



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

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:	Sylvie Debomy
Task Team Leaders:	Mahine Diop, Barbry R. Keller



ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
COVID-19	Coronavirus Disease 2019
IPF	Investment Project Financing
PDO	Project Development Objective
PDSEC	Socio-economic and Cultural Development Plans
RVP	Regional Vice President



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 30-Jun-2021

Organizations

Borrower Republic of Mali	Responsible Agency Ministry of Economy and Finance
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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	Commitment	Net Disbursed	Undisbursed
IDA-D3730	30-Oct-2018	14-Dec-2018	30-Jan-2019	30-Jun-2021	30.00	23.89	6.69
IDA-H9010	06-Dec-2013	23-Dec-2013	19-Mar-2014	30-Jun-2021	100.00	91.55	.27

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 project original closing date was December 1, 2018 and was extended by two years through the AF. The latter became effective on January 30, 2019. A second extension of the closing from December 1, 2020 to June 30, 2021 was granted due to the Coronavirus Disease 2019 (COVID-19) pandemic and the sociopolitical crisis that the country has been experiencing.

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 meet outcome targets for local infrastructure, including rehabilitated classrooms and clinics, street lighting, and seed distribution, as well as restoring productive assets providing emergency assistance, and creating temporary jobs. 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 ratings are Moderately Satisfactory.

3. The previous six month closing date extension was granted to complete the outstanding activities 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. Most public infrastructure activities have now been completed. These include complementary public infrastructure works for Konna (clinic, community center, and sports complex), the N’Gouma Saraféré roadworks, and the water supply activities in the regions of Gao (Kosseye) and Tombouctou (Ber and Séké), with the exception of the Wabaria water supply project that remains incomplete. All studies (rehabilitation of Ménaka health center, Tonka water supply, and Taoudeni water supply), with the exception of the Dire roadworks study that was cancelled, have been completed. Productive activities in aquaculture in Konna (M’Bouna fishpond, floating fish cages), Sanfatou, Agoufou, Bourem, and the Tondibi irrigated perimeter have been completed. Community engagement and local governance Information, education and communication activities have continued and are on track in the economic zones of Konna, Ansongo, and Goundam. There have been some shortfalls in the Ansongo region due to security, notably the Ansongo sanitation works, the Sindiwara irrigated perimeter works, and the Bazi-Gourma water supply works which have now been canceled due to the high level of insecurity. Contract management and supervision challenges under Delegated Contract Management Agencies have further delayed the implementation of key project activities, notably in Gao and Taoudeni. While specific measures have been adopted by the project team to accelerate the implementation of remaining project activities, continued regional insecurity, a difficult implementation climate and environment, and the coming rainy season, these critical activities are all at risk of not being completed before the current closing date.

4. Current Environmental and Social ratings are moderately satisfactory, and most activities have been completed or are near completion. The Grievance Redress Mechanism is now in place and is functional for the entire project (75 percent of committees against a target of 70 percent) where complaints are received through dedicated committees that have been



trained and equipped at local level to receive and process the complaints. Enhanced M&E missions conducted by two specialized independent research groups have confirmed these results.

5. The current disbursement rate for the original financing stands at 99.7 percent and at 78.12 percent for the AF. The commitment rate for the AF stands at about 98 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 were expected to be committed by end-December 2020 for completion by the closing date. However, things are moving slower than anticipated given ongoing conflict, particularly in the Ansongo area which saw attacks against project contractors over the last few months.

6. The ongoing security situation, the impacts of COVID-19, and the sociopolitical crisis have all hampered implementation during 2020. Thus, the proposed extension to March 2022 is critical for the project to fully achieve its expected PDO 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. The World Bank is reevaluating the operational and political environment under its Operational Policy 7.30 following the change of power that recently occurred. As part of the process, it has paused disbursements¹ and ceased advancing project milestones until the evaluation is completed. This is expected to have a negative short-term impact on the project's performance.

7. The proposed extension is in line with the World Bank Policy and Directive on Investment Project Financing (IPF) that: (i) the PDO remains achievable; (ii) the Borrower's performance remains satisfactory; (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 March 31, 2022 (see Annex 1); and (iv) there are no outstanding audit reports and the audits reports are satisfactory to the World Bank. The project will continue to benefit from environmental and social provisions throughout the proposed extension period.

II. DESCRIPTION OF PROPOSED CHANGES

8. In light of the above mentioned project implementation shortfalls of remaining critical activities, and the project's satisfactory status, the Government of Mali has requested an extension of the closing date of original and AF credits (IDA D3730 and IDA H9010) by nine months from June 30, 2021 to March 31, 2022 to allow additional time for the project to complete existing activities, fully disburse remaining funds, and finalize critical planned sub-projects, such as the Taoudenit water distribution works, that were canceled because of lack of time to implement. Building on the success of the Reconstruction and Economic Recovery Project (PRRE) and the Project Implementation Unit (PIU)'s experience, the requested extension is also critical to allow the PIU to carry out preparatory works for the recently approved Community-Based Recovery and Stabilization Project for the Sahel (P173830) and the Mali Emergency and Resilience Project (P173389) under preparation where the PRRE PIU has been selected as the PIU. The PRRE will cover its operational costs for the first three months of the extension (July to September 2021) and the remaining six months will be covered by the Community Based Recovery and Stabilization for the Sahel project, once the latter project is effective. The following table

¹ The World Bank management has agreed as an interim action that for projects for Mali with closing dates of June 30, 2021 and for which a government request for extension was received prior to, or after, May 25, the extension should be granted without prejudice to the pause of disbursement in effect and the results of the assessment of the requirements in paragraph 4 of OP 7.30.



presents a summary of PRRE remaining funds, how they will be disbursed and be used to cover the proposed changes. This would be the third extension of the closing date of the original credit (original closing date: December 1, 2018) and the second extension of the closing date of the AF credit (original closing date: December 1, 2020). The implementation schedule and disbursement estimates have been revised in accordance with the proposed closing date.

PRRE Budget	US\$130 million
Committed PRRE funds up to June 30, 2021	US\$125.6 million
PRRE Project Implementation Unit operational costs to June 30, 2021 (entire length of project)	US\$4.1 million
Uncommitted PRRE funds as of June 30, 2021	US\$ 990,000
Additional PRRE project costs (Taoudenit water distribution, etc.)	US\$610,000
PRRE Project Implementation Unit operational costs from July to September 2021 (three months)	US\$350,000
Total PRRE additional costs	US\$960,000
Balance PRRE Budget	US\$30,000

9. The status (as of mid-June 2021) of the remaining activities to be completed are: the Gao city urban road works which stand at a 80 percent completion rate; the Gao city sanitation works which is at 75 percent completed; the Ansongo sanitation works which stands at a completion rate of 90 percent; the Sindiwara irrigated perimeter works with a completion rate of 79 percent; and the Taoudenit school and health clinic which stands at 80 percent and 88 percent completed, respectively.

10. The results framework is being updated to reflect the new end-of-project target date as of March 31, 2022. End-of-project targets remain the same. The table below shows the current project achievements for its PDO and intermediate indicators.

Indicator Name	Baseline (20-Nov-2013)	Actuals (24-May-2021)	End Target (20-Jun-2021)
PDO Indicators by Objectives / Outcomes			
Rehabilitate basic infrastructure			
Local infrastructure rehabilitated under the project functioning one year post rehabilitation (Number)	0.00	91.00	90.00



Indicator Name	Baseline (20-Nov-2013)	Actuals (24-May-2021)	End Target (20-Jun-2021)
People benefitting from rehabilitated local infrastructure (Number)	0.00	1,371,981.00	1,429,347.00
Direct project beneficiaries (Number)	0.00	1,434,272.00	1,516,534.00
Female beneficiaries (Percentage)	46.00	53.36	51.00
Restore productive activities of communities			
Productive assets rehabilitated under the project utilized for economic activities one year post rehabilitation (Number)	0.00	100.00	95.00
People benefitting from rehabilitated productive assets (Number)	0.00	54,291.00	87,187.00
Intermediate Results Indicators by Components			
Component 1: Rehabilitation of local public infrastructure			
1.1 Classrooms rehabilitated and functional as a result of project intervention (Number)	0.00	1,572.00	1,641.00
1.2 Health facilities rehabilitated and functional as a result of project intervention (Number)	0.00	279.00	280.00
1.3 Water supply systems rehabilitated and functional as a result of project intervention (Number)	0.00	588.00	718.00
1.4.1 Transport infrastructure rehabilitated and functional as a result of the project intervention (Number)	0.00	28.00	17.00
1.4.2 Roads rehabilitated (KM)	0.00	92.00	137.00
Roads rehabilitated – rural	78.00	78.00	137.00
1.5 Street lighting globes in place and in use as a result of the project intervention (Number)	0.00	771.00	714.00
1.6 Temporary Jobs created (Days)	0.00	30,283.00	44,035.00
1.7 Local governments benefitting from rehabilitated local infrastructure (Number)	0.00	123.00	123.00
Component 2: Support to productive investments			



Indicator Name	Baseline (20-Nov-2013)	Actuals (24-May-2021)	End Target (20-Jun-2021)
2.1. Seeds procured and distributed (Tones/year)	0.00	688.00	625.00
2.2. Animal feed procured and distributed (Tones/year)	0.00	4,603.00	4,231.00
2.3. Micro-projects on productive assets financed (Number)	0.00	619.00	636.00
2.4. Micro-projects for women's organization financed (Number)	0.00	371.00	393.00
2.5. Rehabilitated farm land (Hectare(Ha))	0.00	1,745.00	2,564.00
2.6. Beneficiaries receiving emergency assistance (Number)	0.00	50,539.00	50,539.00
2.7 Spatial multi-sectoral approach in place as a result of project intervention (Number)	0.00	1.61	2.00
Component 3: Community engagement and local governance			
3.1. Participants in consultation activities during project implementation (Number)	0.00	320,050.00	296,256.00
3.2. Participating LGs with revised socio-economic and cultural development plans (PDSECs) (Percentage)	0.00	100.00	100.00
3.3. Grievance redress mechanism are functional at the commune level (Percentage)	0.00	75.00	70.00

III. SUMMARY OF CHANGES

	Changed	Not Changed
Results Framework	✓	
Loan Closing Date(s)	✓	
Disbursement Estimates	✓	
Implementation Schedule	✓	
Implementing Agency		✓
DDO Status		✓
Project's Development Objectives		✓
PBCs		✓



Components and Cost		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Disbursements Arrangements		✓
Overall Risk Rating		✓
Safeguard Policies Triggered		✓
EA category		✓
Legal Covenants		✓
Institutional Arrangements		✓
Financial Management		✓
Procurement		✓
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	31-Mar-2022	31-Jul-2022
IDA-H9010	Effective	01-Dec-2018	01-Dec-2020, 30-Jun-2021	31-Mar-2022	31-Jul-2022

DISBURSEMENT ESTIMATES

Change in Disbursement Estimates
Yes



The World Bank

Mali Reconstruction and Economic Recovery (P144442)

Year	Current	Proposed
2014	103,208.00	0.00
2015	427,747.00	18,587,971.00
2016	579,291.00	9,111,922.00
2017	874,788.50	10,302,621.00
2018	1,288,551.50	36,563,952.00
2019	2,010,143.00	14,153,602.00
2020	2,493,588.50	12,119,000.00
2021	1,722,682.50	14,602,191.00
2022	0.00	6,960,000.00



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: End target date changed to reflect new proposed closing date of March 31, 2022.</i>		
People benefitting from rehabilitated local infrastructure (Number)		0.00	1,429,347.00
<i>Action: This indicator has been Revised</i>	<i>Rationale: End target date changed to reflect new proposed closing date of March 31, 2022.</i>		
Direct project beneficiaries (Number)		0.00	1,516,534.00
<i>Action: This indicator has been Revised</i>	<i>Rationale: End target date changed to reflect new proposed closing date of March 31, 2022.</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: End target date changed to reflect new proposed closing date of March 31, 2022.</i>		
People benefitting from rehabilitated productive assets (Number)		0.00	87,187.00
<i>Action: This indicator has been Revised</i>	<i>Rationale: End target date changed to reflect new proposed closing date of March 31, 2022.</i>		

Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	End Target
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: End target date changed to reflect new proposed closing date of March 31, 2022.</i>		
1.2 Health facilities rehabilitated and functional as a result of project intervention (Number)		0.00	280.00



Indicator Name	PBC	Baseline	End Target
Action: This indicator has been Revised	Rationale: End target date changed to reflect new proposed closing date of March 31, 2022.		
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: End target date changed to reflect new proposed closing date of March 31, 2022.		
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: End target date changed to reflect new proposed closing date of March 31, 2022.		
Roads rehabilitated (CRI, Kilometers)		0.00	137.00
Action: This indicator has been Revised	Rationale: End target date changed to reflect new proposed closing date of March 31, 2022.		
Roads rehabilitated - rural (CRI, Kilometers)		0.00	137.00
Action: This indicator has been Revised	Rationale: End target date changed to reflect new proposed closing date of March 31, 2022.		
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: End target date changed to reflect new proposed closing date of March 31, 2022.		



Indicator Name	PBC	Baseline	End Target
1.6 Temporary Jobs created (Days)		0.00	44,035.00
<i>Action: This indicator has been Revised</i>		<i>Rationale:</i>	<i>End target date changed to reflect new proposed closing date of March 31, 2022.</i>
1.7 Local governments benefitting from rehabilitated local infrastructure (Number)		0.00	123.00
<i>Action: This indicator has been Revised</i>		<i>Rationale:</i>	<i>End target date changed to reflect new proposed closing date of March 31, 2022.</i>
Component 2: Support to productive investments			
2.1. Seeds procured and distributed (Tones/year)		0.00	625.00
<i>Action: This indicator has been Revised</i>		<i>Rationale:</i>	<i>End target date changed to reflect new proposed closing date of March 31, 2022.</i>
2.2. Animal feed procured and distributed (Tones/year)		0.00	4,231.00
<i>Action: This indicator has been Revised</i>		<i>Rationale:</i>	<i>End target date changed to reflect new proposed closing date of March 31, 2022.</i>
2.3. Micro-projects on productive assets financed (Number)		0.00	636.00
<i>Action: This indicator has been Revised</i>		<i>Rationale:</i>	<i>End target date changed to reflect new proposed closing date of March 31, 2022.</i>
2.4. Micro-projects for women's organization financed (Number)		0.00	393.00
<i>Action: This indicator has been Revised</i>		<i>Rationale:</i>	



Indicator Name	PBC	Baseline	End Target
			<i>End target date changed to reflect new proposed closing date of March 31, 2022.</i>
2.5.Rehabilitated farm land (Hectare(Ha))		0.00	2,564.00
<i>Action: This indicator has been Revised</i>			<i>Rationale: End target date changed to reflect new proposed closing date of March 31, 2022.</i>
2.6.Beneficiaries receiving emergency assistance (Number)		0.00	50,539.00
<i>Action: This indicator has been Revised</i>			<i>Rationale: End target date changed to reflect new proposed closing date of March 31, 2022.</i>
2.7 Spatial multi-sectoral approach in place as a result of project intervention (Number)		0.00	2.00
<i>Action: This indicator has been Revised</i>			<i>Rationale: End target date changed to reflect new proposed closing date of March 31, 2022.</i>
Component 3: Community engagement and local governance			
3.1.Participants in consultation activities during project implementation (Number)		0.00	296,256.00
<i>Action: This indicator has been Revised</i>			<i>Rationale: End target date changed to reflect new proposed closing date of March 31, 2022.</i>
3.2.Participating LGs with revised PDSECs (Percentage)		0.00	100.00
<i>Action: This indicator has been Revised</i>			<i>Rationale: End target date changed to reflect new proposed closing date of March 31, 2022.</i>



Indicator Name	PBC	Baseline	End Target
3.3.Grievance redress mechanism are functional at the commune level (Percentage)		0.00	70.00
<i>Action: This indicator has been Revised</i>	<i>Rationale: End target date changed to reflect new proposed closing date of March 31, 2022.</i>		



Annex 1: Action Plan for Remaining Activities

Activity	Project completion rate¹	Expected completion date	Budget (US\$)
Gao City Urban Road Works	80%	September 2021	3,510,069
Gao City Sanitation Works	75%	September 2021	1,351,679
Ansongo Sanitation project	90%	August 2021	812,120
Sindiwara Irrigated Perimeter Works	79%	September 2021	3,846,955
Taoudeni School	80%	July 2021	264,845
Taoudeni Health Clinic	88%	July 2021	109,389
Taoudeni Water Supply Project	0%	January 2022	610,000
Closing Evaluations (environmental, social and financial audits)	50%	February 2022	

Note 1: Project Completion Rate: updated as of June 15, 2021