



Serbia Railway Sector Modernization (P170868)

EUROPE AND CENTRAL ASIA | Serbia | Transport Global Practice |
IBRD/IDA | Investment Project Financing | FY 2021 | Seq No: 1 | ARCHIVED on 16-Jun-2021 | ISR47261 |

Implementing Agencies: Ministry of Construction, Transport and Infrastructure, Serbia Railways Infrastructure, Republic of Serbia, Railways Directorate, Serbia Voz, Serbia Cargo

Key Dates**Key Project Dates**

Bank Approval Date: 17-Mar-2021

Effectiveness Date: --

Planned Mid Term Review Date: 04-Sep-2023

Actual Mid-Term Review Date:

Original Closing Date: 31-Dec-2026

Revised Closing Date: 31-Dec-2026

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

Phase 1 Project Development Objective: To enhance the efficiency and safety of existing railway assets and improve governance and institutional capacity of the railway sector.

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

No

Components Table

Name

Infrastructure Investments and Asset Management:(Cost \$107.50 M)

Institutional Strengthening and Project Management:(Cost \$10.14 M)

Railway Modernization Enablers:(Cost \$7.20 M)

Overall Ratings

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

Implementation Status and Key Decisions

The project loan was signed on May 10, 2021 jointly with French Development Agency (AFD) and the Prime Minister of the Republic of Serbia. In order to be effective, the Loan has to be ratified in Parliament. The Public Debt Administration within the Ministry of Finance is actively working on completing all necessary steps as required by the Law of the Republic of Serbia. The team expects that the Loan will be declared effective before summer release of Parliament, that is before July 30, 2021.

While anticipating effectiveness, the World Bank team and the Project Implementation Unit (PIU) have been working on preparatory activities. Preparation of terms of reference (ToRs) that are in progress are for several technical experts that will be members of the PIU and for the first activities to be financed under the loan.

In parallel the World Bank team is completing complementary activities under several grants which will provide basis and guidance on activities in the area of railway safety management systems, rail asset management systems, resilience, and technology uptake.



While the project is not yet effective and no particular actions have been taken on Citizen Engagement (CE), the project will deploy citizen engagement tools to collect feedback and measure beneficiaries' (including railway companies, cargo companies, railway users etc.) satisfaction with railway services. Citizen engagement will also include gender sensitive actions, for example through focus groups to identify women's security concerns that will inform planning and implementation of investments.

MPA Program Development Objective

To improve the efficiency and safety of Serbia's rail network and enhance the environmental sustainability of Serbia's transport system.

Multiphase Programmatic Approach (MPA) Status

The project loan was signed on May 10, 2021 jointly with the French Development Agency (AFD) and the Prime Minister (PM) of the Republic of Serbia. In order to be effective, the Loan needs to be ratified in the Parliament. The Public Debt Administration within the Ministry of Finance is actively working on completing all the necessary steps as required by the Law of the Republic of Serbia. The team expects that the Loan will be declared effective before summer release of Parliament, that is before July 30, 2021.

While anticipating effectiveness, the Bank team and PIU have been working on preparatory activities. Preparation of ToRs for several technical experts that will be members of PIU is ongoing and preparation of ToRs for the first activities to be financed under the loan is in progress.

In parallel the Bank team is completing complementary activities under several grants which will provide basis and guidance on activities in the area of railway safety management systems, rail asset management systems, resilience, and technology uptake.

Risks

Systematic Operations Risk-rating Tool

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

Results



PDO Indicators by Objectives / Outcomes

PrDO: Environmental sustainability of Serbia's transport system				
▶ PrDO: Increase national freight rail market share by 10 percent ton-km (from 22.5 percent to 24.74 percent of the market) (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	22.50	--	22.50	24.74
Date	31-Dec-2019	--	10-Jun-2021	31-Dec-2032
Comments:	Increase rail freight market share from 22.5 percent to 24.74 percent of the market.			
▶ PrDO: Increase the national passenger rail market share by 30 percent (pass-km) (from 3.5 percent to 4.63 percent of the market) (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	3.50	--	3.50	4.63
Date	31-Dec-2019	--	10-Jun-2021	31-Dec-2032
Comments:	Increase passenger rail market share from 3.5 percent to 4.63 percent of the market.			
PrDO: Safety of Serbia's railway network				
▶ PrDO: Reduce fatality rates on the rail network by 23 percent (fatalities per train-kilometers) (from 3.56 to 2.74 fatalities per train-kilometers) (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	3.56	--	3.56	2.74
Date	31-Dec-2019	--	10-Jun-2021	31-Dec-2032
Comments:	Baseline fatalities per train kilometers are 3.56 and target will be to reduce to 2.74 (fatalities per train-kilometers).			
▶ PrDO: Safety risk assessment operationalized and implemented (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	24-Sep-2020	--	10-Jun-2021	31-Dec-2032
Comments:	railway companies engage in a robust hazard analysis and develop meaningful mitigation measures.			
PrDO: Efficiency of Serbia's rail network				



► Increase network utilization by 5 percent (from 8.10 and to 8.5 daily train-kilometers per network track kilometer) (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	8.10	--	8.10	8.50
Date	31-Dec-2019	--	10-Jun-2021	31-Dec-2032
Comments:	Daily train-kilometers per network track kilometer. Baseline is 8.1 and target is to increase to 8.5.			

Phase 1: Efficiency of existing railway assets				
► Phase 1: Increase average train speeds on rehabilitated sections (kmh) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	82.00	--	82.00	100.00
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2032
Comments:	Average kilometer per hour for trains operating on rehabilitated sections.			

Phase 1: Safety of existing railway assets				
► Reduce accidents at level crossings per year by 25 percent (from 43 to 32 crashes per year) (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	43.00	--	43.00	32.00
Date	31-Dec-2019	--	10-Jun-2021	31-Dec-2032
Comments:	Reduce accidents at level crossings from 43 to 32 crashes per year.			

Phase 1: Improved governance of the railway sector				
► Phase 1: Improve financial transparency in IZS, SC, SV, and RD (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2032
Comments:	Financial reports to be generated by IZS, SC, SV, and RD using the new FM systems.			

Phase 1: Improved institutional capacity of the railway sector				
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► New hiring/recruitment procedures are based on the HR strategy (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2032
Comments:	New HR strategies are implemented by RD, IZS, SC, and SV			
► IZS rehabilitation plans are based on outputs from Asset Management System (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2032
Comments:	Track rehabilitation plan is based on the outputs of the Asset Management System (AMS).			

Climate Change and Disaster Risk Management				
► Contingency plan under Safety Management System is operationalized (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2032
Comments:	A contingency plan delineates investments and operational processes for the railways to respond appropriately to contingencies.			

Intermediate Results Indicators by Components

Phase 1: Infrastructure Investments and Asset Management				
► Phase 1: Km of tracks rehabilitated (Kilometers, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	37.10
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027
Comments:	Kilometers of track rehabilitated.			
► Phase 1: Number of level crossings upgraded (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	0.00	--	0.00	150.00
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027
Comments:	Number of railway level crossings upgraded under phase 1 of the program.			
► Phase 1: Number of measurement stations installed (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	4.00
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027
Comments:	Number of wayside measurement stations installed under phase 1 of the program.			
► Phase 1: Second stage of main railway station in Belgrade center constructed (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027
Comments:	Stage 2 of the train station in Belgrade Center (Prokop) is constructed.			
► Phase 1: Delivery of a plan for achieving integration of components of asset management system (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027
Comments:	Asset management plan for railway infrastructure			
► Phase 1: Delivery of fully functioning asset management system (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027
Comments:	adoption of specialized Railway Infrastructure Asset Management System encompassing the functionalities of the LCC analysis, cost-benefit, Failure Mode Effects and Criticality Analysis (FMECA) and Reliability, Availability, Maintainability, and Safety (RAMS) as IZS's standard tool for planning and decision making for financing activities.			
► Phase 1: Equipment for maintenance and rehabilitation of railway assets operational (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	No	--	No	Yes
Date	20-Nov-2020	--	10-Jun-2021	31-Dec-2026
Comments:	Equipment is delivered and in operation for the maintenance and rehabilitation of railway infrastructure assets.			

Phase 1: Institutional Strengthening and Project Management

► Phase 1: Legal and regulatory instruments developed to modernize RD's role as regulator (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027

► Phase 1: Recommendations delivered for IZS, SC and SV to adopt commercially oriented, independent, and modern management (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027

Comments: Final report with recommendations on measures to adopt commercially oriented, independent, and modern management for railway companies.

► Phase 1: Recommendations delivered for SC to adopt modernized business processes (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027

Comments: Final report with recommendations on modernization of business processes for Serbia Cargo.

► Phase 1: HR strategies for RD, IZS, SC and SV delivered and implemented (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027

Comments: HR strategy is delivered for and implemented by RD, IZS, SC, and SV.

► Phase 1: Training programs in RD, IZS, SC and SV implemented (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
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Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	01-Dec-2027
Comments:	Training programs in RD, IZS, SC, and SV are implemented.			
► Phase 1: PhD scholarships in rail-related subjects awarded to females (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	3.00
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027
Comments:	This indicator measures number of PhD scholarships awarded to females in rail-related subjects. The Program aims to award three PhD scholarships in total and all (100%) will go to females.			
► Phase 1: Gender Action Plans adopted by RD, IZS, SC and SV (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027
Comments:	Gender Action Plans adopted by RD, IZS, SC and SV			
► Phase 1: Percentage of beneficiaries reporting project established effective engagement processes (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	70.00
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027
Comments:	Citizen Engagement Indicator. Percentage of beneficiaries who report that the project has established effective engagement processes i.e. through the participatory needs assessments, roundtables, citizen report cards, and survey. This indicator will be disaggregated by gender.			
► Phase 1: Software for Timetable construction for IZS implemented (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	20-Nov-2020	--	10-Jun-2021	31-Dec-2026
Comments:	Software for timetable construction is implemented and in use by IZS.			

Phase 1: Railway Modernization Enablers

► Phase 1: Action plan for IRS implementation delivered (Yes/No, Custom)



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027
Comments:	Final report with action plan for IRS implementation is delivered.			
► Phase 1: IRS demonstration project implemented and documented (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027
Comments:	IRS demonstration project is implemented based on IRS action plan.			
► Phase 1: SMS action plan is delivered (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027
Comments:	SMS action plan is delivered.			
► Phase 1: Selected SMS and resilience interventions are implemented (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027
Comments:	Selected SMS and resilience interventions are implemented.			
► Phase 1: Study on integration of railways with territorial development delivered (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027
Comments:	Study on integration of railways with territorial development is delivered.			
► Phase 1: Pilot projects on integrated rail-territorial development implemented (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027
Comments:	Pilot projects on integrated rail-territorial development implemented based on the final report recommendations.			
► Phase 1: Study on modal shift delivered (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027
Comments:	Final report with recommendations on how to increase passenger and freight modal shift to railways.			
► Phase 1: Analysis and road map for ownership structure of SC delivered (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	--	No	Yes
Date	01-Sep-2020	--	10-Jun-2021	31-Dec-2027
Comments:	Analysis and road map for ownership structure of SC is delivered.			
► Phase 1: Number of staff trained in safety risk assessment in RD, IZS, and SV (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	10.00
Date	24-Sep-2020	--	10-Jun-2021	31-Dec-2027
Comments:	Number of staff trained in safety risk assessment in RD, IZS, and SV.			

Performance-Based Conditions

Data on Financial Performance

Disbursements (by loan)

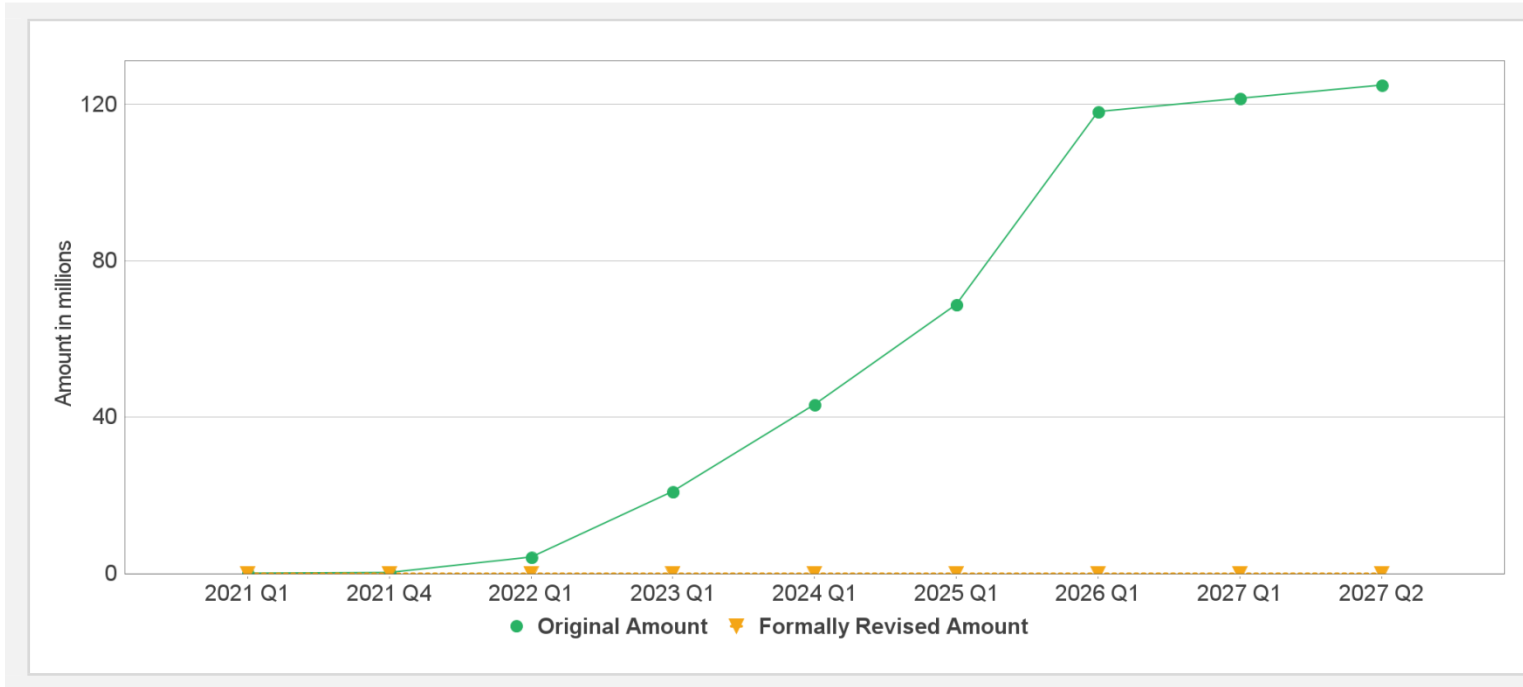
Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P170868	IBRD-92210	Not Effective	USD	62.50	62.50	0.00	0.00	62.50	0%

Key Dates (by loan)



Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P170868	IBRD-92210	Not Effective	17-Mar-2021	--	--	31-Dec-2026	31-Dec-2026

Cumulative Disbursements



PBC Disbursement

PBC ID	PBC Type	Description	Coc	PBC Amount	Achievement Status	Disbursed amount in Coc	Disbursement % for PBC
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Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.