



## 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: 6 | ARCHIVED on 30-Dec-2018 | ISR34935 |

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: 14-Nov-2018

Actual Mid-Term Review Date: 14-Nov-2018

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

### Implementation Status and Key Decisions

A midterm review mission was held on November 14-30, 2018 with a number of meetings in person, via videoconference and site visits. Activities under Component 2 include progress with the destination management process and agreements reached between the key project stakeholders on essential project activities including a longer-term national strategy for tourism development, institutional coordination for

destination management, and activities on sector data to be supported under the Project. A workshop to launch the destination management process at the central and local (destination) levels will be held in January 2019.

Under Component 3, the first call for proposals was finalized in September with a total of 6 sub-projects selected for funding. Three are in various stages of implementation. The second call was finalized in November 2018 and sub-contracting is expected to take place in December 2018-January 2019. A reserve list is being compiled in accordance with the Grant Manual. The PIU is developing detailed monitoring mechanisms for sub-project implementation, and the Bank team (under Component 1) is providing enhanced support to the PIU on monitoring and evaluation.

## Risks

### Systematic Operations Risk-rating Tool

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

## Results

### PDO Indicators by Objectives / Outcomes

Enhance the contribution of tourism to local economic development				
▶ 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	--	20-Dec-2018	31-Dec-2019
Comments:	The Bank team is working with the new Monitoring and Evaluation Specialist in the PIU to determine the baseline and review/revise the target.			
▶ 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	--	20-Dec-2018	31-Dec-2019
Comments:	The Bank Team is working with the new M&E Specialist in the PIU to determine the baseline and review/revise the target.			

<b>Improve the capacity of the government and public entities to foster tourism growth and facilitate d</b>				
▶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	--	20-Dec-2018	31-Dec-2019
Comments:	The Bank team is working with the new Monitoring and Evaluation Specialist at the PIU to determine the baseline and review/revise the target.			

## Overall Comments

The Results Framework was thoroughly reviewed during the midterm review, and missing methodologies for reporting on indicators have been developed. The Bank team is working closely with the PIU to increase M&E capacity, and will hold another mission in January 2019 with this purpose. Some adjustments are proposed to increase clarity of the indicators, and a minor restructuring will be processed. The Bank team will work with the PIU to report on the results framework as soon as possible.

## Intermediate Results Indicators by Components

<b>Component 2: Strengthening destination management and enabling environment (Recipient executed)</b>				
▶Public and private stakeholders trained in destination management and development (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	11.00	400.00	200.00
Date	15-Jan-2016	23-Sep-2016	20-Dec-2018	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	--	20-Dec-2018	31-Dec-2019

Component 3: Investment in tourism-related infrastructure and linkages at destinations (Recipient executed)				
<b>► Grant beneficiaries who consider that supported activities are subject to consultation and reflect their views (Percentage, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	80.00
Date	15-Jan-2016	--	20-Dec-2018	31-Dec-2019
<b>► Private enterprises that benefit from activities funded through the project's grants, owned or managed by a woman (Percentage, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	15.00
Date	15-Jan-2016	--	20-Dec-2018	31-Dec-2019
<b>► Private enterprises that benefit from activities funded through the project's grants (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	100.00
Date	15-Jan-2016	--	20-Dec-2018	31-Dec-2019
<b>► Private enterprises that participate in project-supported capacity-building activities (e.g. training, supplier development, others) (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	300.00
Date	15-Jan-2016	--	20-Dec-2018	31-Dec-2019
<b>► Increase in number of overnights by tourists in beneficiary destinations (Percentage, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	12.00
Date	15-Jan-2016	--	20-Dec-2018	31-Dec-2019
<b>► New tour packages offered by tour operators (local and foreign) that include the project-supported destinations as a new offering (Number, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	30.00
Date	15-Jan-2016	--	20-Dec-2018	31-Dec-2019

## Data on Financial Performance

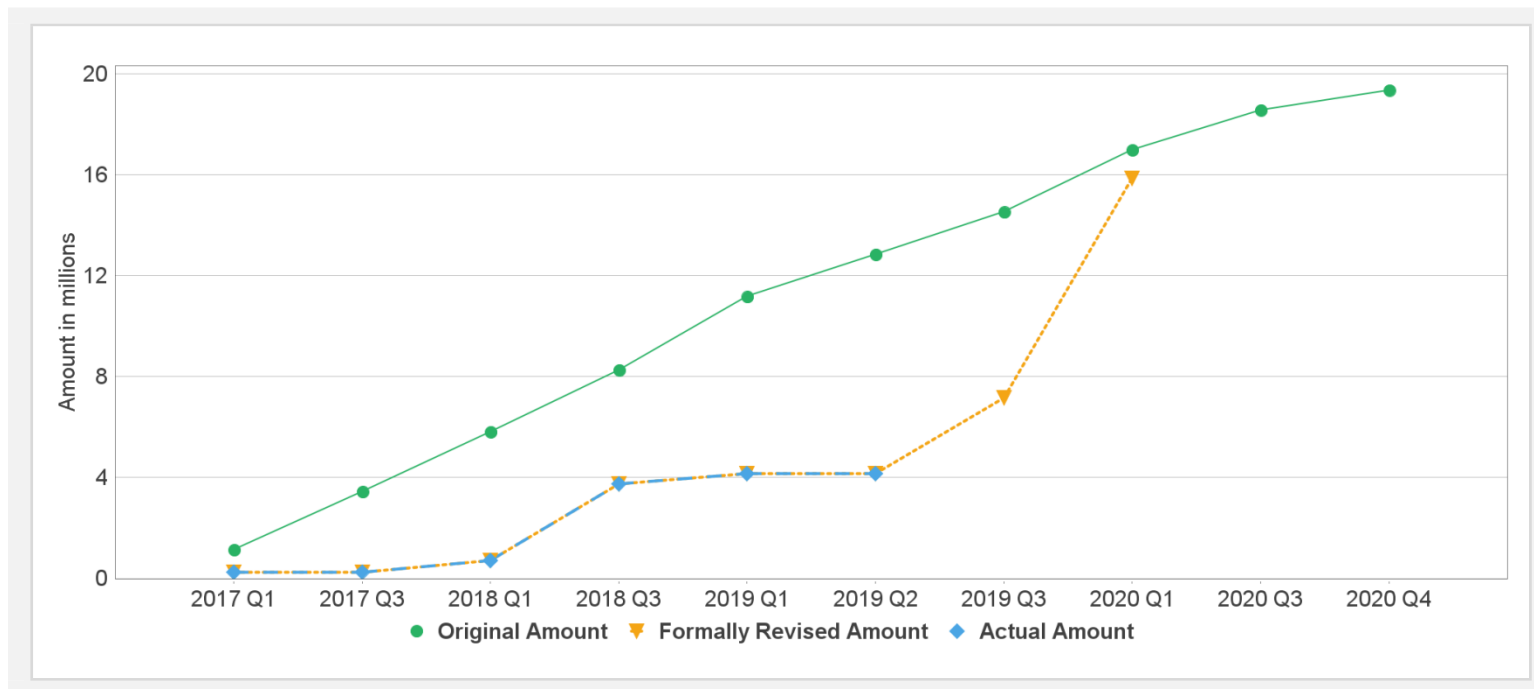
### Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P154263	TF-A1779	Effective	USD	18.42	18.42	0.00	4.16	14.26	23%

### 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.