



Irrigation Development Project (P115954)

EUROPE AND CENTRAL ASIA | Bosnia and Herzegovina | Water Global Practice |
IBRD/IDA | Specific Investment Loan | FY 2012 | Seq No: 10 | ARCHIVED on 29-Jun-2017 | ISR28737 |

Implementing Agencies: Bosnia and Herzegovina, Agricultural Projects Coordination Unit (APCU) / Project Implementation Unit (PIU)

Key Dates

Key Project Dates

Bank Approval Date:03-May-2012

Effectiveness Date:29-Mar-2013

Planned Mid Term Review Date:31-Jul-2015

Actual Mid-Term Review Date:31-Jul-2015

Original Closing Date:31-Dec-2017

Revised Closing Date:31-Dec-2017

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project Development Objective is to improve the performance of the irrigation systems and the irrigation institutions to support agricultural producers in the project areas.

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

No

Components

Name

Component 1: Infrastructure Investment (works, goods/equipment, consulting services): irrigation and drainage infrastructure and equipment in around 12 subprojects:(Cost \$38.80 M)

Component 2: Irrigation Modernization (goods/equipment, consulting services, training): agency level and farm level:(Cost \$5.80 M)

Component 3: Project Implementation Support (consulting/non-consulting services, goods, training, and incremental operating costs): PIUs, M&E, ESMP, audits, procurement and FM training:(Cost \$2.40 M)

Overall Ratings

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



Implementation Status and Key Decisions

The project faced implementation delays since its start in early 2013 due to the following reasons: (i) delayed effectiveness due to long lasting government lead process; (ii) slow start of implementation due to lack of experience in irrigation (first big irrigation project in the country in the past 50 years) and (iii) 2014 floods which affected both proposed areas for irrigation (Zivinice and Odzak had been under water for three months) and put additional burden for the implementing unit staff, who had to deal with floods rehabilitation as well. Therefore, in order to complete the activities for achieving projects PDO an extension of the current project closing date for a 23 months was agreed.

It is expected that all construction works will be completed by September 2019 and all irrigation capacity building and training activities by November 30, 2019, new proposed project closing date. The disbursement is expected to reach 45% and the ratio of commitments 60% by December 31 2017.

A description of the status of implementation by component is as follows:

Component 1: Irrigation Infrastructure Investment (Total US\$38.8 million; of which IDA US\$32.98 million and counterpart US\$5.82 million: includes works, goods/equipment, and consulting services)

The objective of this component is to finance irrigation and drainage infrastructure in selected systems prioritized from proposals submitted by farmers groups and local governments. These sub projects would serve to showcase the benefit of modern irrigation and to demonstrate best irrigated agriculture practices. The interventions might include construction of new infrastructure, reconstruction, upgrading or modernization of existing facilities. In the majority of the cases the sub projects have been focused in the introduction of pressurized irrigation systems composed by pumping stations and elevated reservoirs serving on demand irrigation to groups of farmers, in general, owners of small landholdings and greenhouses. The project cycle of identification, planning, preparation of detailed designs, construction and operation of each individual sub project has been organized in a sequence of three phases comprising 2-4 subprojects each. The progress achieved in the three phases as of June 2017 is as follows:

First phase

In RS, phase one included two sub projects: (i) *Novo Selo* (622 ha) and (ii) *Pelagicevo* (202 ha) where works have been completed and systems are operational since 2015.

In FBiH, Phase I included two sub projects: (i) *Siroki Brijeg* (1202 ha) and (ii) *Gorazde* (130 ha).

In *Siroki Brijeg*, the irrigated area of Mostarsko Blato, the largest IDP sub-project has been completed and is operational since 2015. *Gorazde* sub project covered the modernization of three small schemes located in the municipalities of Foca and Gorazde. Three lots have been constructed: (i) *Cvilin* in Foca-Ustikolina (88 ha); (ii) *Ahmovici* (22.4 ha) and (iii) *Hubjeri* (20 ha). However, some connections, repairs, and small modifications recommended during the process of transferring at an estimated cost of US\$70,000 are yet to be completed. These small works including repairs of the shedding of an elevated metal reservoir, power connections, and additional protection from landslides to one reservoir in Hubjeri. These activities are expected to be completed by the end July, 2017.

Second phase

In RS: Phase II included three subprojects: (i) *Bratunac* (436 ha), (ii) *Maglajani* (160 ha), and (iii) *Ljubinje* (280 ha). These sub projects were selected in 2015, designs were prepared in 2016, and works were initiated in 2017. All these works would be completed in early 2018.

In *Bratunac*, the works amounting US\$4.639 million have been started in May, and are scheduled to be completed by end January 2018. While the *Maglajani* and *Ljubinje* sub-projects with an estimated cost of US\$2.9 million are ready for tendering, both municipalities are yet to confirm the required 15 percent counterpart contribution. The Bank has agreed with the Borrower that the associated construction contracts are to be signed by August 31, 2017, subject to securing said co-financing. If such financing does not materialize by the end-August 2017 deadline, both of the subprojects will automatically be dropped from the project and the associated funds will be re-directed to other subprojects with ongoing activities that require additional funds.

In FBiH the second phase includes three subprojects: (i) *Capljina* (1250 ha), (ii) *Odzak* (1000 ha), and (iii) *Zivinice* (150 ha) In Capljina, with estimated cost of US\$2.55 million, the design consultancy started in February 2017 will be concluded in October 2017. The contract for preparing detailed designs for *Odzak* and *Zivinice* has been signed and works started in June (with an estimated cost of US\$2.51 million). The bidding documents would be ready in November 2017, and tenders could be published between November and December 2017. The works of this group of projects could be completed by December 2018.

Third phase

In RS, the third phase includes three subprojects: (i) *Trebinje* (800ha), (ii) *Potkozarje* (500 ha), and (iii) *Semberija* (500 ha). The call for bids for contracting the implementation of *Trebinje*, (US\$3.1 million), was published, and the bid evaluation process is underway. The contract is expected to be signed by end July 2017 allowing works to be completed by July 2018. The consultancies for the preparation of detailed engineering designs of *Potkozarje* (US\$3.6 million) and *Semberija* (US\$1.7 million) are under implementation, and their completion is expected by the end of December 2017. The publication of the call for bids is scheduled by January 15, 2018, and works could be completed by August 2019.

In FBiH, the third phase includes four subprojects: (i) *Zepce* (320 ha), (ii) *Kalesija* (360 ha), (iii) *Sanski Most* (120 ha), and (iv) *Bihac* (150 ha). The



preparation of ToRs is underway and the consultancies for preparing detailed designs will be procured, in phases, from August to December 2017, and works (US\$3.1 million) would be implemented from March 2018 to September 2019.

Component 2: Irrigation Modernization, Irrigation Advisory Service, and Participatory Irrigation management (Total: US\$5.8 million, including US\$4.93 million from IDA loan and US\$0.87 million counterpart contribution).

This component has been supporting capacity building and training activities, strengthening of water resources management institutions, and facilitating the introduction of a participatory approach to water management and creation of WUA. Overall performance under Component 2 is as per the agreed work schedule. Contracts for consultants are under implementation in both entities, and all the activities are on-going in accordance with the agreed work plan. Main activities have included the development of manuals, procedures, instruments, and training activities for WUA and staff of municipalities and water agencies to create the required management capacity. These activities would continue during the proposed extended period to ensure the sustainability of the infrastructure developed by Component 1.

In FBiH, a consortium consisting of Spanish and local consulting firms started working in July 2015. The activities were initially in irrigation schemes of the First Phase, focused on the development of draft guidance materials and initial trainings for farmers and utility companies' level. They also organized training session for WUA and a study tour to Spain which included workshops, field visits and meetings with Spanish water authorities including National Ministry of Agriculture authorities, Ebro River Basin managers and WUAs. This was an important capacity building exercise for WUA members, cantonal ministries and water agencies staff. The extension of this contract is planned in order to provide support to the second and third phase irrigation schemes.

In RS, the contract of the international consultant hired for supporting the implementation of this component in RS was extended in November 2016. The objective is to contribute to the design of the optimal institutional set-up for the subprojects of Bratunac and Ljubinja and irrigation fee assessment and collection strategies that could be replicated elsewhere in the RS. In addition, the Consultant is supporting the preparation of training material and facilitation of courses for relevant stakeholders in the Maglajani demonstration plot. The Consultant shall continue providing technical advice in this topics during the design of the next batch of the subprojects, as it would organize the study tour to Bari, Italy for RS counterparts.

Component 3: Project Implementation Support (5 percent of project costs, US\$2.4 million from IDA loan).

This component covers costs of project management in each entity (PIU and APCU), including M&E, safeguards monitoring and compliance, audits, MIS, procurement and training, office and mobile equipment, and baseline and final impact assessment studies.

Risks

Systematic Operations Risk-rating Tool

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

Results



Project Development Objective Indicators

► Incremental areas with improved irrigation systems (Hectare(Ha), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	2,201.00	2,201.00	9,000.00
Date	30-Sep-2012	21-Nov-2016	15-Jun-2017	31-Dec-2017

► Direct project beneficiaries (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	7,623.00	6,386.00	18,000.00
Date	30-Sep-2012	21-Nov-2016	15-Jun-2017	31-Dec-2017

▲ Female beneficiaries (Percentage, Custom Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	40.00	45.00	13.00	50.00

Overall Comments

Baseline and end target values entered in ISR by mistake are wrong. in original RF baseline is 0 and end target 10. this needs to be corrected in the system.

Intermediate Results Indicators



► Number of end-user O&M agreements signed and adopted (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	2.00	3.00	10.00
Date	30-Sep-2012	21-Nov-2016	15-Jun-2017	31-Dec-2017

► Rate of O&M fee collection (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	30.00	30.00	50.00	70.00
Date	30-Sep-2012	21-Nov-2016	15-Jun-2017	31-Dec-2017

► Incremental irrigation-water added (Cubic Meter(m3), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	6,200,000.00	6,160,000.00	25,000,000.00
Date	30-Sep-2012	21-Nov-2016	15-Jun-2017	31-Dec-2017

► Conducive regulatory framework for irrigation management (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1.00	1.00	2.00
Date	30-Sep-2012	21-Nov-2016	15-Jun-2017	30-Sep-2017

Overall Comments



Data on Financial Performance

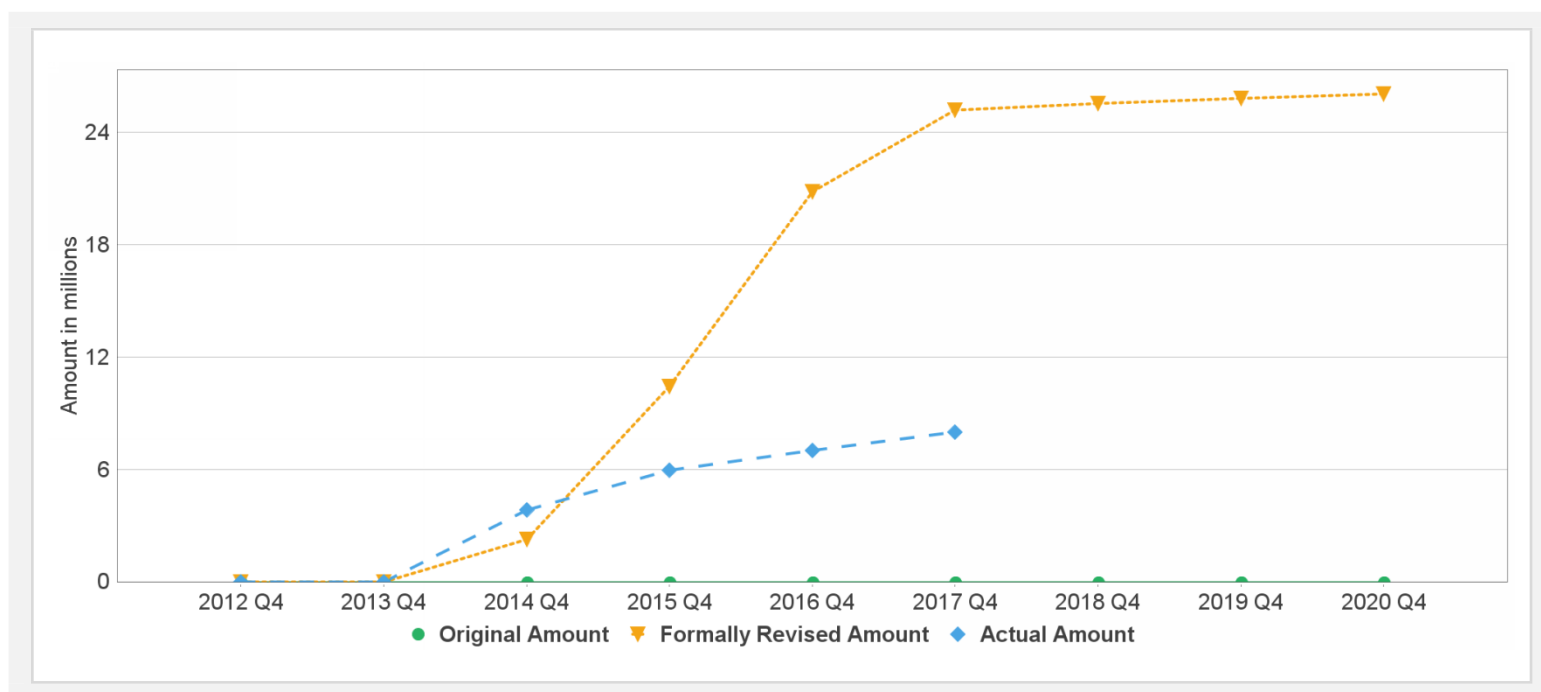
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P115954	IDA-50980	Effective	XDR	25.80	25.80	0.00	7.98	17.82	31%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P115954	IDA-50980	Effective	03-May-2012	24-Jul-2012	29-Mar-2013	31-Dec-2017	31-Dec-2017

Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)



There are no related projects.
