

**STATUS OF PROJECTS IN EXECUTION – FY09
SOPE**

**EUROPE AND CENTRAL ASIA REGION
COUNTRY: SERBIA**

**Operations Policy and Country Services
OCTOBER 02, 2009**



Introduction

The Status of Projects in Execution (SOPE) Report for FY09 provides information on all IBRD/IDA projects that were active as of June 30, 2009. The World Bank has issued a SOPE Report every year as an internal communication to the Board of Executive Directors. In accordance with the Bank's revised disclosure policy, since FY02, the SOPE Report is available to the public.

The report is intended to bridge the gap in information available to the public between the Project Appraisal Document or Program Document, disclosed after the Bank approves a project, and the Implementation Completion Report, disclosed after the project closes.

In addition to the project progress description, the FY09 SOPE report¹ contains project level comparisons of disbursement estimates and actual disbursements, and a table showing the loan/credit/grant amount and disbursements to date.

¹ Notes:

- Amounts and Graphs for loans/credits/grants 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 Operations, which provide quick-disbursing financing to support policy and institutional reforms. For these operations, funds are disbursed in one or more stages (tranches), released when the borrower complies with agreed prior actions.
- Projects which are not yet effective may not have a planned disbursement schedule and thus will not include a graph.



Serbia

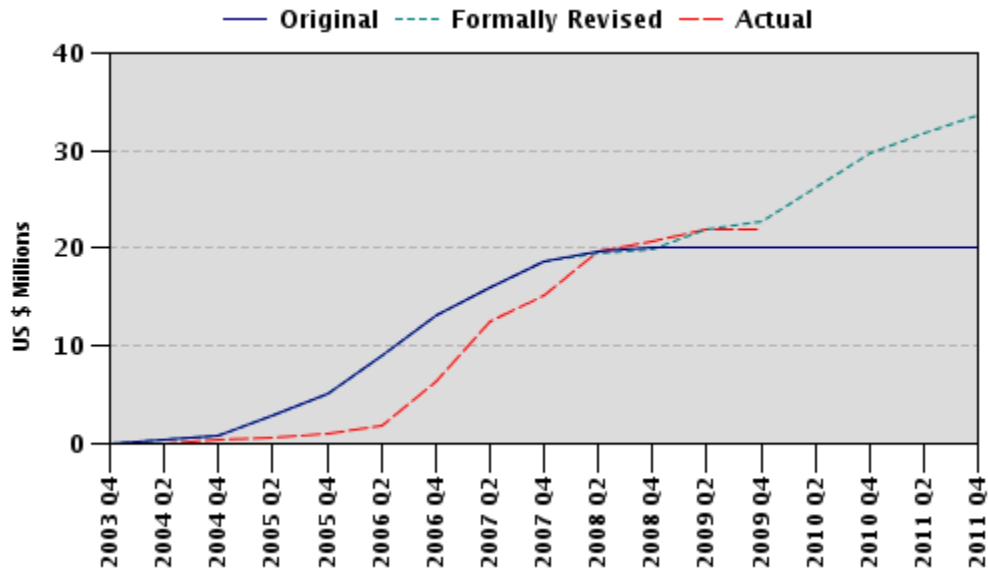
Project Name(ID):	HEALTH (SERBIA) (P077675)
Country:	Serbia
Board Approval Date:	22-May-2003
Mid-Term Review Date:	15-Sep-2006
Closing Date:	31-Dec-2011
Sector:	Health (90%); Non-compulsory health finance (10%)
The project was restructured, or received Additional Financing during FY09:	The project received additional financing in the amount of 10.5 million Euro to scale up investments in information technology in hospitals and implement a new payment system, paying hospitals according to the output they produce rather than the inputs they utilize.
Project development objective(s):	<p>The objective is to build capacity to develop a sustainable, performance-oriented health care system where providers are rewarded for quality and efficiency and where health insurance coverage ensures access to affordable and effective care.</p> <p>The project achieved many of its original goals through demonstration projects in four pilot hospitals (provision of equipment, refurbishment, and information technology), the creation of a national agency for quality and accreditation of health providers, completing a database of all the insured for the Health Insurance Fund, providing management training on hospital organization, and providing technical assistance to design a capitation formula for primary health care and the introduction of diagnostic related groups in hospitals.</p>
Progress toward achieving development objective(s):	

Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-76950	Not Effective	USD	13.50	0.00	13.50	0.00
IDA-37680	Effective	XDR	22.57	21.99	0.19	0.00
TF-51137	Closed	USD	0.50	0.40	0.00	0.10



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): BOR REGIONAL DEVELOPMENT PROJECT (P092999)
Country: Serbia
Board Approval Date: 20-Jun-2007
Mid-Term Review Date:
Closing Date: 30-Sep-2012
Sector: Mining and other extractive (50%); Other social services (22%);
 General public administration sector (12%); Micro- and SME
 finance (11%); General industry and trade sector (5%)

The project was restructured, or received Additional Financing during FY09: no

Project development objective(s): The objective is to revive the depressed Bor region through: (a) dealing with urgent environmental and social legacy issues arising from mining sector restructuring; and (b) fostering new sources of economic growth and job creation in the region.

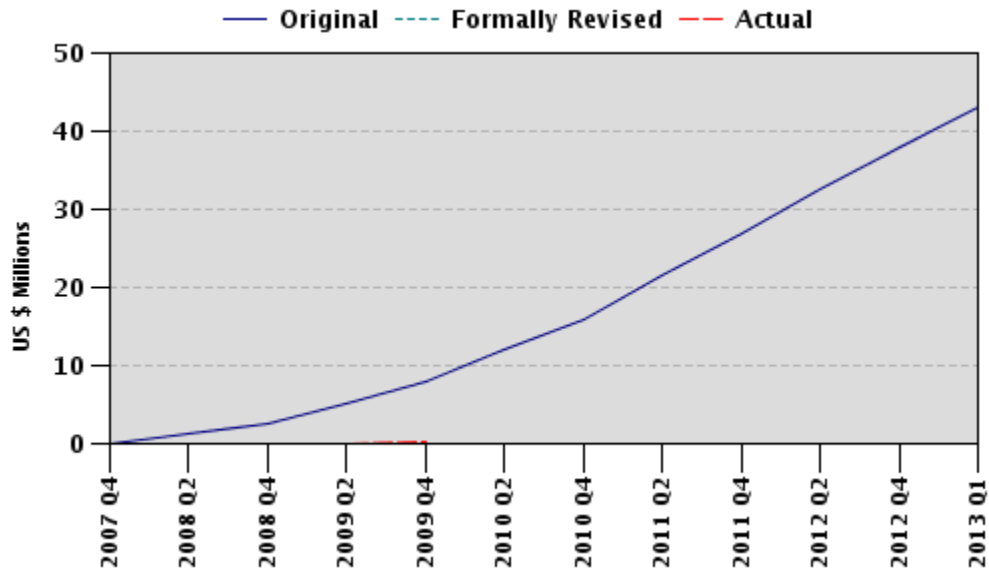
Progress toward achieving development objective(s): The project became effective in the middle of the reporting period after some delay. Implementation activities have commenced to deal with urgent environmental and social legacy issues and to foster new sources of economic growth and job creation. In the reporting period, the government has worked on securing the premises for expansion of a business incubator in Bor and establishment of a brand new incubator in Majdanpek to support small firms and individual entrepreneurs.

Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-74640	Effective	USD	33.00	0.28	32.73	0.00
IDA-43260	Effective	XDR	10.23	0.00	10.23	0.00
TF-56156	Closed	USD	0.88	0.76	0.00	0.11



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): Delivery of Improved Local Services (P096823)
Country: Serbia
Board Approval Date: 18-Mar-2008
Mid-Term Review Date:
Closing Date: 31-Dec-2012
Sector: Sub-national government administration (40%); Central government administration (20%); Other social services (14%); Health (13%); General education sector (13%)

The project was restructured, or received Additional Financing during FY09: no

Project development objective(s): The objective is to increase the capacity of institutional actors and beneficiaries in order to improve access to, and the efficiency, equity and quality of local delivery of health, education and social protection services, in a decentralizing environment

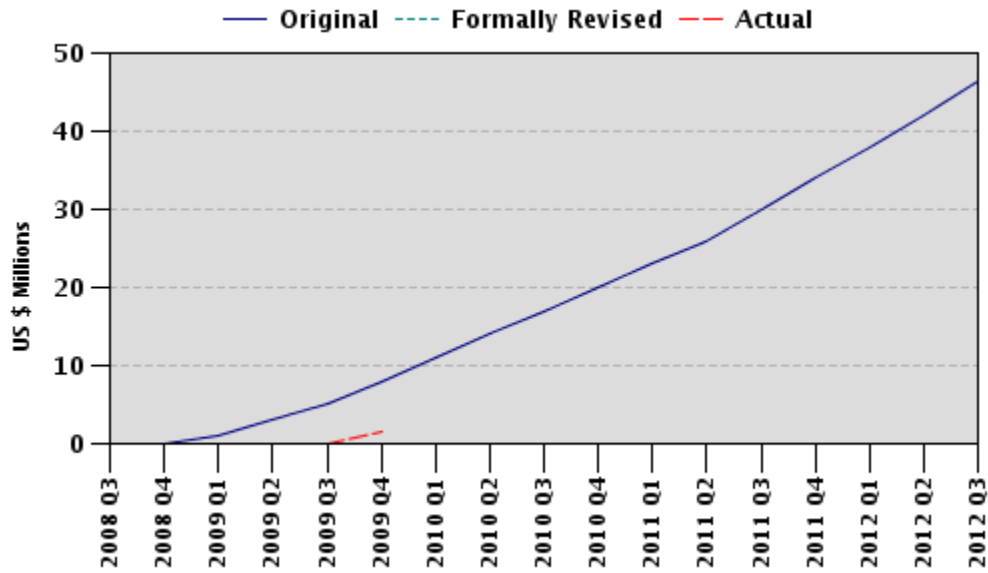
Progress toward achieving development objective(s): The project loan was declared effective in March 2009. Efforts until the present have focused on setting the implementation team in place for all the sectors involved. The initial investments in the education sector are currently under discussion while those in the health sector are ready to start implementing.

Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-75100	Effective	USD	46.40	1.50	44.83	0.00



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): CNSLTD COLLECT & PENS ADM REF (SERBIA) (P090418)
Country: Serbia
Board Approval Date: 31-May-2005
Mid-Term Review Date:
Closing Date: 30-Sep-2010
Sector: Compulsory pension and unemployment insurance (76%);
 Central government administration (21%); Banking (3%)

The project was restructured, or received Additional Financing during FY09: no

Project development objective(s): The project's objective is to improve the effectiveness and efficiency of the pension system through the modernization and streamlining of the institutional capacity in the pension system, improved pension system administration, developed capacity for policy identification, analysis and monitoring, and increased public understanding of the system.

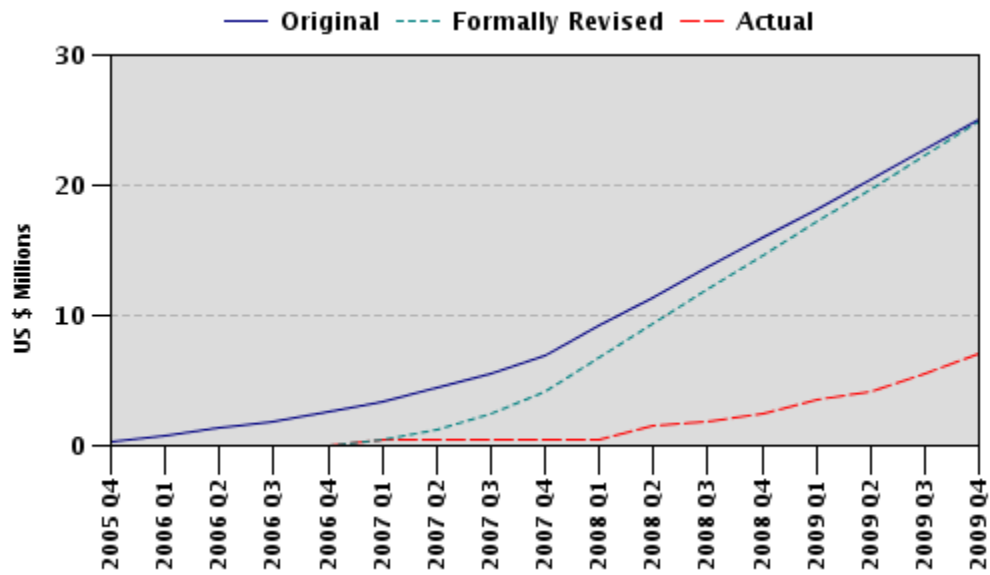
Progress toward achieving development objective(s): The progress in project implementation continued successfully and is most advanced in the area of development capacities for pension policy identification, analysis and monitoring, where the long-term model of the Serbian pension system has been developed and the Ministry of Labor and Social Policy's pension team capacities for policy identification, analysis and monitoring strengthened. Also, the public opinion survey has been completed and will serve as a basis for the development of the public education campaign that should enhance public understanding of the pension system. The government's approval of the decree on the central registry has been a breakthrough step in project implementation, as it clarified the design of the entire system, and thus enabled further progress on two major components of the project, the development of the central registry and the administrative reforms of the recently consolidated Serbia Pension and Disability Fund.

Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IDA-40710	Effective	XDR	25.79	7.17	18.57	0.00



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): IRRIG/DRAINAGE REHAB (SERBIA) (P087964)
Country: Serbia
Board Approval Date: 12-Jul-2005
Mid-Term Review Date:
Closing Date: 31-May-2011
Sector: Irrigation and drainage (73%); Central government administration (27%)
The project was restructured, or received Additional Financing during FY09: no

Project development objective(s): The project aims to support high priority rehabilitation of drainage and irrigation infrastructure, to reduce the risk of damage from flooding to land, crops property and infrastructure, and to improve water resource management and strengthen the associated water resource management institutions and policies.

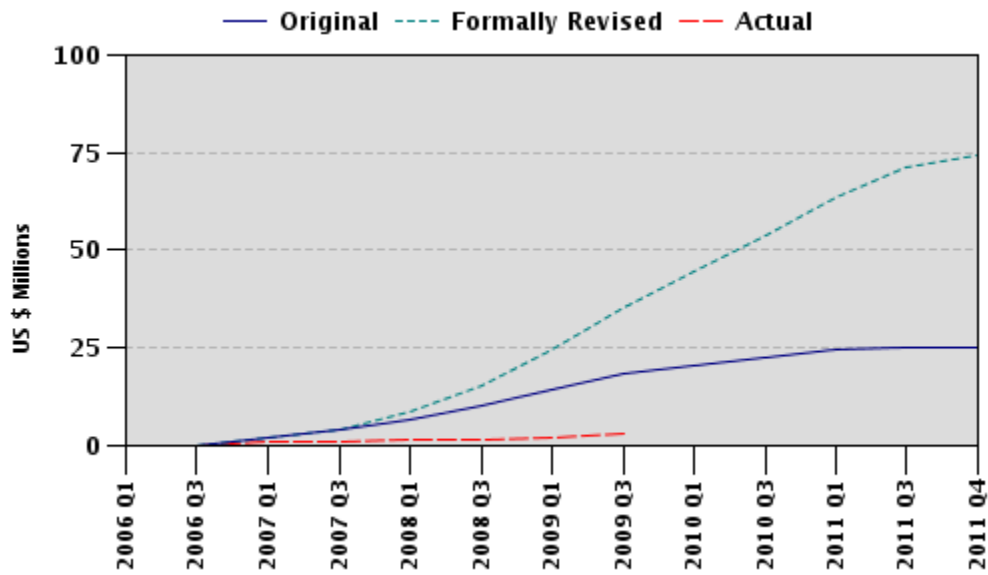
Progress toward achieving development objective(s): The project continues to make slower than expected progress due to severe budget cuts and government co-financing constraints. Nevertheless, rehabilitation of seven flood protection and drainage schemes has been completed, while the works on 10 schemes are on-going. Two water user associations have been formed to enable execution of rehabilitation works at respective irrigation schemes. Activities in strengthening of water resource management institutions are lagging beyond targets due to slow reform of the existing legal framework.

Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-74670	Effective	USD	49.37	0.00	49.37	0.00
IDA-41050	Effective	XDR	25.87	4.22	21.53	0.00
TF-54608	Closed	USD	0.29	0.28	0.00	0.00



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): REAL ESTATE CADASTRE (SERBIA) (P078311)

Country: Serbia

Board Approval Date: 25-May-2004

Mid-Term Review Date: 28-Jan-2008

Closing Date: 31-Oct-2010

Sector: General agriculture, fishing and forestry sector (30%); Housing finance and real estate markets (30%); Information technology (20%); Sub-national government administration (15%); Law and justice (5%)

The project was restructured, or received Additional Financing during FY09: no

Project development objective(s): The objective is to build a more efficient property registration and cadastre system and increase public confidence in the immovable property market.

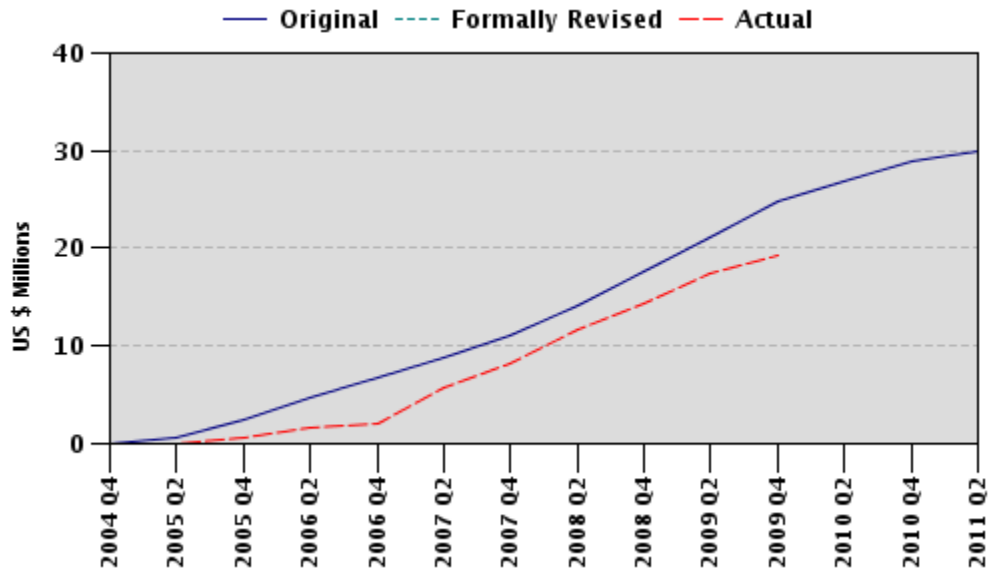
Progress toward achieving development objective(s): The project has exceeded its targets on some of the key results indicators (increased number of transactions, increased customer satisfaction, and increased share of mortgages in total transactions). There has been good progress made on operational development and support component. Digital reference mapping and digital cadastre mapping are mostly on schedule. The real estate cadastre has been completed in 3,942 cadastre municipalities, including more than 50 in towns. Customer satisfaction is at 26 percent, exceeding the target value of 25 percent. However, progress has been slow on capacity building and institutional strengthening component, in particular, on the business plan development for self-financing agency status, and provision of legal aid to low income landholders.

Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IDA-39080	Effective	XDR	31.18	19.25	11.66	0.00
TF-52795	Closed	USD	0.38	0.37	0.00	0.01



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): TRANS AG REFORM (P094212)
Country: Serbia
Board Approval Date: 20-Jun-2007
Mid-Term Review Date:
Closing Date: 31-Dec-2011
Sector: Central government administration (65%); Agricultural extension and research (35%)

The project was restructured, or received Additional Financing during FY09: no

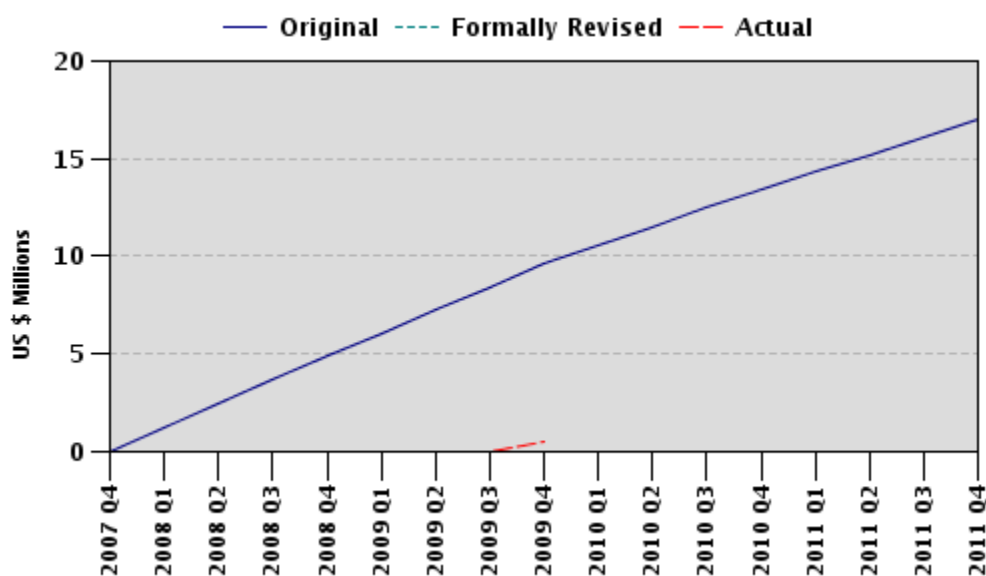
Project development objective(s): The objective is to enhance the competitiveness of Serbian agriculture. The global environmental objective is to conserve the globally important ecosystem in the Stara Planina mountainous area.

Progress toward achieving development objective(s): The project loan became effective in the latter part of the reporting period, and it was still in too early a stage to report meaningful progress.

Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-74650	Effective	USD	17.00	0.46	16.52	0.00
TF-55134	Closed	USD	0.57	0.53	0.00	0.04

Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): DANUBE ENTS POLLUT REDUC (GEF) (SERBIA) (P084604)
Country: Serbia
Board Approval Date: 12-May-2005
Mid-Term Review Date: 04-Feb-2008
Closing Date: 31-Mar-2010

Sector: General agriculture, fishing and forestry sector (40%); Central government administration (30%); Agricultural extension and research (20%); Agro-industry (10%)

The project was restructured, or received Additional Financing during FY09: The project was restructured to include rendering plants and seven agricultural high schools among grant recipients for better animal waste management.

Project development objective(s): The project development objective is the adoption of European Union Acquis compliant measures for reducing agricultural nutrient pollution in the Danube River in selected enterprises in Serbia. The global development objective is to reduce nutrient flows into water bodies connected to the Danube River.

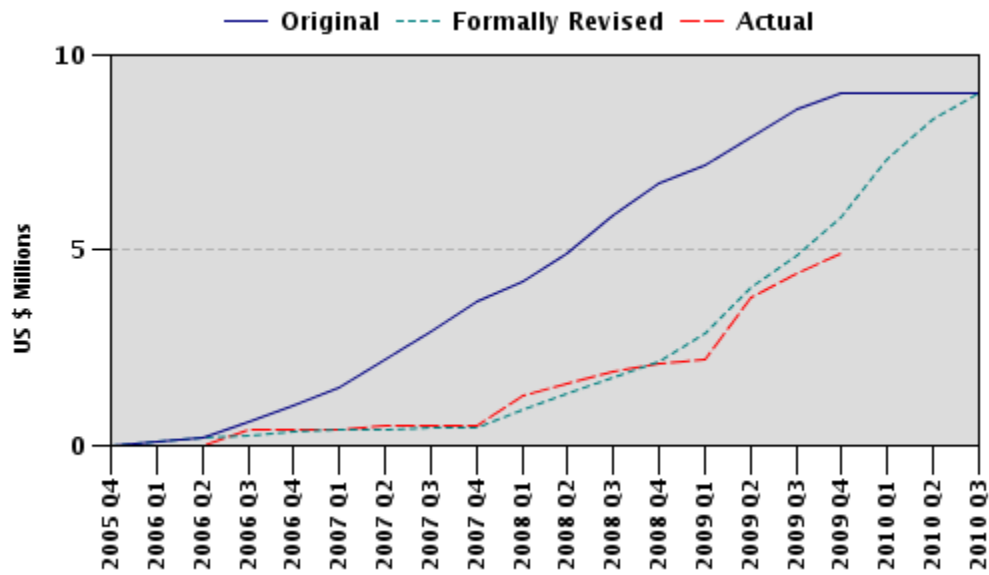
Progress toward achieving development objective(s): The project is expected to achieve its development and global environment objectives. Forty-three farms are now equipped with manure storage facilities and spreading equipment to reduce nutrient pollution from their farms, and land in compliance with the European Union Nitrates Directive requirements. The Code of Good Agricultural Practices has been finalized with broad stakeholder input, adopted by the Ministry of Agriculture, and widely distributed. Seven agricultural high schools have been equipped with essential manure management equipment; contracts for the construction of storage facilities at five schools have been tendered. A total of 500 agricultural advisors, veterinary, environmental, water quality and agricultural inspectors, local and central level policy makers and lead farmers have received training on proper farm nutrient and animal waste management.

Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
TF-52513	Closed	USD	0.35	0.29	0.00	0.06
TF-54908	Effective	USD	9.02	5.64	3.38	0.00
TF-56212	Effective	SEK	3.97	3.02	1.04	0.00



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): ENERGY EFF (SERBIA) (P075343)
Country: Serbia
Board Approval Date: 16-Mar-2004
Mid-Term Review Date: 11-Dec-2008
Closing Date: 30-Apr-2010
Sector: District heating and energy efficiency services (97%); Central government administration (3%)

The project was restructured, or received Additional Financing during FY09: no

Project development objective(s):

The development objective is to improve energy efficiency in heating buildings in order to make heating more affordable as well as improve the functional and health environment of the users. An important associated objective is to reduce the local and global environmental impact of the use of dirty fuels for heating buildings in Serbia.

Progress toward achieving development objective(s):

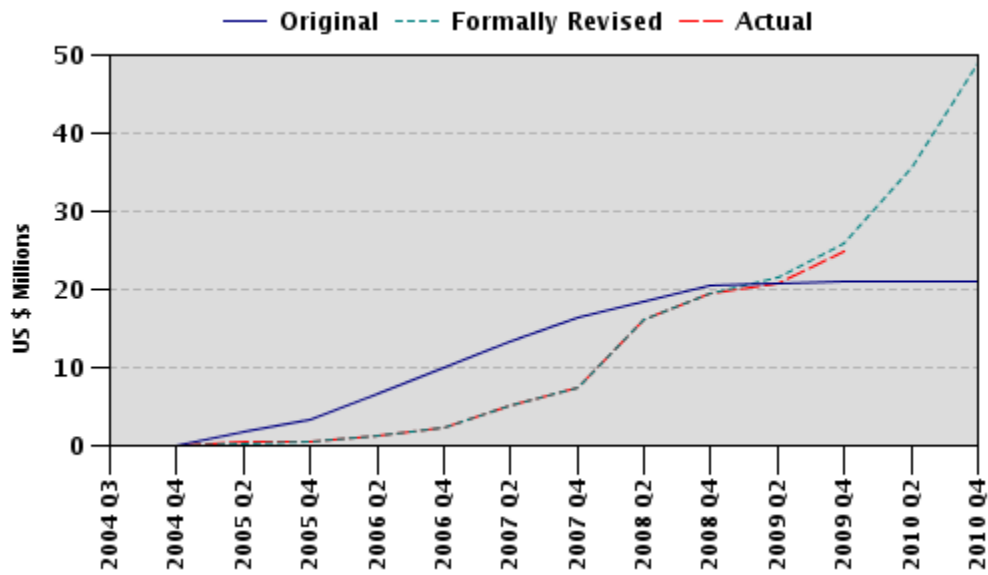
The project is making progress towards meeting its development objective. In 2009 rehabilitation of the heat production and distribution system at the large Clinical Center of Serbia was completed, resulting in improvement in air quality and enhanced energy efficiency. Using the new financing that became effective in November 2008 after a long delay, staffing and consulting-work preparations were made to undertake energy efficiency rehabilitation sub-projects in 40 schools, 17 hospitals, and 10 social buildings. In addition, a feasibility study was completed for the rehabilitation of the heat production and distribution system at the Nis Clinical Center and for other energy efficiency investments in 19 of the center's buildings.

Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-74660	Effective	USD	18.00	1.97	15.97	0.00
IDA-38700	Effective	XDR	20.96	21.54	0.09	0.00
IDA-38701	Effective	XDR	9.81	1.31	8.86	0.00



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): PFDPL (P096711)
Country: Serbia
Board Approval Date: 05-Mar-2009
Mid-Term Review Date:
Closing Date: 31-Mar-2010
Sector: General industry and trade sector (63%); Banking (13%); Non-compulsory pensions, insurance and contractual savings (12%); Central government administration (12%)

The project was restructured, or received Additional Financing during FY09: no

Project development objective(s): The objective is to enhance business environment, strengthen financial discipline, and build a more efficient and stable financial sector.

Progress toward achieving development objective(s): In the area of business environment, the government achieved further simplification of business entry through implementation of a single agency approach to business registration. The government commenced a comprehensive regulatory review exercise--the so-called regulatory guillotine--aimed at reviewing, eliminating, and streamlining unnecessary outdated regulations. Substantial progress was made in strengthening the legal framework in the area of corporate governance and competition. Further, the government has continued with the reforms aimed at strengthening financial discipline and achieved substantial progress in the area of restructuring, privatization, and bankruptcy of socially owned enterprises and enforcement of hard budget constraints, continued reforms in the energy sector, and establishment and development of a state audit institution. The government has made substantial progress in implementing its program of restructuring and privatization of designated state owned banks, insurance companies, and financial assets. Additional measures were implemented for strengthening insurance sector regulation and resolution regime, enhancement of prudential supervision of the banking sector, as well as strengthening capital markets regulatory and supervisory regime.

Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-76510	Effective	USD	50.00	48.79	0.00	0.00
TF-56574	Closed	USD	0.80	0.79	0.00	0.01



Project Name(ID): ECSEE APL 2 (SERBIA) (P088867)
Country: Serbia
Board Approval Date: 30-Jun-2005
Mid-Term Review Date: 09-Dec-2008
Closing Date: 28-Feb-2010
Sector: Power (100%)

The project was restructured, or received Additional Financing during FY09: no

Project development objective(s):

The objective of the Energy Community of South East Europe adaptable program lending is the development of a functioning regional electricity market in South East Europe and its integration into the internal electricity market of the European Union. The project objective is to improve electricity market access for consumers and suppliers.

Progress toward achieving development objective(s):

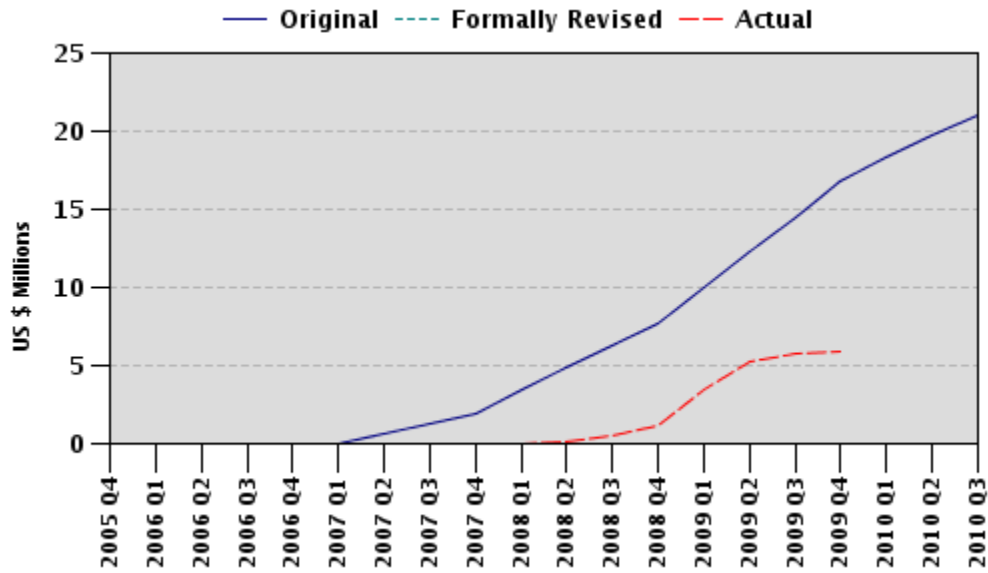
With delays, the project is making progress towards meeting its development objectives. Its first phase involved the building of two power distribution substations. The Macvanska Mitrovica and Arilje substations were completed but only the former was in operation by end June 2009. Initial work to build four additional substations under the project's second phase took place during 2008 and 2009. An estimated 47 percent of Serbian electricity customers (measured in volume) had access to the regional power market, which was in line with the target. However, due to the relatively low electricity tariffs in Serbia compared to the cost of power from neighboring countries, the customers remained with the incumbent Serbian power supplier. Serbian tariff increases have over several years brought tariffs closer to covering costs. However, further tariff increases were put on hold in 2009 due to the national and international financial crisis.

Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IDA-40900	Effective	XDR	21.41	5.88	15.70	0.00



Lending Information/Disbursement Summary (in millions USD)



Project Name(ID): TRNSPT REHAB (SERBIA) (P075207)
Country: Serbia
Board Approval Date: 25-May-2004
Mid-Term Review Date: 01-Oct-2006
Closing Date: 30-Jun-2011
Sector: Roads and highways (70%); Central government administration (25%); General transportation sector (5%)

The project was restructured, or received Additional Financing during FY09: no

Project development objective(s): The objective is to improve the condition of selected road sections of the main and regional road network in Serbia, support the introduction of output and performance based road maintenance, and improve road safety.

Progress toward achieving development objective(s): The project continues to make good progress, despite the delay in the effectiveness of the additional financing, approved in 2007. About 160 km of roads have been improved, and the output and performance based road maintenance introduced in Macva and Kolubara regions has realized significant cost reductions. The approach is being extended to the other twenty five regions of Serbia.

Lending Information/Disbursement Summary (amounts in millions, as of Aug 17, 2009)

Loan/Credit/Grant	Status	Currency	Amount	Disbursed	UnDisbursed	Cancellation
IBRD-74630	Effective	USD	50.00	0.00	50.00	0.00
IDA-39090	Effective	XDR	58.00	52.04	4.94	0.00



Lending Information/Disbursement Summary (in millions USD)

