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Prepared by Katharina Ferl  
Reviewed by Judyth L. Twigg  
ICR Review Coordinator Joy Behrens  
Group IEGHC (Unit 2)

2. Project Objectives and Components

a. Objectives

According to the Project Appraisal Document (PAD, p. ii) and the Financing Agreement of June 10, 2015 (p. 5), the objective of the project was “to enhance the efficiency and quality of the higher education system and the oversight and accountability of higher education institutions (HEI).”

b. Were the project objectives/key associated outcome targets revised during implementation?
c. Will a split evaluation be undertaken? 
No

d. Components
The project included two components. ("Higher" and "tertiary" education/institutions are the same, and the project documents used the terms interchangeably.)

Component 1: Strengthening the governance of the tertiary education system (appraisal estimate US$8.10 million, actual US$10.47 million). This component consisted of four sub-components.

1.1 Operationalizing governance bodies: This sub-component was to support sector-wide initiatives directed towards improving the overall governance and management of higher education. At the system level, the project was to finance equipment, training, and technical assistance to strengthen the governance of higher education in the context of a rapidly expanding system, notably by supporting the development of two higher education governance bodies: the Directorate General for Higher Education (DGHE) and the National Quality Assurance Authority (NQAA). At the institutional level, the sub-component was to finance training and capacity building of university governance bodies, notably the Board of Directors (Conseil d’Administration) and university management teams. The government was to cover recurrent operational and wage costs of the sector.

1.2 Project implementation and management: This sub-component was to finance equipment, training of staff, preparation of monitoring reports, and technical assistance to the Directorate of General Administration and Equipment (DAGE), the General Directorate for Construction of Public Buildings, universities, the Ministry of Economy and Finance, and the Tertiary Education Vocational Institute (ISEP) for the effective management and monitoring of the project. It was also to support the implementation of environmental action plans.

1.3 Development of a monitoring and evaluation system: This sub-component was to finance external evaluations of each annual performance-based contract (sub-component 2.1), to be used for decision-making for financing of each subsequent year of the project. This sub-component was also to finance data collection and analysis, technical assistance, studies, computers, servers, software, and informatics infrastructure and training.

1.4 Sector knowledge development generation: This sub-component was to finance specific studies to generate knowledge to inform decision making and to improve the performance of the system. Studies to be financed were to include: (i) evaluation of the Centres des Oeuvres Universitaires de Dakar and Saint-Louis to review their effectiveness and service delivery quality; (ii) evaluation of the Senegalese research system and management; (iii) audit of the efficiency and effectiveness of the system of bursaries allocation and management; (iv) feasibility studies for the implementation of the ISEP network as well as a second tertiary institution in Dakar, including the bidding documents, legal framework, and safeguards requirements; (v) an evaluation of university financial, procurement, and information systems for the mid-term review; (vi) an annual financial audit of universities; (vii) an annual tertiary education status report, intended to update the 2010 public expenditure and financing review of the higher education sector; and (viii) specific surveys and assessments for student satisfaction; bachelors, master's, doctoral system (LMD) implementation; and other quality-related issues.
Component 2: Improvement of effectiveness of tertiary education (appraisal estimate US$85.0 million, actual US$103.73 million). This component consisted of three sub-components:

2.1 Performance-based contracts (PBC): This sub-component was to finance incentives to improve the effectiveness, efficiency, and accountability of Higher Education Institutions (HEIs) in the use of public resources. It was to finance PBCs between tertiary institutions -- the five HEIs in the country -- and the government, through which the government agreed to pay a predetermined amount of money representing a portion of the institutional budget. In return, the institution committed to improving performance in across various kinds of activities. Each HEI was to prepare a detailed action plan and budget covering outputs and outcomes to be achieved in a five-year period. The government was to negotiate with each HEI and provide financial support to each plan. The focus was to be on long-term capacity building.

2.2 Diversifying and increasing access to short-term tertiary education: This sub-component was to improve the efficiency and relevance of the tertiary education system by reducing the overall number of years to get a degree, through an increase of short-term tertiary education and the development of alternative ways to access tertiary education. The sub-component was to finance: i) development of a decree establishing ISEPs, to provide two-year tertiary education programs linked with economic needs (agriculture, water and energy, mining, information and communications technology (ICT) and telecommunications, and management), along with their organization and operating regulations; and ii) the establishment of an ICT-facilitated network at all five public universities.

2.3 Improving the learning environment: This sub-component was to improve the quality of facilities to create a better learning environment. It was to finance the rehabilitation and expansion of facilities and purchase of equipment for the Universities of Thies, Bambey, Ziguinchor and Saint-Louis, and the rehabilitation of facilities and purchase of equipment for Cheikh Anta Diop University of Dakar (UCAD).

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

**Project Cost:** The project was estimated to cost US$127.3 million. Actual cost was US$114.18 million.

**Financing:** The project was to be financed through a US$101.3 million IDA Credit, of which US$90.08 million was disbursed. According to the ICR (p. 34), the project experienced loss of approximately US$8.47 million due to SDR/US$ exchange rate fluctuation. US$2.73 million was undisbursed/cancelled.

**Borrower Contribution:** The Borrower was to contribute US$26.0 million. The actual contribution was US$24.1 million.

**Dates:** The project was restructured twice:
On March 1, 2016, the project was restructured to: i) extend the closing date by 18 months, from June 30, 2016 to December 30, 2017, to provide additional time to complete rehabilitation and construction at some of the HEIs; and ii) reallocate funds from disbursement category 1 to disbursement category 2.

On October 4, 2017, the project was restructured to extend the project closing date by 12 months, from December 30, 2017 to December 30, 2018, to allow for further completion and expansion at the HEIs.

3. Relevance of Objectives

Rationale

According to the PAD (p. 1), at the time of appraisal, Senegal’s economy had been registering positive growth over the last decade. The sustained upward trend in growth resulted in both higher job creation in the modern sector and a decline in poverty. Furthermore, university graduates had lower unemployment rates, higher wages, and higher lifetime earnings than other categories of workers. In 2010, a Public Expenditure Review showed that workers with higher education training earned 40 – 45 percent more than workers with secondary education. The PAD also stated that, at the time of appraisal, trends in university enrollment and employment opportunities suggested a widening of the gap between skills with high demand and the education provided by public universities. A supply chain analysis conducted by the government in 2009 showed a continued demand for technical, managerial, and innovative skills in engineering, agro-industry, transportation, logistics, teaching, healthcare, ICT, and social sciences. According to the ICR (p. 7), the higher education sector was also experiencing systematic inefficiencies. In 2010, Senegal spent more in absolute terms per student than most other African countries, and twice as much per student as India, Madagascar, and Cote d’Ivoire. Since 2005, an average of 61 percent of total public expenditure on tertiary education had been allocated to student subsidies, and only 38 percent to core university functions such as teaching and research.

The objectives of the project supported the government’s higher education policy, “Vers un Sénégal Emergent: Feuille de Route de l’Enseignement Supérieur a la lumière des directives Présidentielles” (2009-2015), which aimed to: (i) expand access to institutions that offer shorter-term diploma programs; (ii) raise internal and external efficiency rates in the higher education system; (iii) improve the quality and relevance of higher education programs by putting in place systems of quality assurance; (iv) diversify sources of financing; and (v) modernize governance and management systems. The project’s objective was also in line with the country’s most recent higher education strategy, "Programme d’amélioration de la qualité, de l’équité et de la transparence -PAQUET (2018-2035)," which aims to improve quality, equity, and transparency for the education and training sector. The project’s objective also supported the Bank’s most recent Country Partnership Strategy (CPS, 2013-2017), which aimed to support the country’s National Economic and Social Development Strategy priority on human development through its first pillar, “accelerating inclusive growth and creating jobs.” The CPS contained an outcome on improving service delivery, with a specific focus on enhanced equity and quality of education; it specifically recognized low internal efficiency in the higher education sector, as well as low quality in terms of learning outcomes. Also, the objective was in line with the Bank’s 2018 Systematic Country Diagnostic, which found that in the medium to long term, only increases in productivity through strong human capital formation and innovation can lead to sustained economic growth and rising standards.
Rating
High

4. Achievement of Objectives (Efficacy)

OBJECTIVE 1
Objective
Enhanced efficiency of the higher education system

Rationale
The project’s theory of change linked establishing the DGHE, NQAA, and HEI boards of directors, the development of performance-based incentive and monitoring/evaluation mechanisms, and strengthening sector knowledge with the intermediate outcomes of improved governance and monitoring of the tertiary education system. It also linked the implementation of PBCs and the construction, rehabilitation, and equipping of targeted HEI facilities with the intermediate outcome of improved learning environments, performance, and quality management at the targeted HEIs. The establishment of the ISEP was linked with improved access to short-term tertiary education. These intermediate outcomes were in turn linked to the achievement of the project’s objective of enhanced efficiency, enabling students to proceed through the higher education system more expeditiously.

Outputs

- Facilities were rehabilitated and expanded, and equipment purchased, for the Universities of Thies, Bambey, Ziguinchor, Cheikh Anta Diop University of Dakar (UCAD), and Gaston Berger University (UCB).
- A Performance-Based Contract (PBC) mechanism was implemented, and action plans were negotiated with the DGHE for the five participating universities. The five-year PBCs have criteria related to budget adherence, strengthening of accounting and management systems, ICT network interconnectivity, and on-line teaching.
- The project supported a decree to establish ISEP, establishing its organization and operating regulations. ISEP is functional, achieving the target. The two-year program provided students with skills in some of the country’s strategic sectors such as agriculture, water and energy, mining, ICR and telecommunications, and management.
- In December 2013, an audit of the scholarship program, through which the government provided scholarships to all students enrolled in HEIs, was completed. Based on the audit, a degree to set new regulations for national and international scholarships was signed in August 2014. Previously, 86 percent of scholarships and 64 percent of public spending on higher education were allocated to students from the two richest income quintiles, while only 14 percent of scholarships and five percent of public spending were spent on the two poorest quintiles. The new criteria for the distribution of full scholarships is based 80 percent on academic criteria and 20 percent on need; half scholarships
are 60 percent scholarship-based and 40 percent need-based. The ICR (p. 18) stressed that this represented a significant shift toward access for low-income students.

Outcomes

- The promotion rate from the first year at Thies increased from 70 percent in 2011 to 88.53 percent in 2018, surpassing the target of 80 percent.
- The promotion rate from the first year at UCAD increased from 30 percent in 2011 to 45.42 percent, not achieving the target of 60 percent.
- The promotion rate from the first year at UGB increased from 70 percent in 2011 to 75 percent in 2018, not achieving the target of 90 percent.
- The promotion rate from the first year at Ziguinchor increased from 57 percent in 2011 to 71.78 percent in 2018, not achieving the target of 80 percent.
- The promotion rate from the first year at Bambey decreased from 80 percent in 2011 to 75.36 percent in 2018, not achieving the target of 90 percent.
- The percentage of students repeating the first year at UCAD decreased from 40 percent in 2011 to 29.80 percent in 2018, not achieving the target of 20 percent.

According to the ICR (p. 16), achievement of these targets was affected by student and teacher strikes during the academic years 2014-2015 and 2017-2018, prompted by late disbursement by the Ministry of Economy and Finance of student scholarship payments as well as delayed release of government funds for university construction and rehabilitation. The strikes meant that students could take only one exam for many courses, therefore reducing the opportunity to pass given that the university system in Senegal can make students fail an entire year having failed just one course.

- 950 students were enrolled in programs designed with the private sector in the ISEP, not achieving the target of 3,000 students.
- In 2018, a total of 400 students had graduated from ISEP, nearly 50 percent of whom were female, with a job placement rate of about 70 percent. Nearly 15 percent of ISEP graduates were self-employed.

The project did not address two elements of sectoral inefficiency: high spending per student and high salaries of teaching staff. While the project addressed inequitable student spending partly through the audit and improved targeting of the scholarship program, there appears to have been no effort to address overly high teacher salaries. In addition, the delayed payment of student scholarships was directly responsible for shortcomings in achieving promotion rate targets.

Rating

Modest

OBJECTIVE 2

Objective
Enhanced quality of the higher education system

Rationale
The theory of change discussed above under Objective 1 also applies here.

The outputs related to sectoral efficiency were also expected to improve quality of education at participating HEIs.

Outputs
- NQAA recruited and trained almost 200 evaluators and organized 500 self-evaluations by public and private HEIs. By project closing, it had set up quality units at every public and private HEI and had conducted more than a hundred training programs in evaluation and quality assurance.

Outcomes
- When the project started, there was no formal quality assurance or monitoring mechanism for academic programs or HEIs in the country. By project closing, NQAA had accredited 133 academic programs at public institutions, surpassing the target of 90 programs. It also expanded its mandate to include private institutions, evaluating 138 private HEIs, licensing 78 of them, and accrediting 36.
- The number of undergraduate programs elaborated according to LMD increased from zero in 2011 to 152 in 2018, achieving the target of 100 percent of undergraduate programs. All teachers (2,218) were trained in LMD pedagogy and standards, exceeding the target of 70 percent of teachers.

Rating
Substantial

OBJECTIVE 3
Objective
Enhanced oversight of higher education institutions

Rationale
The project's support for DGHE and NQAA was to contribute to increased oversight of HEIs.

Outputs
- DGHE was established in 2011 and become fully operational in 2013 to coordinate the implementation of higher education programs, provide oversight for PBC implementation, and monitor the status of reforms, achieving the target of doing so.
In 2015, the government promulgated a law reforming the governance of higher education institutions. In 2017, all decrees were written, including the decree that governed the HEI boards of directors. The law separated management functions from academic functions.

Annual higher education statistical reports are being produced, achieving the target.

Outcomes

- All of the five public universities negotiated performance-based contracts with the DGHE, surpassing the target of 80 percent.
- 20 percent of HEIs have a board of directors (conseil d'administration) that approves the annual budget, not achieving the target of 80 percent.

Rating
Substantial

OBJECTIVE 4
Objective
Enhanced accountability of higher education institutions

Rationale
The implementation of PBCs was envisioned to increase accountability of HEIs.

Outputs

- PBCs were implemented, as noted under the first objective. All five of the public universities negotiated PBCs with the DGHE, surpassing the target of four.
- In October 2012, a new financial law was adopted and is being used by all HEIs to manage their budgets, achieving the target.

Outcomes

- Based on an assessment by an independent auditor, 100 percent of targeted universities are reaching the annual targets set by their respective PBCs, surpassing the target of 90 percent.
- All government funding for HEI annual budgets is now based on PBCs (ICR, p. 51).
The ICR (p. 19) noted that the PBC mechanism is now recognized as best practice by the Ministries of Economy/Finance and Higher Education, that its use is being expanded to other sectors in Senegal, and that it is increasingly being adopted across the West African Economic and Monetary Union.

Rating
Substantial

OVERALL EFFICACY

Rationale
Based on substantial achievement of outcomes related to quality, oversight, and accountability, overall efficacy is rated Substantial.

Overall Efficacy Rating
Substantial

5. Efficiency

Economic efficiency

The economic analysis in the PAD (p. 18) stated that, during the period 2003-2007, university graduates had lower unemployment rates and higher wage differentials than all other categories of workers. Wages increased by about 10 percent for each level of education (primary, secondary, vocational and technical, in rank order), with the exception of tertiary education, where the mean wage rate was double that for general secondary education.

Both the PAD and the ICR made the following assumptions:

- Based on the 2010-2011 Senegal Poverty Monitoring Survey, wage rates were estimated for different levels of education and age, and employment probabilities were based on level of education.
- Beneficiaries of the access-related activities of the project would engage in the labor market for a period of 40 years, and beneficiaries of the quality-related activities would engage in the labor market for 15 years.
- The PAD used a discount rate of 4.75 percent. The ICR used a discount rate of 15 percent with inflation over the project's lifetime estimated at five percent, and maintenance cost for the lifetime of construction at 7.5 percent.
- The probability of project implementation was set at 63 percent.
The PAD estimated a Net Present Value (NPV) of program benefits of US$68.4 million and an IRR of 21 percent. The benefit-cost ratio was estimated at 1.9. The ICR (p. 22) calculated a NPV of US$21.4 million, an IRR of 20.2 percent, and a benefit-cost ratio of 1.6. These analyses indicated that the project was a worthwhile investment.

**Operational efficiency**

The project experienced implementation delays requiring two extensions of the closing date (a total of 30 months). Delays with counterpart funding resulted in not all rehabilitation and construction works being completed at project closing. Issues with counterpart funding were a challenge across the Bank's portfolio in the country over the project's time frame, due to government commitment being greater than resources available; the government has prioritized the military and intelligence budgets in the face of terrorist threats in neighboring countries. In addition, student and teacher strikes during the 2014-15 and 2017-18 academic years, caused by delayed payments of scholarships, resulted in shortened academic years and in students only taking one exam which reduced the opportunities for passing. Furthermore, there were six directors of DGHE over the course of project implementation, resulting in some instability, though the most recent director has been in place for five years and has had a “positive effect on management and stability” (ICR, p. 29). A 2014 law on governance of HEIs experienced implementation challenges due to resistance from some stakeholders; following stakeholder consultations, a revised law was passed in 2017.

Given the significant shortcomings in operational efficiency, the overall Efficiency rating is Modest.

**Efficiency Rating**

Modest

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

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* Refers to percent of total project cost for which ERR/FRR was calculated.

**6. Outcome**

The project was highly relevant to country conditions, government strategy, and Bank strategy. The objectives to increase higher education quality, oversight, and accountability were substantially achieved, though there were important shortcomings in achievement related to higher education efficiency. Project efficiency was modest, based on delays related to release of counterpart financing resulting in incomplete
construction/rehabilitation at HEIs and student/teacher strikes. These ratings indicate moderate shortcomings in
the project's preparation and implementation, and an Outcome rating of Moderately Satisfactory.

a. Outcome Rating
   Moderately Satisfactory

7. Risk to Development Outcome

According to the ICR (p. 35), the project built capacity through the institutionalization of DGHE and through
the development of PBCs with HEIs. Also, the capacity of NQAA was strengthened through supporting its
training of evaluators and assessing programs. These capacities appears likely to be sustained.

According to the project team (November 21, 2019), there is always a risk of unrest related to student
scholarships and teacher unions. However, the Bank team stated that the current situation is
promising because mitigation measures have been implemented to mitigate the risk of slow release of
scholarships. First, the current Minister of Higher Education has taken the bold step of engaging the unions
in a highly consultative process that begins to address their concerns related to university space issues. This
consultation has also led to a consensus between the Ministry and the unions on the continuation of higher
education reforms as outlined in the country's higher education strategy. Second, the government asked the
Bank to prepare a policy note for rational and optimal management of scholarships so that the government
could introduce a reform of the scholarship policy to make it more sustainable and efficient in the long term.

In terms of financial sustainability of the development outcomes, the ICR (p. 35) stated that the government
plans to continue financing PBCs for the five universities, and is planning to invest US$50 million to
finish delayed Thies and Ziguichor rehabilitation/construction projects and continue the ISEP expansion
plan. Furthermore, the donor community continues to be interested in supporting the higher education sector.
According to the ICR (p. 35), the Korean government supports ICT short-term trainings at the ISEP of Thies;
the French Development Agency is financing three new ISEPs in Bignonia; and the Deutsche Gesellschaft
fuer Internationale Zusammenarbeit has started conducting studies on the financing of an ISEP on
renewable energy in Mbacke. However, given continued substantial growth in costs for teaching, research,
and student scholarships, the sector will face financial constraints. Despite stated government commitment
to meeting the country's 21st-century manpower needs, growing fears of terrorist attacks in West Africa and
resulting increased military spending are putting financing constraints on other sectors.

8. Assessment of Bank Performance

a. Quality-at-Entry
   According to the ICR (p. 34), the project was built on lessons learned from previous education projects in
   Senegal and took findings of the 2010 Public Expenditure Review of the Senegal Tertiary Education
   Sector into account. Those findings included the needs to: (i) improve the performance of HEIs through
   an effective implementation of the LMD reform and a quality assurance system; (ii) change the financing
   of HEIs from input-based mechanisms to a system that links financing to performance; and (iii) revise
public expenditure priorities by increasing the share of public funding allocated to the core university missions of teaching, research, and service and lowering the higher share to social expenditure. The Bank team consulted with various stakeholders in the sector, including staff and students at HEIs, the relevant ministries, and development partners.

The Bank rated the project’s overall risk as high due to political unrest, low institutional capacity, governance challenges related to HEIs and PBCs, and shortcomings in financial management (FM) and procurement. According to the ICR (p. 29), the Bank identified mitigation measures such as: (i) including technical assistance and developing procedures to increase capacity to implement PBCs; (ii) clearly defining the roles and responsibilities of the HEIs and the Ministry of Higher Education and Scientific Research; iii) recruiting FM staff in the DAGE, developing an FM manual, setting up accounting software for the project, and including FM arrangements for the HEIs in PBCs; and (iv) recruiting procurement specialists, developing a procurement handbook for the DAGE and universities, and building capacity through equipment and training of all staff involved in procurement.

The Bank team designed an adequate results framework (see Section 9a).

Quality-at-Entry Rating
Satisfactory

b. Quality of supervision
According to the ICR (p. 34), the Bank conducted supervision missions on a bi-annual basis. The supervision team included education and fiduciary staff and consultants who were experienced in Bank operations and consistently reported on FM, procurement, and safeguards. The Bank team worked with the DGHE, HEIs, and other implementation staff to build capacity in these areas. The ICR (p. 30) stated that the Bank team worked closely with the government to address implementation bottlenecks when they arose and reported the project’s progress to Bank management through aides-memoire and Implementation Status and Results Reports (ISRs). The Bank team restructured the project twice to extend the closing date to allow for more time to complete rehabilitation and construction at several HEIs.

It was a moderate shortcoming (ICR, p. 14) that there were inconsistencies in reporting of indicators/targets in the project paper for the restructuring and some ISRs.

Quality of Supervision Rating
Moderately Satisfactory

Overall Bank Performance Rating
Moderately Satisfactory

9. M&E Design, Implementation, & Utilization
a. M&E Design

The project’s theory of change and how activities and outputs would lead to outcomes was soundly reflected in the project’s results framework. The objectives were clearly specified, and the selected indicators encompassed all outcomes of the PDO statement. The project’s intermediate results indicators were adequate to capture the contribution of the project’s outputs toward achieving PDO-level outcomes. The indicators were sufficiently specific and measurable.

The project’s M&E used the country’s Integrated Higher Education and Research Management System (SIGERS) for reporting on various project indicators. The DGHE was to be in charge of coordinating the monitoring of the implementation of the entire program.

b. M&E Implementation

According to the ICR (p. 31), several studies were conducted to assess areas such as service delivery quality, research system management, bursaries allocations, and student satisfaction. The ICR (p. 32) stated that indicators were systematically reported on throughout project implementation through SIGERS. The DGHE and universities reported on the achievement of indicators on a semi-annual basis. Furthermore, the universities reported on progress of PBCs, and external reviews of PBC implementation were conducted to ensure that targets were being met. According to the ICR (p. 32), DGHE will continue to monitor PBCs, and university budgets will continue to be allocated based on achievement of PBC indicators.

c. M&E Utilization

The ICR (p. 32) stated that the M&E system, which was implemented at the level of the information technology resource center at each university, allows for data to be collected and implementation of PBCs to be reported on, supporting DGHE to monitor PBCs and allocate university budgets accordingly. The Bank team (November 21, 2019) verified that the achievement of performance-based indicators dictated the budget allocation for HEIs as required by the project. In addition to the M&E related to project implementation, there are some policy areas that were and are being informed by the improved collection of data through SIGERS: (i) the HEI data collected is now used to inform the policy dialog with Parliament on the needs and expansion of HEIs in Senegal; and (ii) there is annual publication of a statistical yearbook for higher education, which is based on SIGERS data.

M&E Quality Rating
Substantial

10. Other Issues

a. Safeguards

The project was classified as environmental assessment category B and triggered the Bank’s safeguard policy OP/BP 4.01 (Environmental Assessment). The policy was triggered due to the construction of ISEP and the rehabilitation and construction activities at the five public universities. According to the ICR (p. 33),
an Environmental Social Management Framework and Resettlement Policy Framework were prepared. Environmental Management Plans were included as part of the bidding documents for contractors. The project monitored safeguards compliance throughout project implementation. In 2017, a resettlement issue came up, and the individual was compensated by the government for the land. Safeguard compliance was rated Moderately Satisfactory and Satisfactory in the project’s ISRs.

b. Fiduciary Compliance

Procurement

According to the ICR (p. 34), procurement was rated Satisfactory throughout project implementation. In order to ensure compliance with the Bank’s guidelines, the Bank provided training for the implementing units and the implementation teams of the sub-projects. The Bank team updated procurement plans during supervision missions that adjusted to construction delays at the HEIs.

Financial Management

The ICR (p. 33) stated that the Bank trained financial management staff at the universities and the DGHE in the implementation of FM requirements. The universities struggled to submit Interim Financial Reports (IFRs) on a timely basis due to capacity issues with consolidating and submitting financial data. However, all IFRs were submitted, and the implementing agencies complied with the financial covenants of the Financing Agreement. The external auditor’s opinions were unqualified. The project’s FM rating was Satisfactory or Moderately Satisfactory throughout implementation.

c. Unintended impacts (Positive or Negative)

None reported.

d. Other

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11. Ratings

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12. Lessons

The ICR (pp. 35-37) provided lessons, adapted here by IEG:

- **Effective accreditation mechanisms are essential for ensuring quality of higher education programs and institutions.** In this project, the NQAA’s capacity was strengthened, allowing it to evolve into an effective accreditation body. Also, NQAA has been open to having its performance evaluated by an external entity and has collaborated with other regional accreditation entities to continue to build capacity and to learn how its own processes and procedures can be strengthened.

- **Performance-based contracts are a useful tool to improve results and ensure transparency and monitoring of HEIs.** In this project, PBCs were a useful tool for HEIs to negotiate annual budgets based on targets and results, fostering the dialogue between the institutions and the Ministry of Education and Finance.

- **Buy-in on all different levels in the higher education sector is important to ensure a successful reform process.** In this project, university rectors were on board with support for proposed reforms at their universities. This had a positive impact on project implementation and will support the sustainability of project outcomes.

13. Assessment Recommended?

No

14. Comments on Quality of ICR

The ICR provided a comprehensive and candid overview of project preparation and implementation. The ICR included a traditional economic analysis. It was sufficiently outcome-driven and candid. It included data beyond that in the project's formal results framework to support assessment of achievement of objectives. The lessons learned would have benefited from being more specific, and the ICR overall could have been more concise.

a. **Quality of ICR Rating**

   Substantial