



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: 2 | ARCHIVED on 13-Oct-2016 | ISR25355 |

Implementing Agencies: Cabinet of the Deputy Prime Minister for Economic Affairs

Key Dates

Key Project Dates

Bank Approval Date:12-Jan-2016

Effectiveness Date:28-Jul-2016

Planned Mid Term Review Date:31-Jan-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)

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	● Satisfactory
Overall Implementation Progress (IP)	● Satisfactory	● Satisfactory
Overall Risk Rating	● Moderate	● Moderate



Implementation Status and Key Decisions

The Grant Agreement between the World Bank and the Government of FYR Macedonia for the Local and Regional Competitiveness Project (LRCP) became effective as of July 28, 2016. The Grant Agreement was declared effective once the implementing agency (Cabinet of the Deputy Prime Minister for Economic Affairs) and the LRC Project Implementation Unit completed the effectiveness conditions: (i) 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.

The implementing agency (Cabinet of the Deputy Prime Minister for Economic Affairs) has completed the appointment of members of the Steering Committee for the project. A first meeting of the Steering Committee is expected to be convened.

The PIU has received training by the World Bank team on public-private dialogue, market assessment and segmentation, destination management, and monitoring and evaluation. The World Bank team has also worked with the PIU on environmental, social, and fiduciary (financial management and procurement) aspects of project implementation.

In the coming months, the project will focus on (i) communications to a broad set of stakeholders, (ii) advancing activities on destination management at the local level (Component 2); iii) finalizing the Grants Manual (which will govern sub-grants to be funded by the project under Component 3 and is a condition for disbursement of funding for such grants); and iv) technical assistance for national-level policies, data collection, coordination, and public-private dialogue (with inputs to be provided by the World Bank team). The General Procurement Notice has been finalized and will be published in October. A first call for Expressions of Interest for sub-projects under Component 3 is expected to take place in February-March 2017, following sufficient progress on engagement at the local level through destination management.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	● Substantial	● Substantial	● Substantial
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	● Moderate	● Moderate
Fiduciary	● Substantial	● Substantial	● Substantial
Environment and Social	● Moderate	● Moderate	● Moderate
Stakeholders	● Substantial	● Substantial	● Substantial
Other	--	--	--
Overall	● Moderate	● 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	--	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	--	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	--	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	--	11.00	200.00
Date	15-Jan-2016	--	23-Sep-2016	31-Dec-2019

Comments

The members of the PIU and staff of the Cabinet of the Deputy Prime Minister obtained training by the Bank team in destination management and development during the mission in September.



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

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

Overall Comments

Data on Financial Performance

Disbursements (by loan)

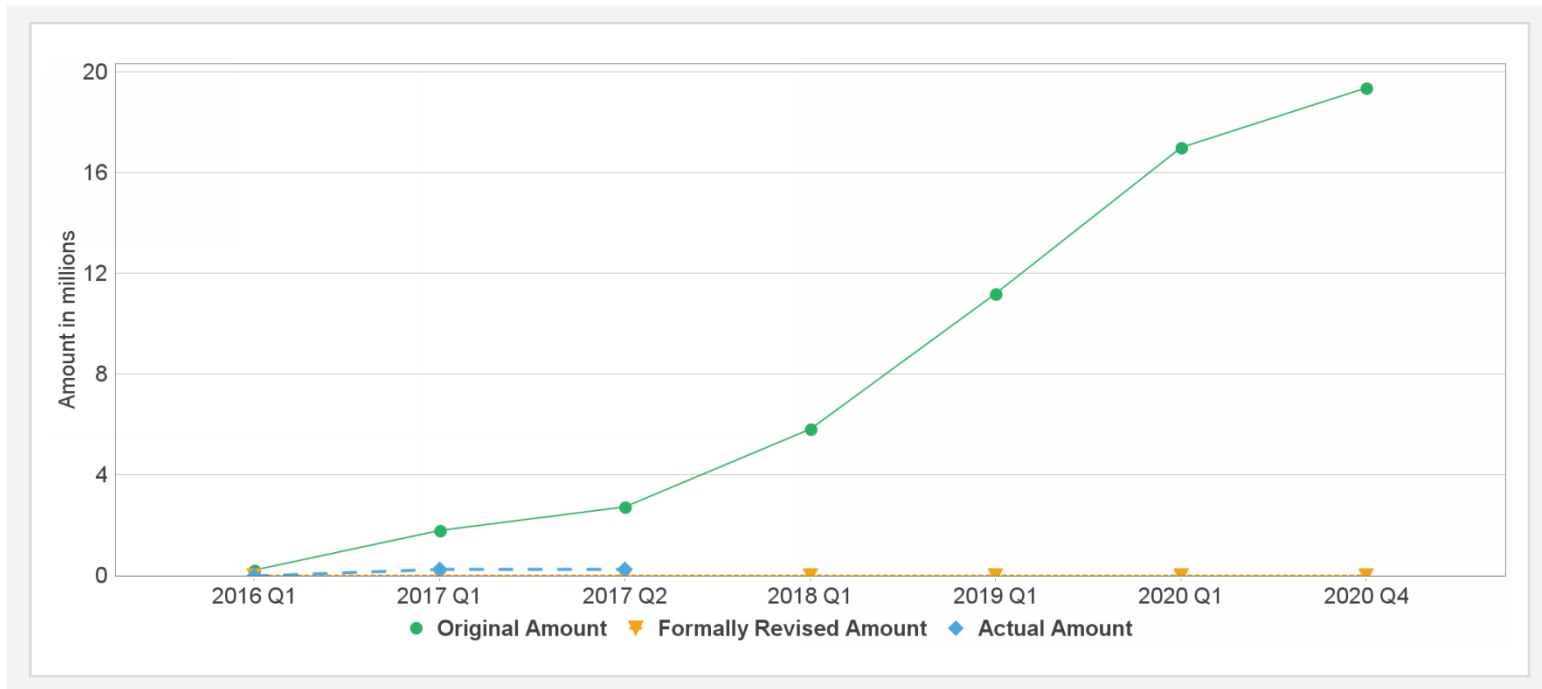
Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P154263	TF-A1779	Effective	USD	17.76	17.76	0.00	0.26	17.50	1%

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

There has been no restructuring to date.

Related Project(s)

There are no related projects.