

STATUS OF PROJECTS IN EXECUTION – FY05
SOPE
REGION: EUROPE AND CENTRAL ASIA
COUNTRY: MACEDONIA

Operations Policy and Country Services
SEPTEMBER 23, 2005



Report on the Status of Projects in Execution - FY05
Region: Europe and Central Asia
Country: Macedonia

Introduction

The Status of Projects in Execution (SOPE) Report for FY05 provides information on all IBRD/IDA projects that were active on and beyond June 30, 2005. Thus it bridges the gap in information available to the public between the Project Appraisal Document, disclosed after the Bank approves a project, and the Implementation Completion Report, disclosed after the project closes.

The World Bank has issued a SOPE Report every year as an internal communication to the Board of Executive Directors. Now, in accordance with the Bank's revised disclosure policy, the SOPE Report is also available to the public. By publishing this improved report, we have addressed one of the main concerns we heard from the public during disclosure consultations – that the public has very little access to information on projects while they are being implemented. Readers familiar with past reports will note that projects that closed during the fiscal year are no longer included in the SOPE, since their Implementation Completion Reports are now also disclosed.

The FY05 SOPE introduces a new element: in order to disclose project-by-project comparisons of disbursement estimates and actual disbursements, the SOPE report contains a line chart¹ showing the original estimated disbursement schedule, the latest approved revised schedule (if any) and actual disbursements for investment operations and a table showing the loan/credit/grant amount and disbursements to date.

¹ Notes:

- Amounts for Projects in currencies other than U.S. dollars may not match exactly due to exchange rate fluctuations over the life of the project.
- Disbursement graphs are not included for Development Policy Loans, which provide quick-disbursing external financing to support policy and institutional reforms. For these loans, funds are disbursed in one or more stages (tranches), released when the borrower complies with agreed conditions.
- Projects which are not yet effective may not have a planned disbursement schedule and thus may not include a graph.

Country: Macedonia, The former Yugoslav Republic of

Project Name (ID): Irrigation Rehabilitation (P038399)

Country: Macedonia

Board Approval Date: 11/04/1997

Midterm Review Date: 11/22/2000

Closing Date: 09/30/2005

Loan/Credit/Grant Number: IBRD-42410, IDA-30010, JPN-27101, NETH-21602

Sector(s): Irrigation and drainage (99%), General public administration (1%)

Theme(s): Rural services and infrastructure (P), Water resources management (P), Participation and civic engagement (S), Gender (S)

Project Development Objectives:

The objective is to enable private farmers regain the potential of the irrigated agriculture sector through the rehabilitation of three deteriorated irrigation schemes.

The Project was restructured during the 2005 Fiscal Year

The project was restructured in June 2004 to reallocate funds toward the retrenchment of approximately 700 staff at the water resource management organizations (WMOs) that went bankrupt due to poor performance. With the downsizing and restructuring of WMOs in the project areas, water user entities succeeded them in managing irrigation canals

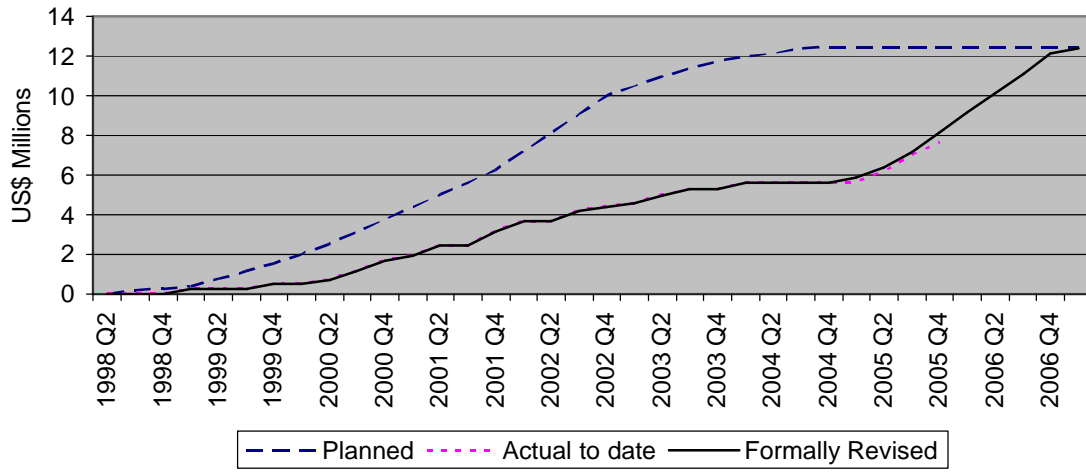
Progress toward achieving development objective(s):

The project has achieved the development objective. Beyond the physical rehabilitation of deteriorated irrigation systems, the project facilitated reforms in the irrigation sector. Two key laws that defined the enabling framework were passed, which then established stakeholder participation in irrigation management. Interim results have been positive. Farmers have been satisfied by the reliable irrigation water and have been helped by cheaper irrigation fees. Irrigation intensity has also increased.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-42410	Effective	8.33	2.83	5.55	0.00
IDA-30010	Closed	5.40	4.83	0.00	0.00
JPN-27101	Closed	0.30	0.29	0.00	0.00
NETH-21602	Effective	11.98	7.82	4.16	0.00

Status of Projects in Execution - FY05



Project Name (ID): Community Development and Culture LIL (P063577)

Country: Macedonia

Board Approval Date: 06/21/2001

Midterm Review Date: 12/07/2004

Closing Date: 06/30/2006

Loan/Credit/Grant Number: IDA-35300, IDA-Q2680, NETH-52501

Sector(s): Other social services (86%), Central government administration (14%)

Theme(s): Conflict prevention and post-conflict reconstruction (P), Participation and civic engagement (P)

Project Development Objectives:

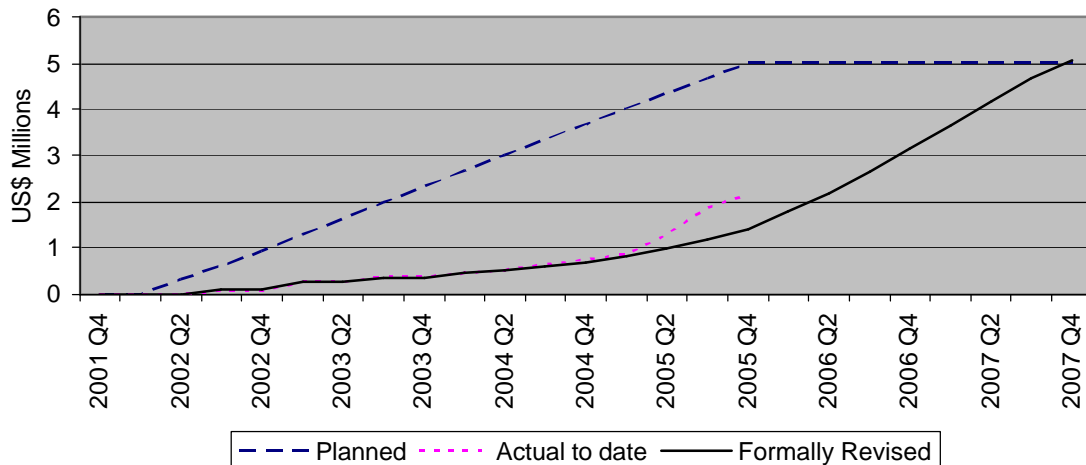
The Project Development objectives are to establish conditions that facilitate community-based socioeconomic development by leveraging the country's untapped cultural assets, to create culture-based industries in areas adjacent to cultural heritage sites, while improving the management of cultural assets, particularly at the local level.

Progress toward achieving development objective(s):

The project's impact in terms of facilitating culture-based community-socioeconomic development in the 18 participating municipalities is already substantial with growing stakeholder collaboration, synergies between activities, and successful marketing of services and products. Capacity in planning and management is being built within the Ministry of Culture, the State Institute for the Protection of Cultural Monuments, local governments, and NGOs. In addition some rehabilitation of physical cultural heritage has already been completed with more such projects under implementation.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-35300	Effective	5.84	2.17	3.68	0.00
IDA-Q2680	Closed	0.25	0.00	0.00	0.25
NETH-52501	Effective	1.00	0.12	0.87	0.00



Project Name (ID): Education Modernization (P066157)

Country: Macedonia

Board Approval Date: 12/16/2003

Closing Date: 09/30/2009

Loan/Credit/Grant Number: IBRD-47230, JPN-26114, NETH-52374, NETH-52855

Sector(s): Primary education (40%), Secondary education (30%), Central government administration (30%)

Theme(s): Education for all (P), Decentralization (P)

Project Development Objectives:

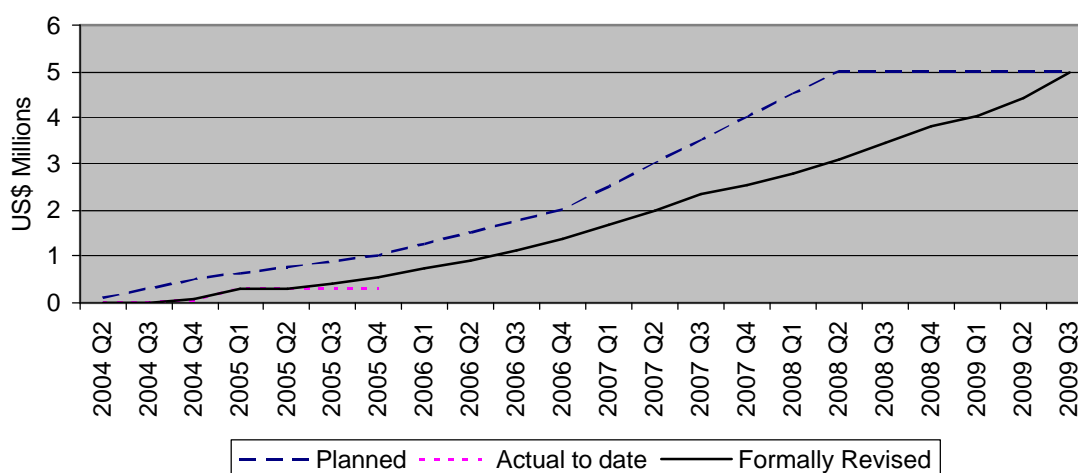
The objectives are to: (a) improve quality of learning and participation at the targeted schools by strengthening school level planning and management, and (b) improve equity and efficiency for a decentralized education system.

Progress toward achieving development objective(s):

Good progress has been made in completing the actions agreed during the first year of project implementation, including completion of selection of all technical assistance assignments. This is an important step forward and will ensure successful project implementation and achievement of project objectives. The project is at the center of the government's reforms and is also helping to ensure consistency with wider reform efforts.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-47230	Effective	5.00	0.30	4.70	0.00
JPN-26114	Closed	0.38	0.37	0.00	0.01
NETH-52374	Closed	0.36	0.34	0.00	0.03
NETH-52855	Effective	12.06	0.95	11.13	0.00



Project Name (ID): Trade and Transport Facilitation In Southeast Europe (P070089)

Country: Macedonia

Board Approval Date: 07/25/2000

Closing Date: 12/31/2005

Loan/Credit/Grant Number: IDA-34020, IDA-Q2190

Sector(s): Central government administration (100%)

Theme(s): Regional integration (P), Infrastructure services for private sector development (P), Other accountability/anti-corruption (P)

Project Development Objectives:

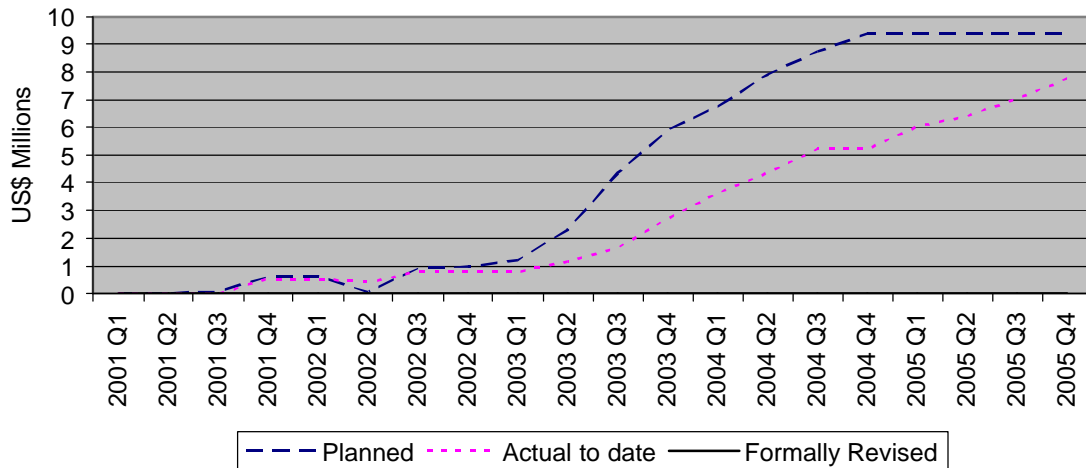
The project is part of a regional program for Trade and Transport Facilitation in Southeast Europe, which has two development objectives: (a) reduce non-tariff costs to trade and transport and (b) prevent smuggling and corruption at border crossings.

Progress toward achieving development objective(s):

The project will more than likely achieve its development objectives. As a percentage of revenue collected, non-tariff costs at border crossings have been reduced. Due to more efficient and better managed operations, both the volume and value of trade crossing the borders have increased. All construction has been largely completed, with construction of the last border crossing, in Tabanovce, scheduled to be completed in 2005.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-34020	Effective	10.21	7.74	2.25	0.00
IDA-Q2190	Closed	0.08	0.00	0.00	0.08



Project Name (ID): Children and Youth Development LIL (P073483)

Country: Macedonia

Board Approval Date: 06/26/2001

Closing Date: 07/31/2006

Loan/Credit/Grant Number: IDA-35400, NETH-52502

Sector(s): Other social services (80%), Sub-national government administration (10%), Central government administration (10%)

Theme(s): Participation and civic engagement (P), Other social protection and risk management (P), Improving labor markets (P), Non-communicable diseases and injury (S), Vulnerability assessment and monitoring (S)

Project Development Objectives:

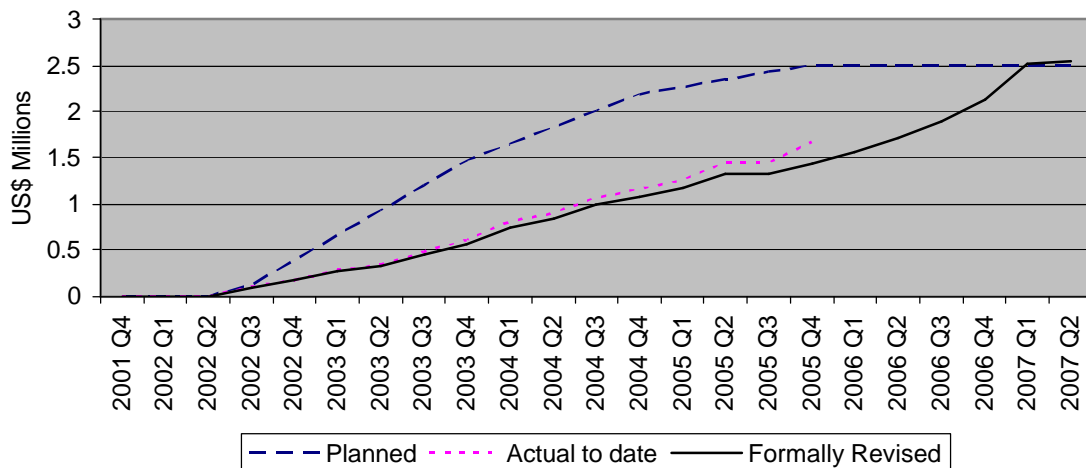
The project's main development objective is to significantly increase social cohesion through the social integration of youth at risk from different socio-cultural backgrounds.

Progress toward achieving development objective(s):

The project's 25 Babylon Youth Centers (BYCs) are among the few public spaces in Macedonia for inter-ethnic and inter-cultural integration. Through the BYCs, the project is annually reaching over 16,000 direct beneficiaries (7 to 24 years old), with an additional 3,000 indirect beneficiaries through special events. With good progress on outreach efforts, the ethnic distribution of beneficiaries now mirrors that of the general population in each project area. In addition, 15 of the existing 25 BYCs are currently fully sustainable, up from 6 last year. The project also recently began cooperation with the public school system. Most schools in Macedonia are ethnically segregated; however, in those schools that are ethnically mixed, the project supported the introduction of extra-curricular activities. The project is also helping establish youth clubs in high schools throughout the school system to promote the active participation of youth in public life, volunteer work, extra-curricular activities, and the BYCs.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-35400	Effective	2.92	1.67	1.20	0.00
NETH-52502	Effective	1.00	0.10	0.90	0.00



Project Name (ID): Social Protection (P074358)

Country: Macedonia

Board Approval Date: 05/13/2004

Closing Date: 06/30/2009

Loan/Credit/Grant Number: IBRD-47320, JPN-26815

Sector(s): Compulsory pension and unemployment insurance (80%), Other social services (20%)

Theme(s): Social risk mitigation (P), Other social protection and risk management (P), Public expenditure, financial management, and procurement (S), Other public sector governance (S)

Project Development Objectives:

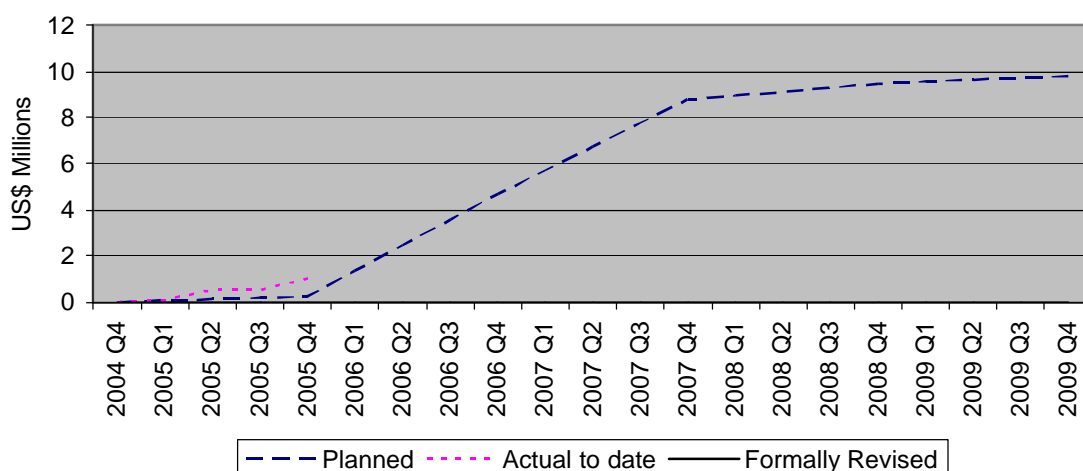
The objectives are to improve the effectiveness and efficiency of social protection system through improved administration and long-term sustainability of the pension system and improved targeting and administration of cash benefits.

Progress toward achieving development objective(s):

Progress towards meeting project objectives has been generally positive. However, recent policy developments in the pension area and their potential negative impact on overall project objectives are being closely monitored. Slow progress in the installation of a new collection and reporting system is also a concern as this may reduce time available for proper testing prior to implementation of the system.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-47320	Effective	9.80	1.02	8.78	0.00
JPN-26815	Closed	0.40	0.36	0.00	0.04



Project Name (ID): Community Development (P076712)

Country: Macedonia

Board Approval Date: 05/30/2002

Closing Date: 12/31/2005

Loan/Credit/Grant Number: IDA-36490, NETH-52503

Sector(s): Other social services (100%)

Theme(s): Participation and civic engagement (P), Conflict prevention and post-conflict reconstruction (P), Social safety nets (P), Municipal finance (S)

Project Development Objectives:

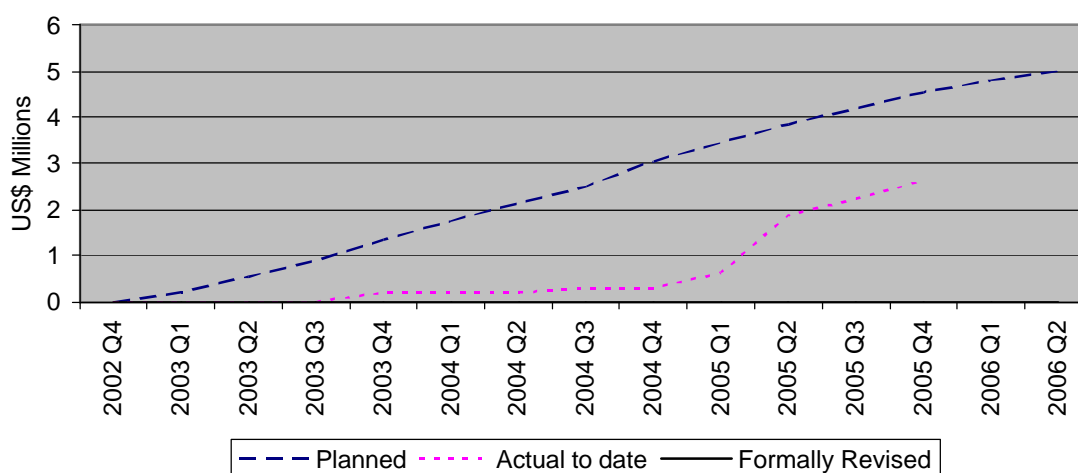
The main objective of the project is to support the government in its post-conflict development efforts aimed at fostering reconciliation among its people, reducing social tension, and building local social capital.

Progress toward achieving development objective(s):

Supported by local level capacity building activities, the project has gathered considerable momentum in the implementation of community investment projects, making good progress towards attaining project objectives. The impressive performance is reflected in terms of the 47 completed and the 76 on-going community investment projects in poor, conflict-affected and vulnerable groups, and in local government training activities.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-36490	Effective	5.98	2.62	3.44	0.00
NETH-52503	Effective	1.50	0.65	0.85	0.00



Project Name (ID): Business Environment Reform and Institutional Strengthening (P079552)

Country: Macedonia

Board Approval Date: 06/21/2005

Closing Date: 03/31/2010

Loan/Credit/Grant Number: IBRD-47930

Sector(s): Other domestic and international trade (40%), Central government administration (30%), General public administration (30%)

Theme(s): Infrastructure services for private sector development (P), Regulation and competition policy (P), Other accountability/anti-corruption (S), Other financial and private sector development (S), Export development and competitiveness (S)

Project Development Objectives:

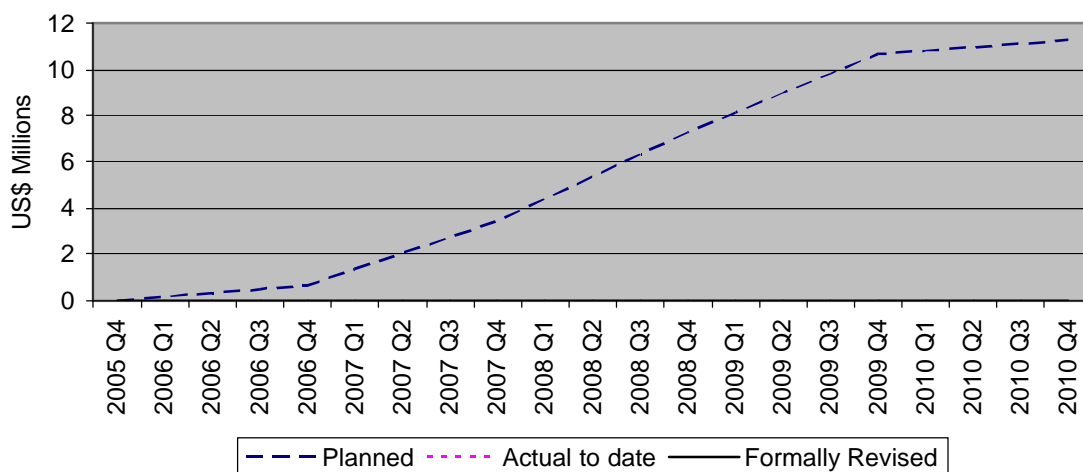
The objective is to improve selected aspects of the business environment in a European Union-oriented manner by strengthening government capacity in related areas.

Progress toward achieving development objective(s):

The project was not effective before the close of the reporting period.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-47930	Not Effective	10.61	0.00	10.61	0.00



Project Name (ID): Real Estate Cadastre and Registration (P083126)

Country: Macedonia

Board Approval Date: 03/15/2005

Closing Date: 12/31/2009

Loan/Credit/Grant Number: IBRD-47680, JPN-52809

Sector(s): Central government administration (40%), General agriculture, fishing, and forestry (30%), Law and justice (25%), Tertiary education (5%)

Theme(s): Personal and property rights (P), Land administration and management (P), Administrative and civil service reform (S), Other public sector governance (S)

Project Development Objectives:

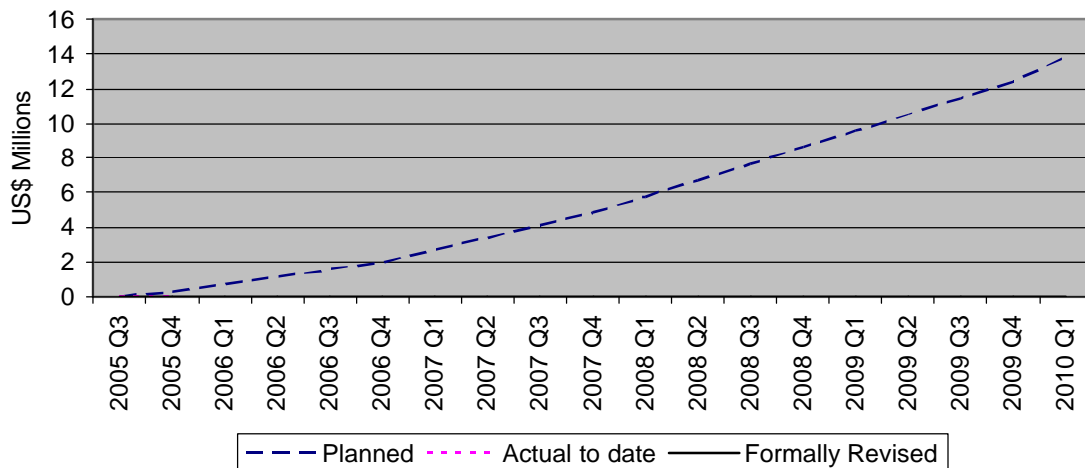
The objective of the project is to build an efficient and effective real estate cadastre and registration system, contributing to the development of efficient land and real estate markets.

Progress toward achieving development objective(s):

The project was not effective before the close of the reporting period.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-47680	Not Effective	12.42	0.00	12.42	0.00
JPN-52809	Effective	0.45	0.43	0.01	0.00



Project Name (ID): Health Sector Management (P086670)

Country: Macedonia

Board Approval Date: 05/13/2004

Closing Date: 06/30/2009

Loan/Credit/Grant Number: IBRD-47330, JPN-26814

Sector(s): Health (54%), Compulsory health finance (34%), Central government administration (10%), Health insurance (2%)

Theme(s): Health system performance (P)

Project Development Objectives:

The objectives are: (a) to upgrade the capacity of the Ministry of Health and Health Insurance Fund to formulate and effectively implement health policies, health insurance, financial management and contracting of providers; and (b) to develop and implement an efficient scheme of restructuring of hospital services with emphasis on developing day-care services and shifting to primary care.

Progress toward achieving development objective(s):

Discussions are underway to simplify and restructure the project as problems with implementation arrangements have caused major delays. Implementation is well behind schedule and little progress has been made in advancing towards development objectives.

Lending Information/Disbursement Summary (USD millions, as of June 30 2005)

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-47330	Effective	10.00	0.62	9.38	0.00
JPN-26814	Closed	0.49	0.49	0.00	0.00

