Senegal Structural Reform Development Policy Operation Series (P159023)

AFRICA | Senegal | Macroeconomics, Trade and Investment Global Practice | IBRD/IDA | Development Policy Lending | FY 2017 | Seq No: 1 | ARCHIVED on 27-Jun-2018 | ISR32563

Implementing Agencies: Ministry of the Economy, Finance, and Planning, Ministry of Oil and Energies, Ministry of Communications, Telecommunications, Posts, and the Digital Economy

Key Dates

**Key Project Dates**

- Bank Approval Date: 30-Jun-2017
- Planned Mid Term Review Date: --
- Original Closing Date: 15-Dec-2018
- Effectiveness Date: 15-Sep-2017
- Actual Mid-Term Review Date: --
- Revised Closing Date: 15-Dec-2018

Program Development Objectives

Program Development Objective (from Program Document)

The Program Development Objective (PDO) of the series is to support Government’s efforts in (i) strengthening the governance and management of the energy sector to reduce costs, improve reliability and facilitate equitable access; and (ii) enhancing the legal and regulatory framework of the ICT sector to promote competition, investment and equitable access.

To this end, the Program has the following two pillars:
- Pillar 1 - Energy Sector Pillar has three policy areas (i) improving governance of the energy sector; (ii) removing barriers to investment and competition in the energy sector; and (iii) facilitating equitable access to electricity.
- Pillar 2 – ICT sector will support two policy areas on (i) improving governance of the ICT sector and (ii) removing barrier to investment and competition in the internet broadband market.

Overall Ratings

<table>
<thead>
<tr>
<th>Name</th>
<th>Previous Rating</th>
<th>Current Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Progress towards achievement of PDO</td>
<td>--</td>
<td>Moderately Satisfactory</td>
</tr>
<tr>
<td>Overall Implementation Progress (IP)</td>
<td>--</td>
<td>Moderately Satisfactory</td>
</tr>
<tr>
<td>Overall Risk Rating</td>
<td>--</td>
<td>Substantial</td>
</tr>
</tbody>
</table>

Implementation Status and Key Decisions

The first budget support was fully disbursed in September 2017. Discussion of the set of reforms that will be included in the second budget support is ongoing, with delays partly due to the complexity of the reforms. The policy matrix will be adjusted to reflect recent developments and the ongoing technical discussion of reforms with the government. There are some risks of further delays in the implementation of reforms – or in changes in the scope policy matrix – particularly in the energy sector. The team remains moderately optimistic that the targeted results can be achieved. Approval of DPO2 by the WB Board is programmed for September 2018.
## Risks

### Systematic Operations Risk-rating Tool

<table>
<thead>
<tr>
<th>Risk Category</th>
<th>Rating at Approval</th>
<th>Previous Rating</th>
<th>Current Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political and Governance</td>
<td>• Substantial</td>
<td>--</td>
<td>• Substantial</td>
</tr>
<tr>
<td>Macroeconomic</td>
<td>• Moderate</td>
<td>--</td>
<td>• Moderate</td>
</tr>
<tr>
<td>Sector Strategies and Policies</td>
<td>• High</td>
<td>--</td>
<td>• High</td>
</tr>
<tr>
<td>Technical Design of Project or Program</td>
<td>• Moderate</td>
<td>--</td>
<td>• Moderate</td>
</tr>
<tr>
<td>Institutional Capacity for Implementation and Sustainability</td>
<td>• Substantial</td>
<td>--</td>
<td>• Substantial</td>
</tr>
<tr>
<td>Fiduciary</td>
<td>• Moderate</td>
<td>--</td>
<td>• Moderate</td>
</tr>
<tr>
<td>Environment and Social</td>
<td>• Moderate</td>
<td>--</td>
<td>• Moderate</td>
</tr>
<tr>
<td>Stakeholders</td>
<td>• Moderate</td>
<td>--</td>
<td>• Moderate</td>
</tr>
<tr>
<td>Other</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Overall</td>
<td>• Substantial</td>
<td>--</td>
<td>• Substantial</td>
</tr>
</tbody>
</table>

## Results

### Results Indicators

#### SENELEC debt cover ratio (EBIDTA*/debt service) (Number, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.54</td>
<td>--</td>
<td>0.65</td>
<td>0.90</td>
</tr>
<tr>
<td>Date</td>
<td>01-Jan-2016</td>
<td>--</td>
<td>31-Dec-2016</td>
<td>31-Dec-2019</td>
</tr>
</tbody>
</table>

#### Un-served energy (total) per year (GWh) as proxy of blackouts and brownouts (Gigawatt-hour (GWh), Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>34.10</td>
<td>--</td>
<td>28.00</td>
<td>20.00</td>
</tr>
<tr>
<td>Date</td>
<td>31-Dec-2015</td>
<td>--</td>
<td>31-Dec-2017</td>
<td>31-Dec-2019</td>
</tr>
</tbody>
</table>
### Overall electricity losses as percent of electricity produced (Percentage, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>21.00</td>
<td>--</td>
<td>19.00</td>
<td>18.00</td>
</tr>
<tr>
<td>Date</td>
<td>31-Dec-2014</td>
<td>--</td>
<td>31-Dec-2017</td>
<td>31-Dec-2019</td>
</tr>
</tbody>
</table>

### Mix of non-HFO based generation (Percentage, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>10.00</td>
<td>--</td>
<td>20.00</td>
<td>43.00</td>
</tr>
<tr>
<td>Date</td>
<td>31-Dec-2015</td>
<td>--</td>
<td>31-Dec-2017</td>
<td>31-Dec-2019</td>
</tr>
</tbody>
</table>

### Installed Capacity of Renewable Energy (Percentage, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.00</td>
<td>--</td>
<td>10.00</td>
<td>29.00</td>
</tr>
<tr>
<td>Date</td>
<td>31-Dec-2015</td>
<td>--</td>
<td>31-Dec-2017</td>
<td>31-Dec-2019</td>
</tr>
</tbody>
</table>

### Share of rural population with access to electricity (Percentage, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>29.00</td>
<td>--</td>
<td>40.00</td>
<td>50.00</td>
</tr>
<tr>
<td>Date</td>
<td>31-Dec-2015</td>
<td>--</td>
<td>31-Dec-2017</td>
<td>31-Dec-2019</td>
</tr>
</tbody>
</table>
### Ranking of Senegal with respect to the A.1.02 sub-index of the Network Readiness Index (Number, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>81.00</td>
<td>--</td>
<td>73.00</td>
<td>72.00</td>
</tr>
<tr>
<td>Date</td>
<td>31-Dec-2015</td>
<td>--</td>
<td>31-Dec-2016</td>
<td>31-Dec-2019</td>
</tr>
</tbody>
</table>

### Internet penetration rate (Percentage, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>60.28</td>
<td>--</td>
<td>62.97</td>
<td>70.00</td>
</tr>
<tr>
<td>Date</td>
<td>30-Jun-2016</td>
<td>--</td>
<td>31-Dec-2017</td>
<td>31-Dec-2019</td>
</tr>
</tbody>
</table>

### Number of facility-based Internet providers (Number, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>1.00</td>
<td>--</td>
<td>3.00</td>
<td>6.00</td>
</tr>
<tr>
<td>Date</td>
<td>31-Dec-2015</td>
<td>--</td>
<td>31-Dec-2017</td>
<td>31-Dec-2019</td>
</tr>
</tbody>
</table>

### Percentage of rural households reporting access to the Internet (Percentage, Custom)

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>Actual (Previous)</th>
<th>Actual (Current)</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>2.00</td>
<td>--</td>
<td>17.00</td>
<td>4.00</td>
</tr>
<tr>
<td>Date</td>
<td>31-Dec-2015</td>
<td>--</td>
<td>31-Dec-2017</td>
<td>31-Dec-2019</td>
</tr>
</tbody>
</table>

**Comments**

The indicator has changed abruptly in 2017 as the question has been modified to: *Do you have access to the Internet in any way, whether on a mobile phone, a computer, or some other device?*  
An alternative indicator would be considered.
Overall Comments

Data on Financial Performance

Disbursements (by loan)

<table>
<thead>
<tr>
<th>Project</th>
<th>Loan/Credit/TF</th>
<th>Status</th>
<th>Currency</th>
<th>Original</th>
<th>Revised</th>
<th>Cancelled</th>
<th>Disbursed</th>
<th>Undisbursed</th>
<th>Disbursed</th>
</tr>
</thead>
<tbody>
<tr>
<td>P159023</td>
<td>IDA-60970</td>
<td>Effective</td>
<td>USD</td>
<td>60.00</td>
<td>60.00</td>
<td>0.00</td>
<td>64.68</td>
<td>0.00</td>
<td>100%</td>
</tr>
</tbody>
</table>

Key Dates (by loan)

<table>
<thead>
<tr>
<th>Project</th>
<th>Loan/Credit/TF</th>
<th>Status</th>
<th>Approval Date</th>
<th>Signing Date</th>
<th>Effectiveness Date</th>
<th>Orig. Closing Date</th>
<th>Rev. Closing Date</th>
</tr>
</thead>
</table>

Tranches

Restructuring History

There has been no restructuring to date.

Related Operations

P164525-Senegal Second Multi-Sectoral Structural Reform DPO