



1. Project Data:		Date Posted : 05/20/2004	
PROJ ID: P064556		Appraisal	Actual
Project Name: Burundi-Emergency Economic Recovery Credit	Project Costs (US\$M)	35	34.8
Country: Burundi	Loan/Credit (US\$M)	35	34.8
Sector(s): Board: PSD - General agriculture fishing and forestry sector (20%), General education sector (20%), Health (20%), General water sanitation and flood protection sec (20%), Housing construction (20%)	Cofinancing (US\$M)		
L/C Number: C3337; CQ169			
	Board Approval (FY)		00
Partners involved :	Closing Date	04/30/2002	10/30/2002
Prepared by :	Reviewed by :	Group Manager :	Group:
Michael R. Lav	Roy Gilbert	Kyle Peters	OEDCR
2. Project Objectives and Components			
a. Objectives			
To assist in stabilizing the economy, preparing an environment for recovery and restoring essential social services .			
b. Components			
The project provided foreign exchange for import of goods in the agriculture sector, industrial sector, transport sector, and mining sector, as well as to finance consultant's services to prepare a public expenditure review, a survey of consumer welfare, preparation of a manual of procedures for clearance of arrears of the private sector, and design of the foreign exchange auction. Counterpart funds (local currency generated by the sale of foreign exchange provided by the Credit) were used by the Government to support programs in health, education, agriculture, and re-settlement and re-integration into society for displaced households .			
c. Comments on Project Cost, Financing and Dates			
The project cost US\$ 34.8 million financed by an IDA credit. The project was appraised in March, 1999, approved by the Board on April 25, 2000, made effective on June 14, 2000, and closed on October 30, 2002, 6 months behind schedule.			
3. Achievement of Relevant Objectives:			
The credit was an initial donor effort to assist in jump-starting the economy, and achieved most of its modest objectives. 1. <i>Macro:</i> GDP grew, and imports financed by the project contributed to this recovery . A unified foreign exchange market was established, and transparent and competitive foreign exchange auctions were implemented . A public expenditure review was completed . Government arrears to private sector were settled . 2. <i>Health:</i> Health centers were rehabilitated and re-equipped. The stock of pharmaceutical products was replenished . 40 health centers were provided with essential medical equipment and laboratory tests . A national campaign against HIV/AIDS and STDs was coordinated with credit proceeds . 3. <i>Education:</i> 117 primary schools were rehabilitated and equipped, 360 classrooms reconstructed and re-equipped to provide capacity for 29,050 students. 3,000 primary school teachers were trained, and on the job training to all directors and inspectors was given, while logistic materials and equipment were provided to the Educational Planning Bureau, and textbooks and laboratory equipment supplied to country high schools serving the groups most disadvantaged . 4. <i>Agriculture:</i> Agricultural tools and seeds were given to 10,000 displaced and repatriated households . 5. <i>Re-settlement and Re-integration:</i> 10,000 housed were rebuilt, 16.55 km of drinking water supply pipes were reconstructed or rehabilitated and 2.98 Km of new pipes were installed.			
4. Significant Outcomes/Impacts:			
GDP grew by 2.1 percent in 2001 and 4.5 percent in contrast to the two prior years when it had contracted . Although GDP is projected to decline by 1.0 percent in 2003 due to the effects of adverse weather on crop production,			

economic growth should improve in 2004. Foreign exchange reserves and fiscal indicators improved. A single market-oriented rate of exchange was established. In health, primary health care was extended to the majority of the population affected areas. The HIV/AIDS and STD rates declined. In education, the rate of school enrollment improved, and equitable access to quality education improved.

5. Significant Shortcomings (including non-compliance with safeguard policies):

Only 10,000 houses were rebuilt, compared to a target of 30,000. Morbidity and infant mortality was reduced only marginally (Infant mortality was only reduced from 129 to 125 per 1,000 live births, perhaps within the margin of error of such statistics). Pervasive insecurity in some regions frustrated prospects for increasing the geographic scope and coverage of the project.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
Outcome:	Satisfactory	Satisfactory	
Institutional Dev.:	Modest	Modest	
Sustainability:	Likely	Likely	
Bank Performance:	Satisfactory	Satisfactory	
Borrower Perf.:	Satisfactory	Satisfactory	
Quality of ICR:		Satisfactory	

NOTE: ICR rating values flagged with '*' don't comply with OP/BP 13.55, but are listed for completeness.

7. Lessons of Broad Applicability:

In post-crisis situations where government is restarting basic programs, projects need to be designed flexibly. While governments need to be given intensive supervision and support, responsibilities should be devolved to the extent possible given the quality of governance. Poverty-alleviation activities in post-conflict situations need to be supported to the maximum extent feasible.

8. Assessment Recommended? Yes No

Why? A more in-depth assessment of this project would be useful to better understand how the Bank can assist conflict-affected countries, and, more specifically, to provide inputs to OED's ongoing work in conflict affected countries.

9. Comments on Quality of ICR:

Written under difficult country conditions, the ICR is of satisfactory quality. The additional information provided in the ICR (section 10) is especially useful in understanding the social and political context of this operation.