



RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF
SENEGAL RIVER BASIN MULTIPURPOSE WATER RESOURCES DEVELOPMENT
PROJECT 2
APPROVED ON DECEMBER 5, 2013
TO
THE REPUBLIC OF GUINEA
THE REPUBLIC OF MALI
THE ISLAMIC REPUBLIC OF MAURITANIA
THE REPUBLIC OF SENEGAL
AND OF
SENEGAL RIVER BASIN CLIMATE CHANGE RESILIENCE DEVELOPMENT
PROJECT
TO
ORGANISATION POUR LA MISE EN VALEUR DU FLEUVE SENEGAL
(ORGANIZATION FOR THE DEVELOPMENT OF THE SENEGAL RIVER)
September 17, 2019

WATER GLOBAL PRACTICE

AFRICA

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Senegal River Basin Multipurpose Water Resources Development Project 2 (P131323 and P131353)

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ABBREVIATIONS AND ACRONYMS

ADRS	Agence de développement rural de la vallée du fleuve Sénégal (Mali)
CoM	Council of Ministers
DNGR	Direction National du Genie Rural (Guinea)
ESIA	Environmental and Social Impact Assessment
GEF	Global Environmental Fund
KK	Koukoutamba
IDA	International Development Association
IFC	International Finance Corporation
INT	Integrity Vice Presidency
LLIN	Long Lasting Insecticidal Nets
ML	Mali
MWRD / PGIRE	Senegal River Basin Multi-purpose Water Resources Development Project/Projet de Gestion Intégrée des Ressources en Eau du Fleuve Sénégal
NTD	Neglected Tropical Disease
OMVS	Organisation de mise en valeur du fleuve Sénégal -
PDO	Project Development Objective
RPF	Resettlement Policy Framework
SAED	Société Nationale d'Aménagement et d'Exploitation des Terres du Delta du fleuve Sénégal et des vallées du fleuve Sénégal et de la Falémé (Senegal)
SDR	Special Drawing Rights
SONADER	Société nationale pour le développement rural (Mauritania)
SN	Senegal
TF	Trust Fund
WBG	World Bank Group



BASIC DATA

Product Information

Project ID P131323	Financing Instrument Investment Project Financing
Original EA Category Full Assessment (A)	Current EA Category Full Assessment (A)
Approval Date 05-Dec-2013	Current Closing Date 30-Jun-2021

Organizations

Borrower Ministry of Finance, Ministry of Economy and Finance, Ministry of Finance, Ministry of Finance	Responsible Agency Organisation pour la Mise en Valeur du Fleuve Senegal
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Project Development Objective (PDO)

Original PDO

The overall Program Development Objective is: to enhance regional integration among the riparian countries of the Senegal River Basin through OMVS for multi-purpose water resources development to foster improved community livelihoods.

The MWRD2 Project Development Objective is: to improve coordinated management of water resources for socially, environmentally and economically sustainable development in the Senegal River Basin.

Responding to the needs of OMVS and riparian country governments MWRD2 will have broadly similar components to MWRD1: (i) consolidating and further strengthening the institutional, legal and technical framework of the Senegal River Basin to better serve all four riparian countries, (ii) expanding the scope or coverage of concrete water resources development activities at the local level that generate significant income to reduce poverty, and (iii) defining and preparing new multipurpose infrastructure to harness the hydropower potential identified in the basin. MWRD2 activities will primarily be located in the priority areas defined by studies in MWRD1. Each component will scale-up activities started under MWRD1, incorporating lessons learnt and taking forward successful elements for further development.



Summary Status of Financing

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net		
					Commitment	Disbursed	Undisbursed
IDA-53210	05-Dec-2013	28-Mar-2014	24-Jun-2014	30-Jun-2021	58.50	36.83	16.17
IDA-53220	05-Dec-2013	27-Feb-2014	24-Jun-2014	30-Jun-2021	54.50	28.46	21.10
IDA-53230	05-Dec-2013	26-Feb-2014	24-Jun-2014	30-Jun-2021	71.00	29.73	34.63
IDA-53660	05-Dec-2013	03-Mar-2014	24-Jun-2014	30-Jun-2021	28.50	16.53	9.32
TF-15949	28-Mar-2014	28-Mar-2014	25-Jun-2014	30-Jun-2021	4.00	1.62	2.38
TF-16001	28-Mar-2014	28-Mar-2014	25-Jun-2014	30-Jun-2021	12.00	5.96	6.04

Policy Waiver(s)

Does this restructuring trigger the need for any policy waiver(s)?

No

I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

The Senegal River Basin Multipurpose Water Resources Development Project 2 (MWRD2). The Senegal River Basin Multipurpose Water Resources Development Project 2 (MWRD/PGIRE 2, P131323 and P131353) was approved in December 2013 and became effective in June 2014. It is the second phase of a broader program, whose objective is to enhance regional integration among the riparian countries of the Senegal River Basin through OMVS for multi-purpose water resources development to foster improved community livelihoods. MWRD2’s Project Development Objective (PDO) is to improve coordinated management of water resources for socially, environmentally and economically sustainable development in the Senegal River Basin. It has 3 components. Component 1 (Part A of the loan agreement) “Institutional Development for Water Resources” strengthens the institutional framework for the coordinated management of water resources in the basin from legal, organizational and financing standpoints. Component 2 (Part B of the loan agreement) “Multipurpose Water Resource Development” focuses on national investments with transboundary impacts on food security (i.e. irrigation, fishery and aquaculture) and public health (i.e. control of malaria of 4 neglected tropical water borne diseases). Finally, Component 3 (Part C of the loan agreement) “Infrastructure Management and Planning” focuses on the development of the next generation of regional infrastructure, including the development of multi-purpose dams and the transport corridor around navigation. The additional, blended Global Environmental Fund (GEF) financing (P131353) supports activities to improve the climate resilience in the Senegal River Basin, in all 3 components.

Project status. The 7-year project is currently at 71% of its implementation (it has been under implementation for 5 years) and will close in June 2021. The “progress towards achieving the PDO” is rated satisfactory and “overall implementation progress” is rated moderately satisfactory. Results are increasingly visible on the ground for most components to the satisfaction of beneficiaries. Some of the results so far are, for example, 5369 ha of irrigated land developed or



rehabilitated (40% of project target); 4000 ha of agricultural land protected from flooding; 868 ha reforested; close to 3 million people or 75% of children and 74% of pregnant women in the river basin are sleeping under a treated bed net (95% of project target); 97% and 86% of school-aged children treated against schistosomiasis and geohelminth (exceeding project target of 80%); increase in the value of fish sold or transformed by 4% (20% of project target); an improved tool on water resources planning and allocation is being used in preparation of the 2019 Permanent Water Commission meetings. Despite significant delays accumulated during the first 2 years, overall disbursement rate is now 50% and should reach 70% by the end of December 2019 and 89% in December 2020. By closing, the Project should be fully disbursed and achieve its intended objectives. Overall Project risk is rated high given elements noted in previous ISRs including on safeguard risks.

Rationale for restructuring: The proposed restructuring is based on the findings and recommendations of the January 2018 mid-term review and January 2019 supervision mission and is in line with OMVS requests received between August and November 2018¹. More specifically, the proposed restructuring would: (i) sharpen the PDO, making it more precise and more in line with what the Project could be accountable for; (ii) rationalize the results' framework, switching some PDO indicators with Intermediate-level indicators, sharpening the definition of some indicators making them more directly linked to project activities and more measurable and ensuring that targets are achievable; (iii) adjust disbursement profile based on more realistic projections, taken into account significant delays incurred in the first two years of project implementation and further delays since then in the signature of a few large contracts by the national implementing agencies and (iv) further clarify that activities under Part C.1(a) of the legal agreement finance only studies (and excludes their implementation or the implementation of any work related to the *Koukoutamba* dam, including its access road and transmission line), and (v) extend the scope of application of the performance contract between OMVS and ADRS, SAED, and SONADER to include the implementation by these entities of the pilot activities under Part B.4 of the legal agreement, financed by the LDCF Grant No. TF016001.

¹ Requests from Mali received 1 August 2018; from Guinea 17 September 2018; from Senegal 22 October 2018; from Mauritania 30 November 2018.



II. DESCRIPTION OF PROPOSED CHANGES

Changes in the PDOs:

Proposed changes to the PDOs will make them more precise and more in line with Project activities and what the Project could be accountable for.

The **PDO of the MWRD2 project** will be changed from *“to improve coordinated management of water resources for socially, environmentally, and economically sustainable development in the Senegal River basin”* into *“improve coordinated management of water resources in the Senegal River basin”*.

The **Global Environmental Objective** will be changed from *“to strengthen transboundary water resources management in the Senegal River Basin including climate change adaptation and implementation of priority actions of the Strategic Action Plan”* into *“to strengthen OMVS capacity to integrate climate change into the coordinated management of water resources in the Senegal Basin”*.

A definition of “coordinated management” will be added for both PDOs (see detailed changes in paragraph IV).



Changes to the results 'framework are presented in the following table. The proposed changes involve switching some PDO indicators with Intermediate-level indicators, sharpening the definition of some indicators making them more precise, more directly linked to project activities and more measurable and ensuring that targets are achievable

Original indicator	Achieved (as of June 2018)	Original target	Revised/ new indicator	Revised Target	Comments
PDO Level Indicators					
Direct project beneficiaries (number)	2 845 000	4 500 000	<i>No changes</i>	<i>No changes</i>	
Female beneficiaries (number)	51%	51%	<i>No changes</i>	<i>No changes</i>	
Direct project beneficiaries benefitting from the pilot activities to build climate resilience (number)	0	5 000	<i>No changes</i>	<i>No changes</i>	
New framework for partition of costs and benefits in the river basin is finalised, validated at country level, and presented to the Council of Ministers (CoM) (No/Yes)	No	Yes	<i>No changes</i>	<i>No changes</i>	
Area provided with irrigation and drainage services (ha)	5 369	13 680	<i>No changes</i>	10 000	This indicator was revised due to higher than expected cost of the works
<i>New PDO indicator, from intermediate indicators</i>	7%		Increased sale of fresh and processed fish in project sites (percentage)	20%	This was an intermediate indicator. It moved to PDO level due to its "result" nature.
Long lasting insecticide treated malaria nets purchased and/or distributed (number)	2 845 000	4 500 000	<i>Indicator moved to intermediate indicators (component 2), as not directly linked to PDO</i>		Its sub-indicators, the number of children and women between 15-49 years old who sleep under treated bed-nets, are also moved to the intermediate level.
<i>New indicator</i>			The OMVS regional steering committee (Comité du Pilotage) composed of representative from the riparian States is operational (No/Yes)	Yes	This indicator monitors the coordinated management dimension of the PDO. Operational means that the committee meets at least once a year to review OMVS projects' achievements and to approve investments for the coordinated management of water resources in the Senegal basin. Status in February 2019: Yes
Improved tools are used in decision making on water allocation during the meeting of the Permanent Water Commission (No/Yes)	No	Yes	<i>No changes</i>	<i>No changes</i>	



Intermediate indicators					
Component 1 : Institutional Development					
Climate change adaptation resilience training programs delivered to staff in OMVS National Cellules, National Agencies, and beneficiaries of the pilot projects (number)	150	2 000	Improved knowledge of climate change amongst the beneficiaries of the climate change adaptation/resilience training program delivered to OMVS, its National Cellules, and National Agencies (percentage of participants who score at least 75% in the final test)	75%	The original indicator could be interpreted as if 2000 training sessions were given by the project. The proposed indicator , which is more focused on improved knowledge of participants, is more result oriented. Status in June 2019: 80%
New framework for partition of costs and benefits tested and validated at a technical level (No/Yes)	No	Yes	<i>No changes</i>	<i>No changes</i>	
Component 2: Multi-purpose Water Resources Development					
Operational water users associations created and/or strengthened		50	Operational entities in charge of the management of an irrigation system (with a statute and rules and that meet regularly) (% and number)	25	The indicator is now more specific, indicating what is meant by created and strengthened. Its target is also revised given the number of irrigation perimeters covered by the project. The target of 50 refers to another type of association, the ones related to typha removal in the canals in Senegal and Mali, which are not supported by this project, but another prepared in parallel (the Dutch-financed TF3 project).
Hydraulic axes rehabilitated (km)	36	65.5	<i>Marked for deletion</i>		This indicator is redundant as the PDO indicator "Area provided with irrigation and drainage services (ha)" already reflects the benefits of the activities. Indeed, the axes rehabilitated benefit some of the areas already included in the PDO indicator.
Slope stabilization through agroforestry development and reforestation (ha)	868	3 527	Land area under sustainable land	3 000	The definition has been revised to adopt the phrasing of the



			management practices (ha)		mandatory results' indicator. The target was also revised considering due to higher unit cost than expected.
Sales of fresh and processed fish in project sites (%)			<i>Indicator moved to PDO level</i>	<i>Indicator moved to PDO level</i>	
Proportion of target beneficiaries having received mass treatment to locally occurring NTDs (%)	96.5	80	<i>No changes</i>	<i>No changes</i>	
<i>New intermediate indicator, from PDO level indicators as not directly linked to the PDO.</i>			Long lasting insecticide treated malaria nets purchased and/or distributed (number)	4 500 000	Status in February 2019: 2 845 000
<i>New intermediate indicator, from PDO level indicators as not directly linked to the PDO.</i>			Proportion of children and women (15-49 years old) sleeping under a LLIN (%)	80	The baseline is 74% for children and 65% for women. Status in February 2019: 78% for children and 77% for women.
Component 3: Infrastructure management and planning					
Mapping, modeling and other analytical tools for water resources management are developed or updated (No/Yes)	No	Yes	<i>No changes</i>	<i>No changes</i>	Hydraulic model of the basin completed and validated. The updating of the basin's cartography is underway.
A financing system for the long-term maintenance of Diama dam is put into place (No/Yes)	No	Yes	Completed rehabilitation of the Diama dam	Yes	The project does not finance any activity related to the Diama's maintenance fund, but it finances the rehabilitation of the dam. The rehabilitation of the Diama dam will be completed in 2019.

Changes in disbursement profile:

The proposed disbursement profile is based on more realistic projections taking into account the substantial delays incurred during the first two years of project implementation due to weak project management.

Changes to the legal agreements

The project documents (including the legal agreements) will clarify that the activity under component C.1(a) of the MWRD2 consists exclusively of the preparation of complementary studies (but not implementation).

Implementation of climate change pilot projects (activities under component B.4)

Originally, it was foreseen that OMVS would implement all pilot activities under component B.4. However, during implementation it has been decided that three National Agencies (ADRS, SAED, and SONADER), will implement these activities. Therefore, the performance contract that these agencies sign annually with OMVS, which currently includes only activities under component B.1, will be amended to also include activities under component B.4. This modification will only apply to the GEF and LDCF Grant Agreement as activities under component B.4 are exclusively financed by the LDCF Grant. The disbursement arrangements remains the same for activities under component B.4 as for activities under component B.1: disbursements will be done to special accounts in each of the implementing agencies and OMVS will continue to make the withdrawal requests to the Bank.

III. SUMMARY OF CHANGES

	Changed	Not Changed
Project's Development Objectives	✓	
Results Framework	✓	
Disbursement Estimates	✓	
Institutional Arrangements	✓	
Other Change(s)	✓	
Implementing Agency		✓
DDO Status		✓
Components and Cost		✓
Loan Closing Date(s)		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Disbursements Arrangements		✓
Overall Risk Rating		✓



Safeguard Policies Triggered		✓
EA category		✓
Legal Covenants		✓
Financial Management		✓
Procurement		✓
Implementation Schedule		✓
Economic and Financial Analysis		✓
Technical Analysis		✓
Social Analysis		✓
Environmental Analysis		✓

IV. DETAILED CHANGE(S)

PROJECT DEVELOPMENT OBJECTIVE

Current PDO

The overall Program Development Objective is: to enhance regional integration among the riparian countries of the Senegal River Basin through OMVS for multi-purpose water resources development to foster improved community livelihoods.

The MWRD2 Project Development Objective is: to improve coordinated management of water resources for socially, environmentally and economically sustainable development in the Senegal River Basin.

Responding to the needs of OMVS and riparian country governments MWRD2 will have broadly similar components to MWRD1: (i) consolidating and further strengthening the institutional, legal and technical framework of the Senegal River Basin to better serve all four riparian countries, (ii) expanding the scope or coverage of concrete water resources development activities at the local level that generate significant income to reduce poverty, and (iii) defining and preparing new multipurpose infrastructure to harness the hydropower potential identified in the basin. MWRD2 activities will primarily be located in the priority areas defined by studies in MWRD1. Each component will scale-up activities started under MWRD1, incorporating lessons learnt and taking forward successful elements for further development.



Proposed New PDO

The revised MWRD2 PDO is to improve coordinated management of water resources in the Senegal River Basin.

The revised GEO is to strengthen OMVS capacity to integrate climate change into the coordinated management of water resources in the Senegal River basin.

In this context, "coordinated management" means the concerted development of water uses in the basin between OMVS member States which is ensured through two main mechanisms: (i) the Senegal River Basin Master Plan, approved by the Council of Ministers of the four member states in 2011: all activities financed by the project should be in accordance it and (ii) the regional Project steering committee (Comité Regional du Pilotage du PGIRE) with representatives from the 4 member states which approves the Project annual implementation plan and budget.

DISBURSEMENT ESTIMATES

Change in Disbursement Estimates

Yes

Year	Current	Proposed
2014	11,500,000.00	0.00
2015	25,000,000.00	5,000,000.00
2016	29,000,000.00	36,500,000.00
2017	43,000,000.00	23,500,000.00
2018	36,000,000.00	33,500,000.00
2019	30,000,000.00	46,000,000.00
2020	25,000,000.00	46,000,000.00
2021	13,000,000.00	22,000,000.00



Results framework

COUNTRY: Western Africa

Senegal River Basin Climate Change Resilience Development Project

Project Development Objectives(s)

The overall Program Development Objective is: to enhance regional integration among the riparian countries of the Senegal River Basin through OMVS for multi-purpose water resources development to foster improved community livelihoods.

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Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	DLI	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
improve coordinated management of water resources in the Senegal River Basin (Action: This Objective has been Revised)								
Direct project beneficiaries (Number)		0.00			200,000.00	500,000.00	1,000,000.00	4,500,000.00
Female beneficiaries (Percentage)		0.00	5.00	10.00	15.00	20.00	25.00	51.00
Direct project beneficiaries benefiting from the pilot		0.00						5,000.00



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Senegal River Basin Climate Change Resilience Development Project (P131323)

Indicator Name	DLI	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
activities to build climate resilience (Number)								
Area provided with irrigation and drainage services (ha) (CRI, Hectare(Ha))		0.00						10,000.00
Action: This indicator has been Revised								
Area provided with irrigation and drainage services - New (ha) (CRI, Hectare(Ha))		0.00						3,000.00
The new framework for partition of costs and benefits in the river basin is finalized and presented to the CoM (Yes/No)		No						Yes
Long-lasting insecticide-treated malaria nets purchased and/or distributed (number) (Number)		0.00			5,000,000.00	5,000,000.00	7,000,000.00	4,500,000.00
Action: This indicator has been Marked for Deletion								
Proportion of children having slept under LLINs the night before the survey (Percentage)		74.00						80.00



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Senegal River Basin Climate Change Resilience Development Project (P131323)

Indicator Name	DLI	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
Action: This indicator has been Marked for Deletion								
Proportion of women 15-49 years sleeping under an LLIN the night before the surveys (Percentage)		65.00						80.00
Action: This indicator has been Marked for Deletion								
Improved tools are used in decision making on water allocation during the meetings of the Permanent Water Commission (Yes/No)		No						Yes
Increased sale of fresh and processed fish in project sites (Percentage)		0.00						20.00
Action: This indicator is New	Rationale: This was an intermediate indicator before restructuring							
The OMVS regional steering committee (Comité du Pilotage) composed of representative from the riparian States is operational (Yes/No)		No						Yes



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Senegal River Basin Climate Change Resilience Development Project (P131323)

Indicator Name	DLI	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
<i>Action: This indicator is New</i>								

Intermediate Results Indicators by Components

Indicator Name	DLI	Baseline	End Target
1. Institutional Development			
New framework for partition of costs and benefits tested and validated at a technical level (Yes/No)		No	Yes
Improved knowledge of climate change amongst the beneficiaries of the climate change adaptation/resilience training program delivered to OMVS, its National Cellules, and National Agencies (Percentage)		0.00	75.00
<i>Action: This indicator has been Revised</i>	<i>Rationale: (percentage of participants who score at least 75% in the final test)</i>		
2. Multi-purpose Water Resources Development			
Hydraulic axes - canals supplying irrigation areas - rehabilitated (Kilometers)		0.00	65.50
<i>Action: This indicator has been Marked for Deletion</i>			
Operational entities in charge of the management of an irrigation system (with a statute and rules and that meet regularly) (Number)		0.00	25.00
<i>Action: This indicator has been Revised</i>			



Indicator Name	DLI	Baseline	End Target
Sales of fresh and processed fish in project sites (Percentage)		0.00	20.00
<i>Action: This indicator has been Marked for Deletion</i>			
Proportion of target beneficiaries having received mass treatment locally occurring NTDs (Percentage)		0.00	80.00
Land area under sustainable land management practices (ha) (Hectare(Ha))		0.00	3,000.00
<i>Action: This indicator has been Revised</i>			
Long lasting insecticide treated malaria nets purchased and/or distributed (number) (Number)		0.00	4,500,000.00
<i>Action: This indicator is New</i>	<i>Rationale: This indicator was a PDO level before restructuring</i>		
Proportion of children sleeping under a LLIN (%) (Percentage)		74.00	80.00
<i>Action: This indicator is New</i>	<i>Rationale: This was a PDO indicator before restructuring</i>		
Proportion of women (15-49 years old) sleeping under a LLIN (%) (Percentage)		65.00	80.00
<i>Action: This indicator is New</i>	<i>Rationale: This was a PDO indicator before restructuring</i>		
3. Infrastructure Management and Planning			
Mapping, modeling, and other analytical tools for WRM developed or updated (Yes/No)		No	Yes



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Senegal River Basin Climate Change Resilience Development Project (P131323)

Indicator Name	DLI	Baseline	End Target
Completed rehabilitation of the Diama dam (Yes/No)		No	Yes
<i>Action: This indicator is New</i>			
