



RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF
MALI RECONSTRUCTION AND ECONOMIC RECOVERY
APPROVED ON DECEMBER 6, 2013
TO THE
REPUBLIC OF MALI

GLOBAL PRACTICE URBAN, RESILIENCE AND LAND

WESTERN AND CENTRAL AFRICA REGION

Regional Vice President:	Ousmane Diagana
Country Director:	Soukeyna Kane
Regional Director:	Simeon Kacou Ehui
Practice Manager/Manager:	Sylvie Debomy
Task Team Leader(s):	Zie Ibrahima Coulibaly, Barbry R. Keller



ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
COVID-19	Coronavirus Disease
EDM	Energy Company of Mali (<i>Energie du Mali</i>)
IPF	Investment Project Financing
MOU	Memorandum of Understanding
ODPADIN	Office of Fisheries and Aquaculture for the Niger Delta (<i>Office pour le Développement de la Pêche et de l'Aquaculture dans le Delta Intérieur du Niger</i>)
PDO	Project Development Objective
RVP	Regional Vice President
UNOPS	United Nations Office for Project Services



BASIC DATA

Product Information

Project ID P144442	Financing Instrument Investment Project Financing
Original EA Category Partial Assessment (B)	Current EA Category Partial Assessment (B)
Approval Date 06-Dec-2013	Current Closing Date 01-Dec-2020

Organizations

Borrower Republic of Mali	Responsible Agency Project Coordination Unit
------------------------------	---

Project Development Objective (PDO)

Original PDO

The objective of the proposed project is to rehabilitate basic infrastructure and restore productive activities of communities impacted by the crisis in Mali.

Summary Status of Financing (US\$, Millions)

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net Commitment	Disbursed	Undisbursed
IDA-D3730	30-Oct-2018	14-Dec-2018	30-Jan-2019	01-Dec-2020	30.00	10.73	19.30
IDA-H9010	06-Dec-2013	23-Dec-2013	19-Mar-2014	01-Dec-2020	100.00	91.30	.50

Policy Waiver(s)

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

No



I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

1. The Mali Reconstruction and Economic Recovery (P144442) was approved by the Board of Executive Directors on December 6, 2013 in the amount of US\$100 million and became effective on March 19, 2014. An additional financing (AF) in the amount of US\$30 million was approved on October 30, 2018 to scale up existing activities in project areas focusing as with the parent project on local infrastructure rehabilitation and provision of productive assets. The AF became effective on January 30, 2019.

2. The Project Development Objective (PDO) is to rehabilitate basic infrastructure and restore productive activities of communities impacted by the crisis in Mali. The project consists of three main components: (i) Rehabilitation of the local infrastructure; (ii) Support to productive investments; and (iii) Community engagement and local governance. The project has already reached more than 1.4 million direct beneficiaries out of the overall 1.5 million targeted. It is on track to meeting its outcomes targets for local infrastructure, including rehabilitated classrooms and clinics, street lighting, and seed distribution, among others. It lags somewhat behind in terms of meeting targets for water supply and transport infrastructure rehabilitation. All works for the Konna port are now completed and handover to the Port Management Agency was done in June 2020. Both PDO and Implementation Progress (IP) ratings are Moderately Satisfactory.

3. The detailed rationale and final extension plan follow. The current disbursement rate for the original financing stands at 94 percent and the commitment rate for the AF is at about 79 percent. The processes to commit the remainder of project activities were expected to be completed by August 2020 but were put on hold because of the suspension following the August 2020 coup. Following the resumption of project activities in mid-November 2020, all funds are expected to be committed by end-December 2020 and the project is expected to fully disburse and meet its outcome targets by June 2021. However, this is subject to the Client securing project activities in areas experiencing conflict, particularly the Ansongo area which saw attacks against project contractors over the last few months. The project team is already working closely with the Client to have security plans in place by mid-January 2021.

4. With regard to the funding, the May 2020 World Bank mission proposed cancellation of a few project activities for which no funding was available. The funding needs for the remainder of the activities, including the additional operating costs for the Project Implementation Unit (PIU), are expected to be fully covered. For effective implementation of the project under the updated schedule, the World Bank will maintain close monitoring of the project activities through bi-weekly meetings with implementing agencies.

5. Following the first extension of the project closing date in late 2018, the rehabilitation of the fishing port of Konna in the Mopti region and the electrification of the city of Gourma-Rharous in the Timbuktu region were the largest of the infrastructure subprojects remaining to be completed, mainly under Component 1 of the original financing.

- To date, **the fishing port of Konna** is under operation following the hiring in early June 2020 of a managing entity of the port under an Memorandum of Understanding (MOU) between the Office of Fisheries and Aquaculture for the Niger Delta (*Office pour le Développement de la Pêche et de l'Aquaculture dans le Delta Intérieur du Niger*, ODPADIN) and the Commune of Konna. However, due to the absence of a government team since early June 2020, no extension of the contract with United Nations Office for Project Services (UNOPS) – the delegated contract



management agency for the port rehabilitation -- has been possible. As a result, the port managing entity has not benefited from the training activities initially expected from UNOPS.

- With regards to the **electrification of Gourma-Rharous**, all investment works are about to be completed. With the recent appointment of a new government, a draft MOU has been finalized with the energy company (*Energie du Mali*, EDM) for full handover and actual launch of the electrical network operation thereafter.

6. The project (both Initial Financing and AF) is expected to complete most activities by the current closing date of December 1, 2020, except for 17 investment works, five acquisitions of goods and six consultant services activities which include the project closing technical, environmental and social audits. The bulk of infrastructure with risks of non-completion by the original closing date of December 1, 2020 are related to Components 1 and 2 under the AF in the project areas of Ansongo, Gao and Taoudenit, and, to a lesser extent, the area of Konna. Under Component 1, these investments include urban drainage works in Ansongo and Gao, urban road works in Gao, a water network as well as classrooms and a community health center in Taoudenit, the capital center of the newly created region with the same name. While the works for all of the above-mentioned investments are ongoing or already committed, only the studies have been completed for the water network of Taoudenit – this latter will be dropped from the project, given lack of time and funding. The bulk of the ongoing investments under Component 2 are mostly concentrated in the Ansongo area. They include the development of irrigated perimeters, the construction of related infrastructure in support of rice production, transformation, and commercialization, and the training and equipment of targeted stakeholders. Hence, while the dike rehabilitation works are currently at about 80 percent of implementation, the overall rate for the irrigation schemes rehabilitation works stands at less than 25 percent.

7. Some of the above-mentioned investments are part of the Government's emergency program which was submitted to the World Bank in 2019 for implementation under the project. These additional demands in the course of project implementation, as well as Coronavirus disease (COVID-19) and the sociopolitical crisis have hampered implementation during 2020. Thus, the extension is critical for the project to be able to achieve its expected objectives and maintain itself as a unique reference in Mali in terms of developing approaches and strategies to yield quick, tangible and sustained results in conflict-affected and insecure environments.

8. The proposed extension is in line with the World Bank Policy on Investment Project Financing (IPF) that: (i) the PDO remains achievable; (ii) the performance of the Borrower remains satisfactory; and (iii) the World Bank and the Borrower agree on actions that will be undertaken by the Borrower to complete the project by the new proposed closing date of June 30, 2021 (see attached action plan).

II. DESCRIPTION OF PROPOSED CHANGES

9. The purpose of this restructuring paper is to request a second extension of the project closing date from December 1, 2020 to June 30, 2021. Given the COVID-19 situation and the sociopolitical crisis that the country has been experiencing for some months, the Government has requested a seven-month extension of the project closing date until June 30, 2021. This brings the cumulative extensions to 31 months, thus requiring Regional Vice President (RVP) approval. The initial closing date was December 1, 2018 which had been extended for the first time by two years to December 1, 2020 when the AF was processed. The project will be 7.5 years at the proposed new closing date.



III. SUMMARY OF CHANGES

	Changed	Not Changed
Results Framework	✓	
Loan Closing Date(s)	✓	
Implementing Agency		✓
DDO Status		✓
Project's Development Objectives		✓
PBCs		✓
Components and Cost		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Disbursements Arrangements		✓
Disbursement Estimates		✓
Overall Risk Rating		✓
Safeguard Policies Triggered		✓
EA category		✓
Legal Covenants		✓
Institutional Arrangements		✓
Financial Management		✓
Procurement		✓
Implementation Schedule		✓
Other Change(s)		✓
Economic and Financial Analysis		✓
Technical Analysis		✓
Social Analysis		✓
Environmental Analysis		✓



IV. DETAILED CHANGE(S)

LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-D3730	Effective	01-Dec-2020		30-Jun-2021	30-Oct-2021
IDA-H9010	Effective	01-Dec-2018	01-Dec-2020	30-Jun-2021	30-Oct-2021



Results framework

COUNTRY: Mali

Mali Reconstruction and Economic Recovery

Project Development Objectives(s)

The objective of the proposed project is to rehabilitate basic infrastructure and restore productive activities of communities impacted by the crisis in Mali.

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	PBC	Baseline	End Target
Rehabilitate basic infrastructure			
Local infrastructure rehabilitated under the project functioning one year post rehabilitation (Percentage)		0.00	90.00
<i>Action: This indicator has been Revised</i>	<i>Rationale: Indicator revised to reflect new closing date of June 30, 2021.</i>		
People benefitting from rehabilitated local infrastructure (Number)		0.00	1,429,347.00
<i>Action: This indicator has been Revised</i>	<i>Rationale: Indicator revised to reflect new closing date of June 30, 2021.</i>		
Direct project beneficiaries (Number)		0.00	1,516,534.00
<i>Action: This indicator has been Revised</i>	<i>Rationale: Indicator revised to reflect new closing date of June 30, 2021.</i>		
Female beneficiaries (Percentage)		0.00	51.00



Indicator Name	PBC	Baseline	End Target
Restore productive activities of communities			
Productive assets rehabilitated under the project utilized for economic activities one year post rehabilitation (Percentage)		0.00	95.00
<i>Action: This indicator has been Revised</i>	<i>Rationale: Indicator revised to reflect new closing date of June 30, 2021.</i>		
People benefitting from rehabilitated productive assets (Number)		0.00	87,187.00
<i>Action: This indicator has been Revised</i>	<i>Rationale: Indicator revised to reflect new closing date of June 30, 2021.</i>		

Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
Component 1: Rehabilitation of local public infrastructure								
1.1 Classrooms rehabilitated and functional as a result of project intervention (Number)		0.00						1,641.00
<i>Action: This indicator has been Revised</i>	<i>Rationale: Indicator revised to reflect new closing date of June 30, 2021.</i>							



Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
1.2 Health facilities rehabilitated and functional as a result of project intervention (Number)		0.00						280.00
Action: This indicator has been Revised	Rationale: Indicator revised to reflect new closing date of June 30, 2021.							
1.3 Water supply systems rehabilitated and functional as a result of project intervention (Number)		0.00						718.00
Action: This indicator has been Revised	Rationale: Indicator revised to reflect new closing date of June 30, 2021.							
1.4.1 Transport infrastructure rehabilitated and functional as a result of the project intervention (Number)		78.00						17.00
Action: This indicator has been Revised	Rationale: Indicator revised to reflect new closing date of June 30, 2021.							
Roads rehabilitated (CRI, Kilometers)		0.00						137.00
Action: This indicator has been Revised	Rationale: Indicator revised to reflect new closing date of June 30, 2021.							



Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
Roads rehabilitated - rural (CRI, Kilometers)		0.00						137.00
Action: This indicator has been Revised								
1.5 Street lighting globes in place and in use as a result of the project intervention (Number)		0.00						714.00
Action: This indicator has been Revised	Rationale: <i>Indicator revised to reflect new closing date of June 30, 2021.</i>							
1.6 Temporary Jobs created (Days)		0.00						44,035.00
Action: This indicator has been Revised	Rationale: <i>Indicator revised to reflect new closing date of June 30, 2021.</i>							
1.7 Local governments benefitting from rehabilitated local infrastructure (Number)		0.00						123.00
Action: This indicator has been Revised	Rationale: <i>Indicator revised to reflect new closing date of June 30, 2021.</i>							
Component 2: Support to productive investments								
2.1. Seeds procured and distributed (Tones/year)		0.00						625.00



Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
Action: This indicator has been Revised	Rationale: Indicator revised to reflect new closing date of June 30, 2021.							
2.2. Animal feed procured and distributed (Tones/year)		0.00						4,231.00
Action: This indicator has been Revised	Rationale: Indicator revised to reflect new closing date of June 30, 2021.							
2.3. Micro-projects on productive assets financed (Number)		0.00						636.00
Action: This indicator has been Revised	Rationale: Indicator revised to reflect new closing date of June 30, 2021.							
2.4. Micro-projects for women's organization financed (Number)		0.00						393.00
Action: This indicator has been Revised	Rationale: Indicator revised to reflect new closing date of June 30, 2021.							
2.5. Rehabilitated farm land (Hectare(Ha))		0.00						2,564.00
Action: This indicator has been Revised	Rationale: Indicator revised to reflect new closing date of June 30, 2021.							



Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
2.6.Beneficiaries receiving emergency assistance (Number)		0.00						50,539.00
Action: This indicator has been Revised	Rationale: <i>Indicator revised to reflect new closing date of June 30, 2021.</i>							
2.7 Spatial multi-sectoral approach in place as a result of project intervention (Number)		0.00	1.00	1.00	0.00	0.00	0.00	2.00
Action: This indicator has been Revised	Rationale: <i>Indicator revised to reflect new closing date of June 30, 2021.</i>							
Component 3: Community engagement and local governance								
3.1.Participants in consultation activities during project implementation (Number)		0.00						296,256.00
Action: This indicator has been Revised	Rationale: <i>Indicator revised to reflect new closing date of June 30, 2021.</i>							
3.2.Participating LGs with revised PDSECs (Percentage)		0.00						100.00
Action: This indicator has been Revised	Rationale: <i>Indicator revised to reflect new closing date of June 30, 2021.</i>							



Indicator Name	PBC	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
3.3.Grievance redress mechanism are functional at the commune level (Percentage)		0.00						70.00
Action: This indicator has been Revised	Rationale: Indicator revised to reflect new closing date of June 30, 2021.							



The World Bank

Mali Reconstruction and Economic Recovery (P144442)
