.00 M)
Project Management Support:(Cost \$0.80 M)

Overall Ratings

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

Implementation Status and Key Decisions



The project was approved on September 19, 2014, signed on September 25, 2014 and made effective on December 24, 2014. Two DLIs, establishment of the Central Disability Certification Institute with adequate staffing and methodology adopted (DLI #5) and adoption of the Operational Plan for Deinstitutionalization of Social Welfare Homes (DLI #11), worth Euro 4 million together, have been achieved and associated funds disbursed under the results-based component of the project. Activities have been initiated under all five subcomponents of the project's investment component, however, a slowdown in the implementation which started in 2015 due to the parliamentary election continued throughout 2016 due to political instability and uncertainties about the future direction of the main project-supported reform (establishment of the one stop shop for administration of social benefits). Overall project process, and options for improving implementation, will be explored during the mid-term review in early 2017.



Risks

Systematic Operations Risk-rating Tool

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

Results

Project Development Objective Indicators



► One Stop Shop: Reduce private costs for social assistance beneficiaries and unemployed by 15% from baseline (of X%,month 2014) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	15.00
Date	01-Jan-2014	15-Jan-2016	01-Nov-2016	31-Dec-2018

Comments

Due to parliamentary elections there was a delay in the implementation of activities. The Law on Amendments to the Social Welfare Act (Official Gazette no. 52/2016.) established a new deadline for administering GMB in OSS, March 1, 2017.

► Central Disability Certification Institute: Percentage of cases certified by IDCPREPD's full-time certifying officers increased from 0% to 90% (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	77.00	77.00	90.00
Date	01-Jan-2014	15-Jan-2016	01-Nov-2016	31-Dec-2018

► Reduced Error and Fraud: EFC risk-prone programs have strengthened information systems, and oversight and control procedures (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Piecemeal, partial EFC actions aimed at a limited set of Social Protection Programs	Piecemeal, partial EFC actions aimed at a limited set of Social Protection Programs	Piecemeal, partial EFC actions aimed at a limited set of Social Protection Programs	EFC risk-prone programs have strengthened information systems and oversight and control procedures
Date	01-Jan-2014	15-Jan-2016	01-Nov-2016	31-Dec-2018

Comments

The Strategy for Combating Error, Fraud and Corruption (EFC) in the field of social protection in the Republic of Croatia (2015-2020) was approved by the Government of Croatia in November 2015. An Action Plan for the Strategy was completed in October 2016, reviewed and approved by the task team. It is expected that the action plan will be formally approved by the Government by December 2016.



► De-institutionalization: Number of vulnerable children and adults moved from institutions to family-type care environments (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	240.00	1015.00	715.00
Date	01-Jan-2014	15-Jan-2016	01-Nov-2016	31-Dec-2018

Comments

During 2015, 727 persons have been deinstitutionalized from state-run social welfare institutions for children with developmental disabilities, adults with disabilities, children without adequate parental care and children and young persons with behavioral difficulties, however during the same period, 876 new beneficiaries of accommodation service have been admitted to the same institutions. Net de-institutionalization requirement of 50% has, therefore, not been met.

In first six months of 2016, 288 persons with disabilities and children and young persons were de-institutionalized, however during the same period 347 new beneficiaries have been admitted to the same institutions. Net deinstitutionalization requirement of 50% has, therefore, not been met.

► Fiscal Savings realized (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	0.50
Date	01-Jan-2014	15-Jan-2016	01-Nov-2016	31-Dec-2018

Comments

This indicator has not been measured yet. It will be estimated for the purpose of the mid-term review mission, which is planned for early 2017.

Overall Comments

Intermediate Results Indicators



► Direct project beneficiaries (Number, Core)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	951690.00	951690.00	951690.00	951690.00
Date	01-Jan-2014	15-Jan-2016	01-Nov-2016	31-Dec-2018

Comments

This indicator has not been measured yet. It will be estimated for the purpose of the mid-term review mission, which is planned for early 2017.

▲ Female beneficiaries (Percentage, Core Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	475845.00	475845.00	475845.00	475845.00

► DLIs 1-4: OSS in place (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	GMB, Child Allowance, non-contributory Mat/Pat allowance and Birth Grants, and Unemployment Benefits administered through different networks	GMB, Child Allowance, non-contributory Mat/Pat allowance and Birth Grants, and Unemployment Benefits administered through different networks	GMB, Child Allowance, non-contributory Mat/Pat allowance and Birth Grants, and Unemployment Benefits administered through different networks	GMB, Child Allowance, non-contributory Mat/Pat allowance and Birth Grants, and Unemployment Benefits administered through the OSS
Date	01-Jan-2014	15-Jan-2016	01-Nov-2016	31-Dec-2018

Comments

Transfer of the GMB into the OSS has been postponed to March 2017 through revisions of the Social Welfare Act. The new Government contracted a consulting company to help with analyzing options about where the OSS should be placed.



► DLIs 5-6 CDCI operating independently (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No CDCI	CDCI established and operating	CDCI established and operating	CDCI operating independently
Date	01-Jan-2014	15-Jan-2016	01-Nov-2016	31-Dec-2018

Comments

DLI 5 has been achieved and EUR2 million for the achievement of the DLI has been disbursed in May 2016.

► DLIs 7-10 Reduced Error and Fraud (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Piecemeal, partial EFC actions aimed at a limited set of Social Protection Programs	Piecemeal, partial EFC actions aimed at a limited set of Social Protection Programs	Piecemeal, partial EFC actions aimed at a limited set of Social Protection Programs	EFC risk-prone programs have strengthened information systems and oversight and control procedures
Date	01-Jan-2014	15-Jan-2016	01-Nov-2016	31-Dec-2018

Comments

The Strategy for Combating Error, Fraud and Corruption in Social Protection in the Republic of Croatia (2015-2020) was adopted by the Government in November 2015. An action plan has been completed, reviewed and agreed on by the World Bank task team. It is expected to be approved by the Government by the end of the year which will result in achieving the DLI 7 (EFC Strategy approved and disseminated by the Government, and the Action Plan adopted and disseminated by MLPS and MSPY).

► DLIs 11-14: Deinstitutionalization (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	240.00	1015.00	715.00
Date	01-Jan-2014	17-Jun-2015	01-Nov-2016	31-Dec-2018

Comments

During 2015, 727 persons have been deinstitutionalized from state-run social welfare institutions for children with developmental disabilities, adults with disabilities, children without adequate parental care and children and young persons with behavioral difficulties, however during the same period, 876 new beneficiaries of accommodation service have been admitted to the same institutions. Net deinstitutionalization requirement of 50% has, therefore, not been met.

In the first six months of 2016, 288 persons with disabilities and children and young persons were deinstitutionalized, however during the



same period 347 new beneficiaries have been admitted to the same institutions. Net de-institutionalization requirement of 50% has, therefore, not been met.


► Activation: Statistically assisted profiling introduced (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No statistically assisted profiling of unemployed	No statistically assisted profiling of unemployed	Pilot has been prepared and will be implemented in late Q3 FY17.	Statistically assisted profiling introduced
Date	01-Jan-2014	17-Jun-2015	01-Nov-2016	31-Dec-2018

Overall Comments

Data on Financial Performance

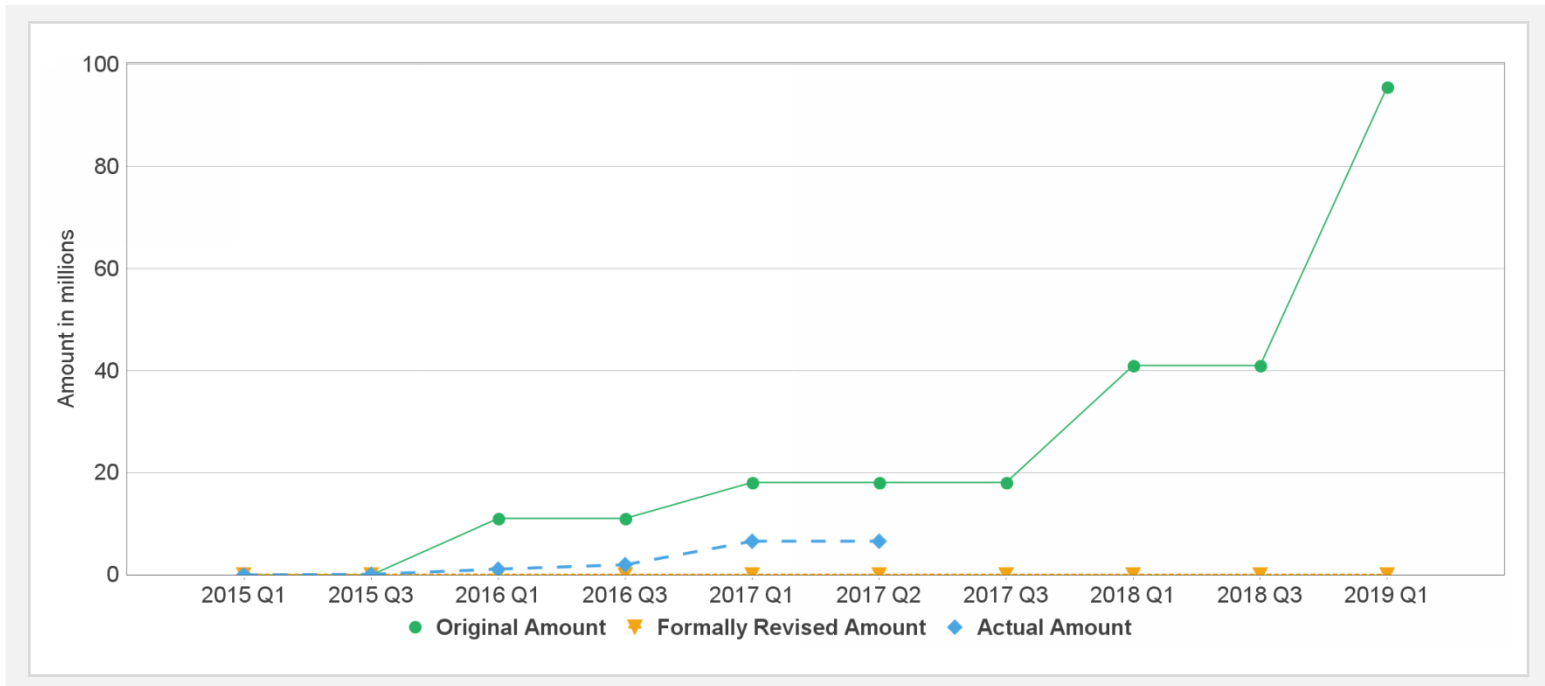
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P145171	IBRD-84260	Effective	USD	95.55	95.55	0.00	6.48	87.52	 7%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P145171	IBRD-84260	Effective	19-Sep-2014	25-Sep-2014	24-Dec-2014	31-Dec-2018	31-Dec-2018

Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.