



Serbia Competitiveness and Jobs (P152104)

EUROPE AND CENTRAL ASIA | Serbia | Finance, Competitiveness and Innovation Global Practice | IBRD/IDA | Investment Project Financing | FY 2016 | Seq No: 7 | ARCHIVED on 27-Nov-2018 | ISR35031 |

Implementing Agencies: Public Policy Secretariat, Ministry of Finance, Ministry of Economy, Ministry of Education Science and Technological Development, Ministry of Labor, Employment, Veteran and Social Affairs

Key Dates

Key Project Dates

Bank Approval Date: 16-Sep-2015

Effectiveness Date: 31-Mar-2016

Planned Mid Term Review Date: 11-Dec-2017

Actual Mid-Term Review Date: 11-Dec-2017

Original Closing Date: 30-Jun-2019

Revised Closing Date: 30-Jun-2021

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The PDO is to improve the effectiveness and coordination of selected public programs to alleviate constraints to competitiveness and job creation, including investment and export promotion, innovation, active labor market programs, labor intermediation, and activation of social assistance beneficiaries.

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

Yes

Board Approved Revised Project Development Objective (If project is formally restructured)

The PDO is to improve the effectiveness and coordination of selected public programs to alleviate constraints to competitiveness and job creation, including investment and export promotion, innovation, active labor market programs and labor intermediation.

Components

Name

Policy planning, monitoring, and coordination:(Cost \$3.00 M)

Investment and export promotion:(Cost \$22.00 M)

Innovation:(Cost \$39.55 M)

Labor:(Cost \$30.00 M)

Project management and technical assistance:(Cost \$5.20 M)

Overall Ratings

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

Implementation Status and Key Decisions

NOTE: This is a "catch-up" ISR, re-submitted to update the status of Citizen Engagement (CE) elements of the project, and provide an update on planned disbursements. Full update of the ISR will be done in the next regular reporting period.

Following the Mid-Term Review in December 2017, restructuring of the Project was successfully completed in May 2018 (countersigning of the Amendments to the Loan Agreement was completed only in August 2018, due to change of Minister of Finance). With the restructuring project implementation arrangements were streamlined (by winding down a separate PIU in Ministry of Labor, Employment, Veteran and Social Affairs (MoLEVSA) and consolidating project implementation with the main PIU), implementation schedule of a number of the DLIs was revised, some of the DLIs were adjusted to better reflect Government priorities, and the project closing date was extended.

Following the restructuring, a revised Procurement Plan has been adopted by the Inter-Ministerial Working Group (IMWG) and submitted to the Bank for no objection. No objection was issued on September 21. Revised Project Operation Manual was also adopted by the IMWG and submitted to the Bank in the last week of September. The revised POM has been reviewed and no objection was issued in October. After delays prior to the restructuring, procurement of TA to support the project should accelerate over the next couple of months.

There were no disbursements during the reporting period. However, a disbursement request for EUR 22.3 million was submitted in mid-November, based on meeting various DLIs during the reporting period. The team reviewed the disbursement request and the accompanying verification documentation and found it satisfactory. The disbursement package was cleared by the Country Lawyer, and it is anticipated that the letter to authorities to initiate the disbursement will be issued in the last week of November.

Risks

Systematic Operations Risk-rating Tool

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

Results

PDO Indicators by Objectives / Outcomes

Improve the effectiveness of selected public programs on investment and export promotion

► New investor leads generated by the reformed investment promotion agency (annual) (Number, Custom)

Baseline

Actual (Previous)

Actual (Current)

End Target

Value	20.00	--	38.00	33.00
Date	31-Dec-2014	--	29-Dec-2017	31-Dec-2020
►Participants in export promotion programs that engage in new export activities (annual) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	85.00	--	350.00	200.00
Date	31-Dec-2014	--	29-Dec-2017	31-Dec-2020

Improve the effectiveness of selected public programs on Innovation				
►New collaborations facilitated between research organizations and the private sector (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	3.00	--	14.00	25.00
Date	31-Dec-2014	--	29-Dec-2017	31-Dec-2020

Improve the effectiveness of selected public programs on ALMPs and labor intermediation				
►NES registered unemployment cases transitioning into formal job (annual) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	232,280.00	--	268,497.00	280,000.00
Date	31-Dec-2014	--	29-Dec-2017	31-Dec-2020

Overall Comments

Actual indicator values are as per the latest Progress Report submitted by the PIU in August 2018. This Progress Report covers the July-December 2017 period. Indicator values will be further updated once the new Progress Report is submitted.

Intermediate Results Indicators by Components

Policy planning, monitoring, and coordination				
►Annual performance reviews of pilot policy planning, monitoring, and coordination system (to support competitiveness and jobs reforms) (see DL1) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	2.00	3.00



Date	01-Jan-2015	--	29-Dec-2017	31-Dec-2018
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Investment and export promotion

►MoE investment and export promotion programs restructured [DLI 2] (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	DLI Table	--	partial DLI achieved	DLI Table
Date	31-Dec-2014	--	29-Dec-2017	31-Dec-2020

►Number of documented interests by investors (annual) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	61.00	--	89.00	90.00
Date	31-Dec-2014	--	29-Dec-2017	31-Dec-2020

►Number of firms participating in the new Supplier Development Program (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	20.00
Date	29-Dec-2017	02-Mar-2018	02-Mar-2018	31-Dec-2020

Innovation

►Private financing catalyzed through IF support programs (Ammount USD) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.3m	--	1.46 m	3.6m
Date	31-Dec-2014	--	29-Dec-2017	31-Dec-2020

►Enterprises and startups financed through Innovation Fund programs (including MMG) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	11.00	--	40.00	75.00
Date	31-Dec-2014	--	29-Dec-2017	31-Dec-2020

▲Enterprises and startups financed with female owner (Number, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	--	5.00	10.00
Date	31-Dec-2014	--	29-Dec-2017	31-Dec-2020



► Innovative products or services developed by MG beneficiary firms (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	16.00	--	0.00	25.00
Date	31-Dec-2014	--	29-Dec-2017	31-Dec-2020
► Innovative products or services launched by MG beneficiary firms (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	3.00	--	0.00	10.00
Date	31-Dec-2014	--	29-Dec-2017	31-Dec-2020
► Technology transfer: IF TTF service lines deployed [see DLI 4] (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	3.00	8.00
Date	31-Dec-2014	--	29-Dec-2017	31-Dec-2020
► Technology transfer: transactions initiated [see DLI 4] (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	26.00	15.00
Date	31-Dec-2014	--	29-Dec-2017	31-Dec-2020
► R&I strategy, action plan, RI Roadmap and public research sector reforms including establishment of Science Fund designed and adopted (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	See DLI Table	--	DLI partially achieved	See DLI Table
Date	31-Dec-2014	--	31-Aug-2018	31-Dec-2020
► Science Fund programs initiated (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	1.00
Date	29-Dec-2017	01-Mar-2018	01-Mar-2018	31-Dec-2020
► Science Fund programs competitive grants awarded (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	20.00
Date	29-Dec-2017	01-Mar-2018	01-Mar-2018	31-Dec-2020



►Citizen Engagement: Innovation matching grant beneficiary annual survey (number of surveys) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	3.00
Date	31-Dec-2014	--	29-Dec-2017	31-Dec-2020
Comments:	<p>The Innovation Fund has been conducting other Citizen Engagement activities throughout the first cycle. Following the announcements of calls for their grant programs, the IF organized Open Door Days each week, where all interested parties could come and get advice and guidance from the IF about the programs. (The announcement for Open Door Days program related to Mini and Matching Grants is available here: http://www.innovationfund.rs/open-door-days-mini-matching-grants-programs-4/ and for the Collaborative Grant Scheme is available here: http://www.innovationfund.rs/open-door-days-collaborative-grant-scheme-program/). Also, the IF organized several workshops, both for potential applicants and for awardees (for example, https://ntpark.rs/en/2018/10/01/the-belgrade-spark-week-opened/ and http://www.innovationfund.rs/workshop-prepare-business-plan/). The indicator will be updated as soon as the survey of the first round is complete.</p>			

Labor				
►NES registered female unemployment cases transitioning into formal job (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	122,491.00	--	138,152.00	145,000.00
Date	31-Dec-2014	--	29-Dec-2017	31-Dec-2020
►Number of field visits to employers per year by the NES (Number) (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	15,927 (field visits)	--	17,908	18,000
Date	31-Dec-2014	--	29-Dec-2017	31-Dec-2020
►% of total NES staff that is operating as certified case worker [DLI 6] (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	85.00	85.00
Date	31-Dec-2014	--	29-Dec-2017	31-Dec-2020
►Standard Deviation of mean case load per branch office over all branch offices [DLI 7] (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	381.00	--	287.00	260.00
Date	01-Jan-2015	--	29-Dec-2017	31-Dec-2020
►Gross placement rate of NES start-up support program for self-employment 6 months from completion (Percentage, Custom)				

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	37.00	--	90.00	42.00
Date	31-Dec-2013	--	29-Dec-2017	31-Dec-2020
Comments:	Reported rate is for gross placement, while baseline and target values are for net placement. Baseline and target values will be updated to also refer to gross placement rate.			
►Gross placement rate of NES hiring subsidy program for new employment 6 months from completion (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	41.00	--	80.00	46.00
Date	31-Dec-2013	--	29-Dec-2017	31-Dec-2020
Comments:	Reported rate is for gross placement, while baseline and target values are for net placement. Baseline and target values will be updated to also refer to gross placement rate.			
►Number of new or re-designed ALMPs in the NES [DLI 8] (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	1.00
Date	31-Jan-2014	--	29-Dec-2017	31-Dec-2020
►Citizen engagement: Number of employers reached by client satisfaction and needs survey (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	973.00	3,000.00
Date	31-Dec-2014	--	29-Dec-2017	31-Dec-2018
Comments:	Target for Citizen engagement indicator was not reached in 2017 due to limitations in available capacity. As part of its regular activities, NES conducts face-to-face employer surveys to measure client satisfaction and needs, however this is done on smaller samples than initially planned due to capacity limitations. NES will make an effort to increase the number of surveys, aiming to achieve the target number of surveys for 2018.			

Data on Financial Performance

Disbursements (by loan)

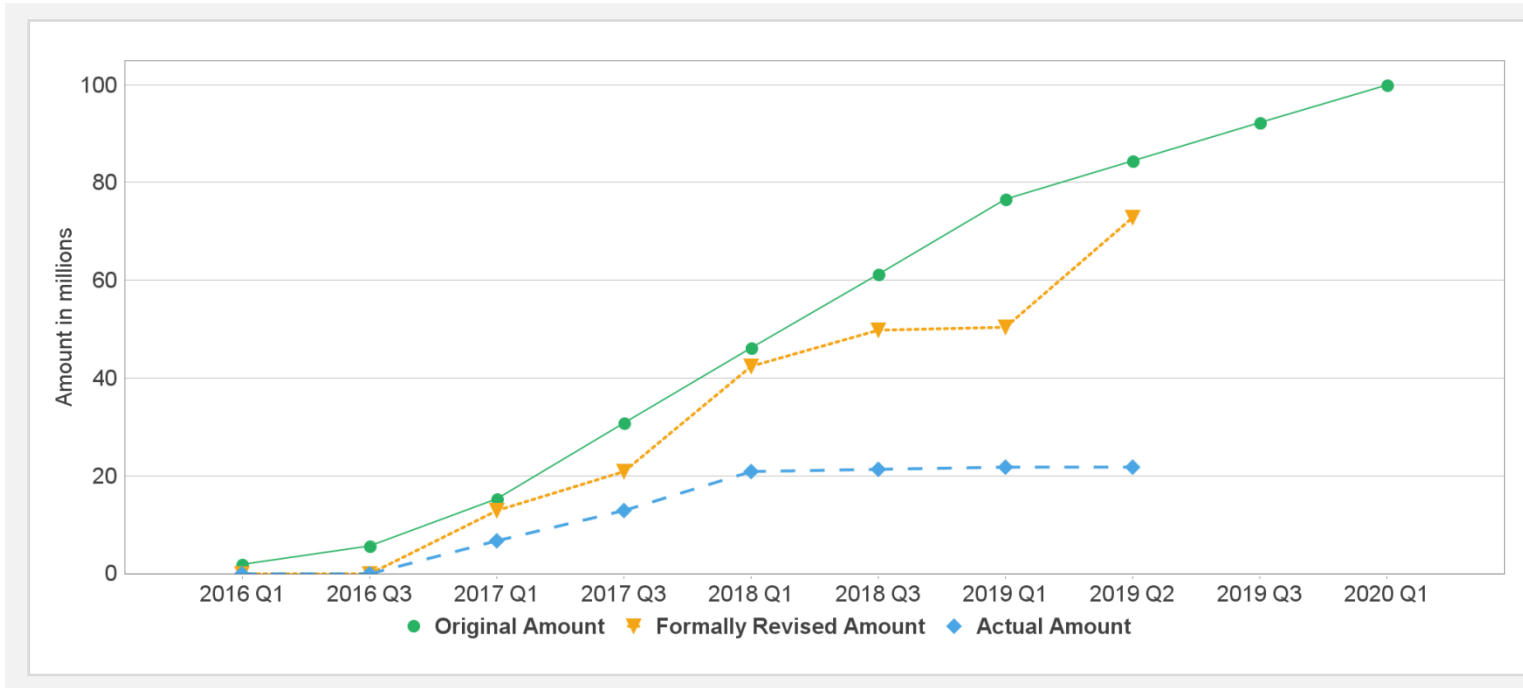
Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P152104	IBRD-85280	Effective	USD	100.00	100.00	0.00	21.96	78.07	22%

Key Dates (by loan)



Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P152104	IBRD-85280	Effective	16-Sep-2015	07-Oct-2015	31-Mar-2016	30-Jun-2019	30-Jun-2021

Cumulative Disbursements



Restructuring History

Level 2 Approved on 10-May-2018

Related Project(s)

There are no related projects.