



1. Project Data :
OEDID: C1884
Project ID: P002341
Project Name: Municipal and Housing Development Project
Country: Senegal
Sector: Urban Management
L/C Number: Cr. 1884-SE
Partners involved : CIDA
Prepared by: Kyu Sik Lee, OEDST
Reviewed by: Yves J. Albouy
Group Manager: Roger H. Slade
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2. Project Objectives, Financing, Costs and Components :
 Objectives were to: (i) strengthen local government capacity for policy making, infrastructure investment, service delivery, and resource mobilization in the Greater Dakar area; and (ii) increase the efficiency of the housing sector by removing institutional and financial constraints to the Housing Bank of Senegal (BHS), and improving the operation of the land market. Components were: (a) establishing a Municipal Credit Fund (MCF) in BHS to finance municipal income generating sub-projects; (b) technical assistance to the Greater Dakar Intermunicipal Organization (CUD) including civil works equipment, training, and public facilities (schools and administrative centers); (c) public transport improvement through technical assistance to the Traffic Bureau and rehabilitation of the road network; (d) implementation of fiscal cadastre to increase tax revenues; (e) establishing a Land Development Corporation (SCAT-URBAM) to supply serviced plots for housing; and (f) financing a government loan to BHS for providing housing sub-loans to low income areas. The loan amount was US\$ 46 million. A balance of US\$ 2.8 million was canceled. Total project cost was \$US 75.9 million (at 1997 exchange rate).

3. Achievement of Relevant Objectives :
 The project achieved the main relevant goals of strengthening local government capacity and increasing the efficiency of the housing sector.

4. Significant Achievements :
 The objective of financing sub-loans for low income housing was substantially achieved. The BHS granted up to 1,402 sub-loans per year compared to the appraisal target of 1,500. The technical assistance to strengthen local government capacity was successfully implemented owing partly to the support of the Canadian grant and AGETIP. The project provided technical and managerial expertise to carry out civil works with necessary equipment. It financed rehabilitation of large number of public facilities including schools, pit-latrines, and administrative and training centers. The institutional strengthening with the creation of a transportation and traffic division in CUD substantially improved the public transport system.

5. Significant Shortcomings :
 The performance of SCAT-URBAM for residential land development was less satisfactory because of its poor financial position. MCF was not successful because its sub-loans with an interest rate of 6 percent could not compete with the AGETIP projects funded by grants, which was a flaw in project design. Local resource mobilization was not realized because the tax collection rate remained close to or under 50% of the billings even though the fiscal cadastre was improved.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
Outcome:	Satisfactory	Marginally Satisfactory	Two of six components were not achieved; one was partially achieved.
Institutional Dev .:	Partial	Modest	Partial achievement is classified as

			modest impact.
Sustainability :	Likely	Uncertain	The sustainability of most achievements will depend on improvement in the CUD's tax collection.
Bank Performance :	Satisfactory	Satisfactory	
Borrower Perf .:	Satisfactory	Satisfactory	
Quality of ICR :		Satisfactory	

7. Lessons of Broad Applicability :

This project was too complex and difficult to implement and supervise covering multi -sectors (transport, municipal finance, and housing and land). For a project to be manageable, it is crucial to keep it as simple as possible.

8. Audit Recommended? Yes No

9. Comments on Quality of ICR :

A summary of the Borrower report should have been included in the ICR .