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The World Bank

Report No: ISR11330

Implementation Status & Results
South Eastern Europe and Balkans
South East Europe and Caucasus Catastrophe Risk Insurance Facility (Serbia and Macedonia) (P110910)

Operation Name: South East Europe and Caucasus Catastrophe Risk Insurance Facility (Serbia and Macedonia) (P110910) | Project Stage: Implementation | Seq.No: 4 | Status: ARCHIVED | Archive Date: 17-May-2014

Country: South Eastern Europe and Balkans | Approval FY: 2011

Product Line: IBRD/IDA | Region: EUROPE AND CENTRAL ASIA | Lending Instrument: Adaptable Program Loan

Implementing Agency(ies):

Key Dates

Board Approval Date	03-Mar-2011	Original Closing Date	31-Dec-2015	Planned Mid Term Review Date	26-May-2014	Last Archived ISR Date	26-Dec-2012
Effectiveness Date	08-Dec-2011	Revised Closing Date	31-Dec-2015	Actual Mid Term Review Date			

Project Development Objectives

South East Europe and Caucasus Catastrophe Risk Insurance Facility (Serbia and Macedonia) (P110910)

Project Development Objective (from Project Appraisal Document)

The Program and Project Development Objective is to help increase access of homeowners, farmers, the enterprise sector, and government agencies to financial protection from losses caused by climate change and geological hazards.

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

○ Yes ◉ No

Southeast Europe and Caucasus Catastrophe Risk Insurance Facility GEF (P123896)

Global Environmental Objective (from Project Appraisal Document)

The Project Development Objective is to enable Europa Re, a catastrophe and weather-risk re-insurance facility, to develop new weather risk insurance and reinsurance products, automate insurance underwriting, pricing and claims settlement processes for such products, and increase public awareness of weather risk in participating countries.

Has the Global Environmental Objective been changed since Board Approval of the Program?

○ Yes ◉ No

Component(s)

Component Name	Component Cost
Countries' participation in Europa Re.	10.00
Technical Assistance	10.00

Overall Ratings

	Previous Rating	Current Rating

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	Previous Rating	Current Rating
Progress towards achievement of PDO	Satisfactory	Moderately Satisfactory
Overall Implementation Progress (IP)	Satisfactory	Moderately Satisfactory
Overall Risk Rating	Low	Low

Implementation Status Overview

Due to a problem in the system, the project had a "closed" status and was recently fixed in December. Therefore the team couldn't update the ISR. We wanted to downgrade the project because of the lack of advance, however given the progress so far we believe that the project will still down graded, however not as much as it would have been 6 months ago.

The most relevant activities in the program are:

a) Europa Reinsurance Facility (Europa Re) has been granted a Swiss reinsurance license effective as of January 1, 2014 from FINMA - the Swiss Financial Markets Regulator. The receipt of the license represents a major milestone for Europa Re and the SEEC CRIF program as it now enables the company to start the operations on the ground in the early 2014.

b) As of January 1, 2014, Europa Re has all its IT systems in place (which is the second key milestone reached by the company - the systems are already in place) to begin rolling out the program at the level of individual insurance partners which will sell to the public innovate catastrophe insurance products designed and supported under the Bank project.

c) Serbian Parliament has amended the law to enable foreign catastrophe reinsurers to operate in the Serbian market. This allow for Europa Re to operate in Serbia. Because of the delay, Serbia will only start the program within the next 6 months

d) Europa Re has started selling policies in Albania and Macedonia in the first week of April

Locations

No Location data has been entered

Results

Project Development Objective Indicators

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
Increase in catastrophe insurance penetration	☐	Percentage	Value	2.00	2.00	15.00
			Date	03-Mar-2011	17-Mar-2014	31-Dec-2015
			Comments		Insurance policies have started to be sold in April (Albania and Macedonia). Serbia will start in within the next 6 months.	

Global Environmental Objective Indicators

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Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
Increase in catastrophe insurance penetration	☐	Percentage	Value	2.00	2.00	15.00
			Date	03-Mar-2011	05-Sep-2012	31-Dec-2015
			Comments			

Intermediate Results Indicators

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
Number of countries that implement the minimum regulatory and policy framework required for CRIF.	☐	Number	Value	0.00	0.00	5.00
			Date	03-Mar-2011	05-Sep-2012	31-Dec-2015
			Comments		Project only became full effective on June 8, 2012. The expected progress will be achieved during second implementation year	
CRIF Capital Amount	☐	Amount(USD)	Value	2100000.00	9900000.00	29000000.00
			Date	03-Mar-2011	05-Sep-2012	31-Dec-2015
			Comments	Amount provided by Albania under the Albania Disaster Risk Mitigation and Adaptation Project.	Amount provided by Albania under the Albania Disaster Risk Mitigation and Adaptation Project is $2.1 million; amount provided by Serbia is $5 million; amount provided by FYR Macedonia is $2.8 million for the first trench and the second trench is expected early 2013. Preparation of APL2 and APL3 has started.	
Grant Funding Mobilized.	☐	Amount(USD)	Value	4500000.00	10000000.00	12000000.00
			Date	03-Mar-2011	05-Sep-2012	31-Dec-2013
			Comments	SECO grant funding secured.	SECO Grant Funding secured. GEF grant of US $5.5 million approved by the Board on 11/12/11.	
Fulfillment of technical preconditions for launch of products (per country)	☐	Number	Value	0.00	3.00	5.00
			Date	03-Mar-2011	20-Mar-2014	31-Dec-2014
			Comments		Up to date two countries have fulfilled technical	

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					preconditions. Third (Serbia) will be ready in May.	

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Data on Financial Performance (as of 05-Oct-2012)

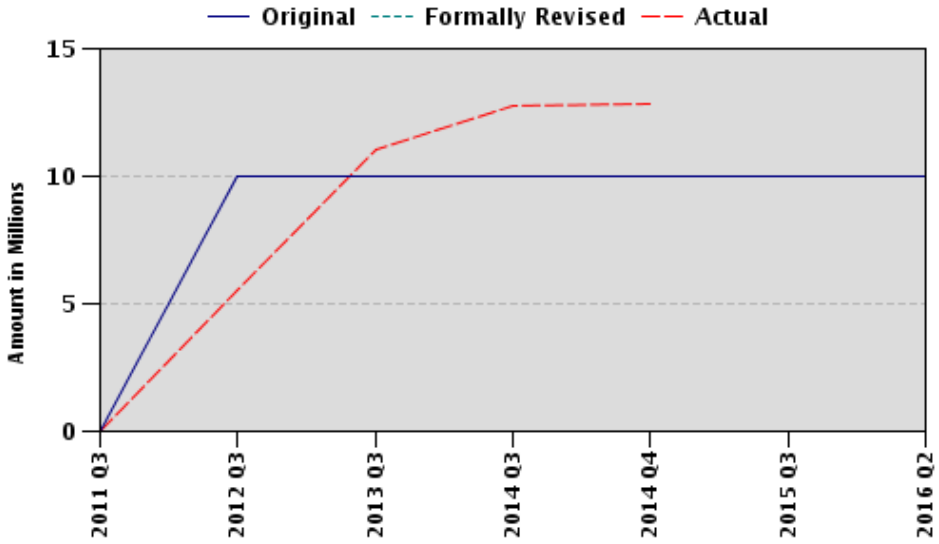
Financial Agreement(s) Key Dates

Project	Ln/Cr/Tf	Status	Approval Date	Signing Date	Effectiveness Date	Original Closing Date	Revised Closing Date
P110910	IBRD-80300	Effective	03-Mar-2011	23-Mar-2012	08-Jun-2012	31-Dec-2015	31-Dec-2015
P110910	IBRD-80310	Effective	03-Mar-2011	12-Jul-2011	08-Dec-2011	31-Dec-2015	31-Dec-2015
P123896	TF-10940	Effective	06-Dec-2011	06-Dec-2011	09-Jan-2012	31-Dec-2015	31-Dec-2015

Disbursements (in Millions)

Project	Ln/Cr/Tf	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P110910	IBRD-80300	Effective	USD	5.00	5.00	0.00	5.00	0.00	100.00
P110910	IBRD-80310	Effective	USD	5.00	5.00	0.00	5.00	0.00	100.00
P123896	TF-10940	Effective	USD	5.00	5.50	0.00	2.86	2.64	52.00

Disbursement Graph



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Key Decisions Regarding Implementation

No actions necessary.

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Restructuring History

There has been no restructuring to date.

Related Projects

P118288-SEEC CRIF, P123896-Southeast Europe and Caucasus Catastrophe Risk Insurance Facility GEF

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