RESTRUCTURING PAPER

ON A

PROPOSED PROJECT RESTRUCTURING

OF

SMALL TOWN WATER SUPPLY AND URBAN SEPTAGE MANAGEMENT PROJECT

APPROVED ON DECEMBER 19, 2016

TO

THE REPUBLIC OF BENIN

WATER GLOBAL PRACTICE

AFRICA REGION

Regional Vice President:  Makhtar Diop
Country Director:  Pierre Frank Laporte
Senior Global Practice Director:  Guang Zhe Chen
Practice Manager/Manager:  Steven N. Schonberger
Task Team Leader:  Charles Delfieux, Sophie Cecile Marie Tremolet
### ABBREVIATIONS AND ACRONYMS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABM</td>
<td>Association of Benin Municipalities</td>
</tr>
<tr>
<td>ANAEPMR</td>
<td>Agency for Rural Water Supply (Agence Nationale d’Approvisionnement en Eau Potable en Milieu Rural)</td>
</tr>
<tr>
<td>CAA</td>
<td>Autonomous Amortization Fund (Caisse Autonome d’Amortissement)</td>
</tr>
<tr>
<td>CePEPE</td>
<td>SME Support and Promotion Center (Centre de Promotion et d’Encadrement des Petites et Moyennes Entreprises)</td>
</tr>
<tr>
<td>DA</td>
<td>Sanitation Directorate (Direction de l’Assainissement)</td>
</tr>
<tr>
<td>DG-Eau</td>
<td>Water Directorate under the Ministry of Water and Mines (Direction Générale de l’Eau)</td>
</tr>
<tr>
<td>DGDU</td>
<td>General Directorate for Urban Development (Direction Générale du Développement Urbain)</td>
</tr>
<tr>
<td>DNSP</td>
<td>National Public Health Directorate (Direction Nationale de la Santé Publique)</td>
</tr>
<tr>
<td>DSPER</td>
<td>Drinking Water Public Service and Regulation Directorate (Direction du Service Public de l’Eau et de la Régulation)</td>
</tr>
<tr>
<td>FONAGA</td>
<td>National Guarantee and Small and Medium Enterprise Assistance Fund (Fonds National de Garantie et d’Assistance aux Petites et Moyennes Entreprises)</td>
</tr>
<tr>
<td>FSTP</td>
<td>Fecal Sludge Treatment Plant</td>
</tr>
<tr>
<td>FSM</td>
<td>Fecal Sludge Management</td>
</tr>
<tr>
<td>GoB</td>
<td>Government of Benin</td>
</tr>
<tr>
<td>IDA</td>
<td>International Development Agency</td>
</tr>
<tr>
<td>MCVDD</td>
<td>Ministry of the Living Environment and Sustainable Development (Ministère du Cadre de Vie et du Développement Durable)</td>
</tr>
<tr>
<td>MDGL</td>
<td>Ministry of Decentralization and Local Governance (Ministère de la Décentralisation et de la Gouvernance Locale)</td>
</tr>
<tr>
<td>MOH</td>
<td>Ministry of Health</td>
</tr>
<tr>
<td>MEM</td>
<td>Ministry of Water and Mining (Ministère de l’Eau et des Mines)</td>
</tr>
<tr>
<td>MEEM</td>
<td>Ministry of Energy, Water and Mining (Ministère de l’Énergie, de l’Eau et des Mines)</td>
</tr>
<tr>
<td>MINFIN</td>
<td>Ministry of Economy and Finance (Ministère de l’Économie et des Finances)</td>
</tr>
<tr>
<td>MPD</td>
<td>Ministry of Planning and Development (Ministère du Plan et du Développement)</td>
</tr>
<tr>
<td>PCU</td>
<td>Project Coordination Unit</td>
</tr>
<tr>
<td>PDO</td>
<td>Project Development Objective</td>
</tr>
<tr>
<td>PEPRAPAU</td>
<td>PROJET D’APPROVISIONNEMENT EN EAU POTABLE EN MILIEU RURAL ET D’ASSAINISSEMENT DES EAUX USEES EN MILIEU URBAIN</td>
</tr>
<tr>
<td>PGSSE</td>
<td>Drinking Water Safety Management Plan (Plan de Gestion de la Sécurité Sanitaire de l'Eau)</td>
</tr>
<tr>
<td>PPP</td>
<td>Public-Private Partnership</td>
</tr>
<tr>
<td>SME</td>
<td>Small and Medium Enterprise</td>
</tr>
<tr>
<td>SUF</td>
<td>Scaling Up Facility</td>
</tr>
<tr>
<td>SONEB</td>
<td>Benin’s National Water Company (Société Nationale des Eaux du Bénin)</td>
</tr>
<tr>
<td>TFP</td>
<td>Technical and Financial Partners</td>
</tr>
</tbody>
</table>
Note to Task Teams: The following sections are system generated and can only be edited online in the Portal.

**BASIC DATA**

**Product Information**

<table>
<thead>
<tr>
<th>Project ID</th>
<th>Financing Instrument</th>
</tr>
</thead>
<tbody>
<tr>
<td>P156738</td>
<td>Investment Project Financing</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Original EA Category</th>
<th>Current EA Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partial Assessment (B)</td>
<td>Partial Assessment (B)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Approval Date</th>
<th>Current Closing Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>19-Dec-2016</td>
<td>31-Dec-2022</td>
</tr>
</tbody>
</table>

**Organizations**

<table>
<thead>
<tr>
<th>Borrower</th>
<th>Responsible Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Republic of Benin</td>
<td>Project Coordination Unit, Agence Nationale pour l'Approvisionement en l'Eau Potable en Milieu Rural</td>
</tr>
</tbody>
</table>

**Project Development Objective (PDO)**

Original PDO

The proposed development objectives of the Project are to: (i) increase access to water supply and sanitation in selected small towns and urban areas in the Recipient’s territory; (ii) strengthen service delivery capacity of water supply and sanitation sector institutions in selected small towns and urban areas in the Recipient’s territory; and (iii) in the event of an Eligible Crisis or Emergency, to provide immediate and effective response to said Eligible Crisis or Emergency.

**Summary Status of Financing**

<table>
<thead>
<tr>
<th>Ln/Cr/Tf</th>
<th>Approval</th>
<th>Signing</th>
<th>Effectiveness</th>
<th>Closing</th>
<th>Commitment</th>
<th>Disbursed</th>
<th>Undisbursed</th>
</tr>
</thead>
<tbody>
<tr>
<td>IDA-59310</td>
<td>19-Dec-2016</td>
<td>20-Jan-2017</td>
<td>23-Jun-2017</td>
<td>31-Dec-2022</td>
<td>68.00</td>
<td>4.73</td>
<td>70.86</td>
</tr>
</tbody>
</table>
I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

A. Key elements of the Project Status:

The Small Town Water Supply and Urban Septage Management Project (PEPRAU) was approved in December 2016 and became effective in June 2017. The first disbursement (advance) occurred in July 2017. Total amount disbursed so far amounts US$4.69 million, representing 6.5% of the credit amount.


Project launch took place in the context of broader institutional reforms, initiated after the approval of the PEPRAU, both in the rural and urban water sub-sectors:

(i) The establishment of the Agency for Rural Water Supply (Agence Nationale d’Approvisionnement en Eau Potable en Milieu Rural - ANAEPMR), referred to below as the Agency. The Agency was created by decree No 2017-039 of January 25, 2017 and became operational on August 1st 2017, when the Director of the Agency officially took up its functions. The Agency’s mission is to deliver on the Government’s Action Programme for the period 2016-2021 in the rural water sector sub-sector, which is a clear priority of the Government. The Agency is under the supervision of the Presidency, even though its sectoral Ministry remains the MEM. The ANAEPMR is responsible for planning and implementing all new rural water sector projects funded by the GoB, including those supported by external partners, in accordance with the National Master Plan for the Development of the Rural Water Supply Sector (Plan Directeur de Développement du sous-secteur de l’Approvisionnement en Eau Potable en Milieu Rural – PDDAEPMR). The creation of the Agency reflects the GoB’s willingness to centralize decision-making and project implementation in the water sector and to rationalize the management and governance of the projects carried out with the support of the Technical and Financial Partners (TFPs).
(ii) Agreement reached on the proposed split of the SONEB into a publicly-owned asset-holding company, which will operate under a concession contract with the GoB and a privately-owned operator which will operate under an affermage contract.

Since effectiveness, the Project has mostly focused on establishing its management structures, hiring personnel, developing and publicly releasing a procurement plan as well as on launching bidding processes for critical activities. The status of key activities of the PEPRAU is summarized below:

(i) The process to let professional water operators under subsidized concession for 60 water supply systems is underway. A call for project proposals was sent to municipalities following regional workshops to identify suitable systems for such contractual approach. Recruitment of the international and local consultants that will assist with the preparation of PPP contracts is also underway. The contracts with the private operators are expected to be signed by end of 2018.

(ii) The support to CePEPE and FONAGA for the provision of training activities to small-scale private operators and for the establishment of a risk sharing facility by the FONAGA and of a training program by the CePEPE are expected to materialize by mid-2018. A framework agreement between the FONAGA and the CAA (Autonomous Amortization Fund - Caisse Autonome d’Amortissement) has been signed.

(iii) The recruitment of the service provider for digitalizing all rural water supply networks and establishing a web-based monitoring and management system (m-water) for all existing rural water systems is on-going.

(iv) The process to recruit a firm to assist SONEB and the Project with the preparation of bidding documents for the construction of a Fecal Sludge Treatment Plant in the east of Cotonou (Sèmè-Kpodji) is underway. Other activities related to the structuring of the sanitation value chain, the letting of results-based contracts for the delivery of sanitation marketing activities and structuring the transport part of the sanitation value chain will start in 2018.

(v) The construction of a reference laboratory for drinking water and groundwater resources testing, and an organizational audit of the DG-Eau in order to redefine its roles and responsibilities following the creation of the ANAEPMR, have been initiated.

The Project progress towards achievement of PDO and Implementation Progress are rated Moderately Satisfactory. As there are multiple activities being launched in parallel given the Project's start-up phase and the number of beneficiary institutions, the Task Team has stressed the need for developing a clear planning approach, with critical paths developed for the various areas of work.

The Task Team confirms that at the time of this restructuring (i) there is no audit overdue and (ii) neither the loan, nor the country, is subject to an ongoing suspension of disbursements.

In parallel to the implementation of the PEPRAU Project, the Bank started working on the preparation of a new Rural Water Supply Universal Access Program – Programme AQUA-VIE (P164186) to be implemented by the Agency using a Programs-for-Results instrument. This Program will provide the basis for a significant scale-up of results in the rural water area.
B. Rationale for restructuring

The rationale for the proposed restructuring is underpinned by:

(i) The decision of the GoB to (a) transfer the responsibility of the implementation of the PEPRAU from a PCU within the Ministry of Energy, Water and Mines (Ministère de l’Énergie, de l’Eau et des Mines - MEEM) as envisaged at the time of Project approval to the newly established Agency, (b) designate the Agency’s Board of Directors as the Project steering committee. In addition, some institutions involved in the Project implementation have changed and/or the responsibility for the implementation of the Project’s components has evolved since the Project’s approval.

(ii) The need to expand the scope of water supply activities of the Project to support (a) the broader institutional reforms in the rural and urban water sub-sectors highlighted in the previous sections and that were launched after the Project’s approval, (b) the construction and rehabilitation of piped rural water supply systems to kick-start the implementation of the National Master Plan for the Development of the Rural Water Supply Sector (Plan Directeur de Développement du sous-secteur de l’Approvisionnement en Eau Potable en Milieu Rural – PDDAEPMR) which is a priority for the GoB.

(iii) The need to update the Project’s Result Framework to clarify the description and enhance consistency of some indicators, to revise some key assumptions underlying the indicators related to the Project’s sanitation activities, and to reflect the modified scope of the Project’s water supply activities.

The Bank received a request from the Ministry of Economy and Finance (MINFIN) dated November 10, 2017 to proceed with a Project restructuring for the following changes, prompting a Level 2 restructuring:

(i) The establishment of the Project Coordination Unit within the ANAEPMR and the designation of the ANAEPMR’s Board of Directors as the Project steering committee;

(ii) The incorporation of new activities in the Project’s scope supporting the Project’s PDO;

(iii) Update of the Project’s Results Framework.

The update of the Project’s Results Framework has been initiated during and after the mission from November 23 to December 1 and finalized during subsequent technical discussions in January and February 2018.

The following section describes the proposed changes in more detail. The Project’s legal documents and the Project’s operational manual will be amended to reflect the agreed changes. The Task Team confirms that the restructuring of the Project is not affecting:

(i) The safeguards category and safeguards policies triggered;

(ii) The Project’s disbursement arrangements;

(iii) The Project costing, as the estimated cost of the reduced activities will offset the cost of the additional activities.
II. DESCRIPTION OF PROPOSED CHANGES

A. Change in Implementing Agency

Prior to the proposed restructuring, the PCU to be hosted by the MEEM as envisaged at the time of Project approval has de-facto been incorporated into the Agency.

The Agency is not relying on individual PCUs to implement its projects. The organogram of the ANAEPMR is made up of departments in charge of the technical, fiduciary, environmental, social management of all its projects in a streamlined manner. The Project has retained a dedicated PEPRAU Coordinator reporting directly to the Head of the Agency, however, who was the former head of the PCU and who coordinates support from the Agency’s technical, fiduciary, environmental and social departments for the implementation of the PEPRAU. Other staff of the former Project’s PCU have been integrated in the ANAEPMR internal organogram in order to strengthen the various departments of the Agency and ensure it has additional resources to implement its projects. All of the key specialists of the PEPRAU’s PCU have become heads of departments within the Agency.

The Task Team has evaluated the current organogram and resources of the Agency and considers them satisfactory to implement the Project. Operating costs of the ANAEPMR that can be directly attributable to the Project implementation will be covered by the Project. Specific implementation and financial reports will continue to be produced for the Project.

B. Change in Institutional Arrangements

According to the Loan Financing Agreement, the recipient shall establish a steering committee, to be chaired by the minister responsible for energy, water and mining and comprised of representatives of MCVDD, MoH, MEF (Ministry of Economy and Finance – Ministère de l’Economie et des Finances), MDGL (Ministry of Decentralization and Local Governance - Ministère de la Décentralisation et de la Gouvernance Locale) and mayors of selected municipalities. With the proposed restructuring, the Board of Directors of the Agency will serve as the Steering Committee for the Project and will play the same role as originally envisaged for the Steering Committee. The Board of Directors of the Agency has similar membership to what was originally envisaged for the Project Steering Committee. It was established by the Decree that set up the Agency. It is composed of seven members, who represent the Presidency of the Republic (2 members), the MEM (1 member), the MEF (1 member), the MPD (Ministry of Planning and Development – Ministère du Plan et du Développement) (1 member), the MDGL (1 member), the ABM (Association of Benin Municipalities - Association des Communes du Bénin ) (1 member). The composition of the two bodies is sufficiently close to allow strong governance arrangements being in place, as long as representatives of other agencies involved in the implementation of the Project are invited on an ad-hoc basis to participate to meetings of the ANAEPMR Board of Directors. The Project has received assurances that this would be the case for sessions when matters relevant to these agencies are discussed.

In addition, some institutions involved in the Project implementation have changed and/or the responsibility for the implementation of Project’s components has evolved since the Project’s approval. Those changes are summarized below:
(i) The MEEM has seen a change in its attribution and has become the Ministry of Water and Mines (Ministère de l’Eau et des Mines - MEM), with energy having been assigned to another Ministry.

(ii) The DG-Eau and the DNSP will lead the implementation of the Component 1 instead of the DSPER (Drinking Water Public Service and Regulation Directorate – Direction du Service Public de l’Eau et de la Régulation), which was referred to in the Project document.

(iii) The DGDU and the DNSP will lead the implementation of the Subcomponents 2.1 and 2.2 instead of the Sanitation Directorate (Direction de l’Assainissement - DA) that has been dissolved since Project effectiveness.

C. Change in Legal Covenants

Given the change in institutional arrangements, the legal structure of the Project will change: (i) a Subsidiary Agreement will be signed between the GoB and the ANAEPMR and (ii) a Project Agreement will be signed between the ANAEPMR and the Bank. As a consequence the two following effectiveness conditions will be added:

(i) “The Subsidiary Agreement has been executed on behalf of the Recipient and the Project Implementing Entity.”

(ii) “The Project Agreement has been executed on behalf of the Association and the Project Implementing Entity.”

In addition, the following Date Covenant was added: “The Recipient shall, no later than June 30, 2018, establish, and thereafter maintain, throughout the Project implementation period, with composition, mandate and resources satisfactory to the Association, a steering committee, comprised of board members of the Project Implementing Entity (“Steering Committee”).”

D. Change in Components and Cost

The scope of the Component 1 of the Project (water supply activities) will be changed in order to finance additional activities supporting the Project’s PDO. The additional activities include:

(i) The construction and rehabilitation of piped rural water supply systems to kick-start the implementation of the PDDAEPMR which is a priority of the GoB. These new systems will focus on serving rural communities where needs are acute and will help the Agency establish a track record for rapid implementation.

(ii) The financing of Technical Assistance for the design and implementation of the institutional reforms for the urban and rural water sub-sectors. Those reforms supported by the Project will provide a stronger basis for increasing access to water supply in urban and rural areas in a sustainable way.

On the other hand, the number of water supply systems to be operated by professional water operators under subsidized concessions supported by the Component 1 of the Project will be reduced from 180 to 60 in order to reflect the new priority given by the Agency to establish regional affermages as service delivery model.
These changes to Component 1 encompassing water supply activities will not affect the overall cost of the Component as the estimated cost of the reduced activities will offset the cost of the additional activities.

The title and content of the Project’s components and sub-components will be amended as follows:

(i) The Component 1 will be modified to “Component 1 – Increase Access to Water Services”.

(ii) The Sub-component 1.1 will be modified to “Institutional Strengthening of Stakeholders Involved in Water Supply Delivery” and will include the following activities: “(f) Support to urban and rural water sector reforms”.

(iii) The Sub-component 1.2 will be modified to “Construction, Rehabilitation and Expansion of Water Supply Networks” and will include the following activity: “(c) Construction of water supply systems”.

E. Change in Results Framework

The Results Framework has been amended in order to:

(i) Clarify the description and enhance consistency of some indicators, as detailed in the table hereafter.

(ii) Revise some key assumptions underlying the end targets of the indicators related to some of the Project’s sanitation activities. While the initial design and scope of the Project’s sanitation activities remain unchanged, revision of key assumptions has been agreed in order to further reflect most recent global experience on the actual implementation of similar activities. Most significant changes include:

a. The Project initially assumed that 100 percent of the population in the target area in East Cotonou that currently does not have access to improved sanitation (438,500 people) will be provided with access to improved sanitation facilities under the Project, mainly as a result of the sanitation social marketing activities funded by the Project. However, since it was confirmed that the Project will not provide support in terms of financing to households for the construction of sanitation facilities -either in the form of subsidies or in the form of facilitated access to credit- it is assumed as part of this restructuring that: (i) 80 percent of the population that currently does not have access to improved sanitation will be reached out by the social marketing activities funded by the Project (350,400 people), (ii) 15 percent of the population reached out by the social marketing activities under the Project will gain access to adequate sanitation facilities / fecal sludge containment solutions as a result of the Project’s marketing campaign (52,560 people).

b. The Project initially assumed that 100 percent of the population located in the service area of the sludge treatment plant to be constructed under the Project (764,100 people) could be considered as direct Project beneficiaries. However, it was deemed difficult to establish that the totality of the people living in the service area of the sludge treatment plant could systematically benefit from the Project. It is therefore assumed as part of this restructuring that the number of beneficiaries of the sanitation activities will correspond to the number of people benefiting from social marketing activities (350,400 people) that also encompass the population gaining access to adequate fecal sludge containment solutions as a result of the Project.
(iii) Revise end targets of the indicators related to some of the Project’s water supply activities and include new intermediate indicators in order to reflect the modified scope of the Project’s Component 1. Most significant changes include:

a. The decrease of the targeted number of subsidized concession from 180 to 60 mechanically translates into a reduction of the targeted number of new household water connections from 18,000 to 6,000 as no new household water connections financed by the PEPRAU is expected to be built as part of the construction of the new piped rural water supply systems being included into the Project scope (they will be financed by another funding source). This also translates into a decrease of the number of people provided with access to improved water sources through household water connections from 432,000 to 144,000. This decrease is only partially offset by the number of new people provided with access to improved water sources through new standpipes built as part of the construction and rehabilitation of the piped rural water supply systems: 105 new standpipes benefiting to 26,250 people.

b. Three new intermediate indicators have been included into the Project’s Result Framework in order to reflect the expanded scope of the Project’s Component 1 following this restructuring:
   - Piped rural water supply systems constructed or rehabilitated under the Project (end target: 21), to kick-start the implementation of the PDDAEPMR.
   - New standpipes that are resulting from the Project intervention (end target: 105), built as part of the piped rural water supply systems constructed or rehabilitated under the Project.
   - A new institutional and contractual framework for the urban water sector is defined (end target: Yes), that will result from the financing of Technical Assistance for the design and implementation of the institutional reforms.

Further details of the changes made to each indicator are presented in the table below.
<table>
<thead>
<tr>
<th>Initial Results Indicator (per PAD)</th>
<th>Nature of change</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project Development Objectives Indicators</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>1</strong> Direct beneficiaries Project</td>
<td>The name of the indicator is unchanged. The underlying definition of this indicator was clarified and the total number was reduced.</td>
<td>This change reflects a change in Project components with respect to water, and a clarification of Project objectives with respect to sanitation. The target value was reduced from 1,196,100 to 520,000 to take account of the following:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- A decrease in the target number of people in rural areas provided with access to Improved Water Sources, from 432,000 to 170,250.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- A change in the definition of the number of direct beneficiaries from the sanitation component and a consequent reduction in target value. The initial number of direct beneficiaries from the sanitation component was estimated at 764,100 as per the PAD text and defined as “people who will benefit from an improved fecal sludge service chain, including through sanitation marketing in selected communes”. This number was estimated based on the population in the service area of the FSTP. This definition was deemed imprecise and difficult to measure. The number of direct beneficiaries is now defined as the number of people who will be impacted by social marketing activities, i.e. 58,400 households or 350,400 people.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- The number of people who will benefit from the rehabilitation of semi-collective sanitation infrastructure in Cité Vie Nouvelle and Cité Houéhiyo 1 was specifically estimated at 1600.</td>
</tr>
<tr>
<td><strong>2</strong> Number of people in rural areas provided with access to Improved Water Sources under the Project</td>
<td>The name of the indicator is unchanged. The target value was changed, from 432,000 to 170,250 to reflect the reality on the ground.</td>
<td>The restructured Project includes improved water sources that have been constructed under the Project, either through the subsidized concessions or the schemes constructed or rehabilitated as part of the implementation of the National Rural Water Sector Development Plan of the Government of Benin. For the purpose of the Project, “improved water sources” include piped household connection (house or yard connections) and public standpipes.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Under the 60 subsidized concessions, 144,000 beneficiaries are expected to be connected to 6,000 private connections. This target value was calculated on the assumption that each household connection supplies 24 people on average in rural areas.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Under the 21 piped rural water supply systems being constructed / rehabilitated, an average 5 standpipes per is planned. Each standpipe supplies 250 people. The population served would be 26,250 people.</td>
</tr>
<tr>
<td><strong>3</strong> People provided with access to &quot;improved sanitation facilities&quot; under the Project</td>
<td>The name of the indicator was changed to: “Number of people who benefited from social marketing activities with a view to invest in improved sanitation facilities”. This indicator was marked as an intermediate indicator to replace intermediate indicator 7. Indicator 7 became a PDO indicator. The definition of this indicator was clarified and the target value was changed from 438,500 to 350,400.</td>
<td>The definition of this indicator was modified to better reflect the nature of the sanitation activities undertaken by the Project. The number of people who benefited from social marketing activities with a view to invest in improved sanitation facilities is a better indicator of the nature of the Project activities. This number has been estimated based on the number of people who do not currently have access to improved sanitation in the target area in East Cotonou, i.e. Sémé-Kpodji, Porto Novo Nord and Porto Novo Lagune. The total number (350,400) was estimated based on 58,400 households with 6 people per household. This figure has been estimated based on the hypothesis that 80% of the population that currently does not have access to improved sanitation in the target area will be reached by social marketing activities (80% of 438,000).</td>
</tr>
<tr>
<td><strong>4</strong> Number of water supply systems managed by a professional operator</td>
<td>The name of the indicator is unchanged. The target value was changed to 70 (as 60 new “subsidized</td>
<td>The conditions for a water system to be counted have been relaxed as follows:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(i) Evidence of formal contract signed – maintained</td>
</tr>
</tbody>
</table>
The World Bank
Small Town Water Supply and Urban Septage Management Project (P156738)

<table>
<thead>
<tr>
<th>Initial Results Indicator (per PAD)</th>
<th>Nature of change</th>
<th>Rationale</th>
</tr>
</thead>
</table>
| under a “subsidized concession” contract | concession” contracts will be awarded instead of 180. The conditions for a water system to be counted have been relaxed slightly to improve measurability. Only 3 conditions have been retained: (i); (iii) and (v) | (ii) Minimum of 20 percent of private capital is provided – deleted, but this ratio is tracked at global level over the country in Intermediate Result Indicator 2.  
(iii) A PGSSE is finalized and approved by the DNSP – maintained  
(iv) Percentage of water samples, over each year of operation, meeting the Ministry of Health’s quality requirements in terms of chlorine residual (between 0.2 and 0.5 mg/L) > 80 percent – deleted. There are requirements in the PGSSE that cover this requirement  
(v) Regulatory and monitoring arrangements are defined and operationalized – maintained. This refers to the adoption of the m-water system, which includes an asset inventory and an operations management system  
(vi) 100 percent O&M cost recovery – deleted. This indicator was deemed too challenging to measure and to achieve  
(vii) continuity of water service > 6 hours/day for household connections– deleted. This indicator was deemed too challenging to measure and to achieve |

5 An urban hygiene promotion and sanitation strategy is defined and operationalized No change. |

Intermediate Results Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Nature of change</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 New piped household water connections that are resulting from the Project intervention</td>
<td>The target value was changed to 6,000 with a simple clarification.</td>
<td>The target value has changed from 18,000 to 6,000 piped household water connections given the reduction of the number of water supply systems to be operated by professional water operators under subsidized concessions from 180 to 60.</td>
</tr>
<tr>
<td>2 Private sector financial contribution to infrastructure development in small town water supply</td>
<td>No change, with a simple clarification.</td>
<td>The definition clarifies that this indicator is measured as the actual contribution by private sector operators, verified by the Project verifying agents.</td>
</tr>
<tr>
<td>3 Number of rural and small town water supply systems inventoried and monitored</td>
<td>No change</td>
<td>It is estimated that at least 650 water systems will be inventoried and recorded on the web-based platform by the end of the Project.</td>
</tr>
<tr>
<td>4 Number of private fecal sludge emptying firms strengthened under the Project to provide improved sanitation services</td>
<td>No change, with a simple clarification.</td>
<td>This indicator will monitor the completion of capacity building activities that will jointly contribute to improving the quality of private fecal sludge emptying services. This will include: (i) firm is incorporated (registered and formalized) into the MCVDD’s monitoring system; (ii) training according to the needs identified by the MCVDD is organized and completed; and (iii) firm is certified by the MCVDD. It was clarified that the number of firms to be counted is the number of firms that have completed all steps described in the Results Framework and are certified.</td>
</tr>
</tbody>
</table>
| 5 Fecal sludge service chain containment, emptying and transport building blocks are defined and implemented | The nature of the activity to be complied with to meet the indicator has been clarified. The indicator is now: “Strategy document for fecal sludge service chain containment, emptying and transport  
This indicator will measure the adoption of a strategy for defining the fecal sludge service chain containment.  
The fecal sludge service chain to be defined would include: (i) containment, emptying, transport, treatment and reuse/disposal; and (ii) an assessment of the involvement of the private sector in the service chain and helping define models for its implementation. |
<table>
<thead>
<tr>
<th>Initial Results Indicator (per PAD)</th>
<th>Nature of change</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>building blocks defined and operationalized”</td>
<td>It was clarified that a document will need to be produced to set out the strategy for the different steps of the sanitation value chain and will need to be approved by the Government.</td>
</tr>
<tr>
<td>SONEB creates and operationalizes a department responsible for fecal sludge treatment</td>
<td>This indicator was deleted.</td>
<td>With the upcoming urban water sector reforms, SONEB is about to embark on substantial institutional changes that will result in the company being split between an asset-holding agency and a private operator. This means that there is considerable uncertainty on the future organization of the company and of institutional responsibilities for sanitation assets. This issue should therefore be reconsidered at a later stage once the overall institutional arrangements for water and sanitation in urban areas have been clarified.</td>
</tr>
<tr>
<td>Number of urban households equipped with adequate fecal sludge containment solutions in Project areas</td>
<td>The name of the indicator was changed to “Number of people benefiting from containment solutions built following social marketing activities”. This indicator was moved to PDO indicator and replaced indicator 3. The target value for this indicator was changed from 240,000 people (40,000 households) to 52,560 people (8,760 improved sanitation solutions).</td>
<td>The initial value for this indicator was deemed too high based on results of comparable projects in the sub-region and considering the type of activities being funded by the Project. Not much has been done up to this point for urban sanitation in Cotonou, and there is considerable uncertainty on the level of demand at household level for constructing improved fecal sludge containment solutions. The target number was therefore revised down, based on the assumption that 15% of households that are reached by the sanitation marketing activities will invest in an improved fecal sludge containment solutions. This results in a target number of 52,560 people (8,760 improved sanitation facilities being built in the area of the Project) as a result of the social marketing activities, which is more in line with experiences elsewhere in the region. Note that one household is equivalent to 6 people in Benin.</td>
</tr>
<tr>
<td>Volume (mass) of BOD pollution load removed by treatment plant under the Project</td>
<td>The definition of this indicator was modified to “Volume (m³) of sludge per month being brought to the FSTP for treatment under the project”. The target value and its unit were changed.</td>
<td>This indicator was not deemed appropriate for tracking the performance of a Fecal Sludge Treatment Plant. It was deemed preferable to track the volume of sludge being brought to the FSTP for treatment. The FSTP has a capacity of 292 m³ per day in 2020. The assumption is that the FSTP will receive 80% of its capacity 22 days a month before the end of the Project. This corresponds to a volume of 5,140 m³ per month.</td>
</tr>
<tr>
<td>Number of water quality tests performed per month by the Reference Laboratory</td>
<td>The definition of the indicator was clarified. The target value was changed to 396.</td>
<td>The definition of the indicator was clarified to clarify an overall cumulative value for the number of tests throughout the life of the Project. The nature of the tests performed was also clarified to include: (i) drinking water quality as required by PGSSEs; and (ii) groundwater quality but to exclude (iii) FSTP effluent discharges (BOD, COD and TSS), given that the national reference laboratory built by the Project will only test water quality and not effluent quality. The target value was estimated based on the number of rural water systems to be constructed, rehabilitated or extended under the Project. The tests will start in 2019. The target value is defined under the assumptions that: 50% of the number of tests are performed during the first year of operation of the rural water supply system (a test by rural water supply system for the first year) and 100% of tests are performed from the second year of operation of the rural water supply system (ie 2 tests per year from the 2nd year of operation of the rural water supply system). The assumption is that the laboratory performs an average of two tests per year for rural water supply systems built or rehabilitated under the PEPR AU, (estimated to 200 rural water supply system). It is estimated that 90% of the projected tests will actually be done.</td>
</tr>
</tbody>
</table>
The initial definition of this indicator included many components, which meant that it was difficult to relate to activities planned by the Project and to monitor. This indicator now measures and monitors the grievances resolved rather than just the availability of the grievance redress mechanism.

The indicator is calculated based on the number of grievances reported and addressed, as transmitted by the Communes.

This indicator was insufficiently defined in the PAD and it was deemed premature to set up such a mechanism at this stage.

The construction and rehabilitation of piped rural water supply systems is part of the modified scope of the Project’s Component 1 induced by the restructuring in order to kick-start the implementation of the PDDAEPMR. The end target is 21 new systems.

The new standpipes will be built as part of the construction or rehabilitation of piped rural water supply systems. The end target is 105 new standpipes.

This indicator reflects the important work that the Project will support for the definition of institutional and contractual arrangements for the urban water sector. This indicator will be measured based on the production of the preliminary studies for the urban water sector reforms (to be financed by the Project) and their approbation by the Technical Committee in charge of those reforms.

Funds reallocation across disbursement categories will be made in order to reflect the changes made to the scope of Component 1. Since the number of water supply systems to be operated by professional water operators under subsidized concessions supported by the Component 1 of the Project will be reduced from 180 to 60, 2/3 of the corresponding disbursement category “(3) Cash Transfers under Part 1.2(a) of the Project” equivalent to 9,200,000 EUR will be reallocated to the disbursement category (1) in order to finance the additional activities of the Component 1 included into the scope of the Project.

Note to Task Teams: The following sections are system generated and can only be edited online in the Portal.
The World Bank
Small Town Water Supply and Urban Septage Management Project (P156738)

IV. DETAILED CHANGE(S)

IMPLEMENTING AGENCY

<table>
<thead>
<tr>
<th>Implementing Agency Name</th>
<th>Type</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Coordination Unit</td>
<td>Implementing Agency</td>
<td>Marked for Deletion</td>
</tr>
<tr>
<td>Agence Nationale pour l'Approvisionement en l'Eau Potable en Milieu Rural</td>
<td>Implementing Agency</td>
<td>New</td>
</tr>
</tbody>
</table>

RESULTS FRAMEWORK

Project Development Objective Indicators
<table>
<thead>
<tr>
<th><strong>Direct project beneficiaries</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit of Measure: <strong>Number</strong></td>
<td></td>
</tr>
<tr>
<td>Indicator Type: <strong>Custom</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Baseline</strong></td>
<td><strong>Actual (Current)</strong></td>
</tr>
<tr>
<td>Value</td>
<td>0.00</td>
</tr>
<tr>
<td>Date</td>
<td>23-Nov-2016</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Female beneficiaries</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit of Measure: <strong>Percentage</strong></td>
<td></td>
</tr>
<tr>
<td>Indicator Type: <strong>Custom Supplement</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Baseline</strong></td>
<td><strong>Actual (Current)</strong></td>
</tr>
<tr>
<td>Value</td>
<td>0.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Number of people in rural areas provided with access to Improved Water Sources under the project</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit of Measure: <strong>Number</strong></td>
<td></td>
</tr>
<tr>
<td>Indicator Type: <strong>Custom</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Baseline</strong></td>
<td><strong>Actual (Current)</strong></td>
</tr>
<tr>
<td>Value</td>
<td>0.00</td>
</tr>
<tr>
<td>Date</td>
<td>23-Nov-2016</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>People provided with access to improved sanitation services</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit of Measure: <strong>Number</strong></td>
<td></td>
</tr>
<tr>
<td>Indicator Type: <strong>Corporate</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Baseline</strong></td>
<td><strong>Actual (Current)</strong></td>
</tr>
<tr>
<td>Value</td>
<td>0.00</td>
</tr>
<tr>
<td>Date</td>
<td>23-Nov-2016</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Number of people who benefited from social marketing activities with a view to invest in improved sanitation facilities - urban</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit of Measure: <strong>Number</strong></td>
<td></td>
</tr>
<tr>
<td>Indicator Type: <strong>Custom Breakdown</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Baseline</strong></td>
<td><strong>Actual (Current)</strong></td>
</tr>
<tr>
<td>Value</td>
<td>0.00</td>
</tr>
<tr>
<td>Date</td>
<td>23-Nov-2016</td>
</tr>
<tr>
<td>------------</td>
<td>-------------</td>
</tr>
</tbody>
</table>
| **Number of water supply systems managed by a professional operator under a “subsidized concession” contract**  
Unit of Measure: Number  
Indicator Type: Custom |
| Baseline   | Actual (Current) | End Target | Action |
| Value      | 10.00        | 0.00        | 70.00      | Revised |
| Date       | 23-Nov-2016  | 13-Apr-2018 | 31-Dec-2022 |

An urban hygiene promotion and sanitation strategy is defined and operationalized  
Unit of Measure: Text  
Indicator Type: Custom

| Baseline   | Actual (Current) | End Target | Action |
| Value      | No              | No         | Yes     | No Change |
| Date       | 23-Nov-2016     | 24-Nov-2017 | 31-Dec-2022 |

Number of people benefiting from adequate fecal sludge containment solutions as a result of the social marketing activities  
Unit of Measure: Number  
Indicator Type: Custom

| Baseline   | Actual (Current) | End Target | Action |
| Value      | 0.00             | 0.00       | 52560.00 | New |
| Date       | 23-Nov-2016      | 13-Apr-2018 | 31-Dec-2022 |

**Intermediate Indicators**

New piped household water connections that are resulting from the project intervention  
Unit of Measure: Number  
Indicator Type: Custom

| Baseline   | Actual (Current) | End Target | Action |
| Value      | 0.00             | 0.00       | 6000.00 | Revised |
| Date       | 23-Nov-2016      | 13-Apr-2018 | 31-Dec-2022 |

Private sector financial contribution to infrastructure development in small town water supply  
Unit of Measure: Percentage  
Indicator Type: Custom
<table>
<thead>
<tr>
<th>Number of rural and small town water supply systems inventoried and monitored</th>
<th>Baseline</th>
<th>Actual (Current)</th>
<th>End Target</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>150.00</td>
<td>0.00</td>
<td>650.00</td>
<td>No Change</td>
</tr>
<tr>
<td>Date</td>
<td>23-Nov-2016</td>
<td>24-Nov-2017</td>
<td>31-Dec-2022</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of private fecal sludge emptying firms strengthened under the Project to provide improved sanitation services</th>
<th>Baseline</th>
<th>Actual (Current)</th>
<th>End Target</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>0.00</td>
<td>0.00</td>
<td>60.00</td>
<td>No Change</td>
</tr>
<tr>
<td>Date</td>
<td>23-Nov-2016</td>
<td>24-Nov-2017</td>
<td>31-Dec-2022</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Strategy document for fecal sludge service chain containment, emptying and transport building blocks is defined and operationalized</th>
<th>Baseline</th>
<th>Actual (Current)</th>
<th>End Target</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Revised</td>
</tr>
<tr>
<td>Date</td>
<td>23-Nov-2016</td>
<td>13-Apr-2018</td>
<td>31-Dec-2022</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SONEB creates and operationalizes a department responsible for fecal sludge treatment</th>
<th>Baseline</th>
<th>Actual (Current)</th>
<th>End Target</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Marked for Deletion</td>
</tr>
<tr>
<td>Date</td>
<td>23-Nov-2016</td>
<td>24-Nov-2017</td>
<td>31-Dec-2022</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of people who benefited from social marketing activities with a view to invest in improved sanitation facilities</th>
<th>Baseline</th>
<th>Actual (Current)</th>
<th>End Target</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Date</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indicators</td>
<td>Baseline</td>
<td>Actual (Current)</td>
<td>End Target</td>
<td>Action</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>----------</td>
<td>------------------</td>
<td>-----------------</td>
<td>----------------</td>
</tr>
<tr>
<td><strong>Volume of sludge per month being brought to the FSTP for treatment under the project</strong></td>
<td>Value 0.00</td>
<td>0.00</td>
<td>350400.00</td>
<td>Revised</td>
</tr>
<tr>
<td>Unit of Measure: Cubic Meter (m³)</td>
<td>Date 23-Nov-2016</td>
<td>13-Apr-2018</td>
<td>31-Dec-2022</td>
<td></td>
</tr>
<tr>
<td><strong>Number of water quality tests performed per month by the Reference Laboratory</strong></td>
<td>Value 0.00</td>
<td>0.00</td>
<td>5140.00</td>
<td>Revised</td>
</tr>
<tr>
<td>Unit of Measure: Number</td>
<td>Date 23-Nov-2016</td>
<td>13-Apr-2018</td>
<td>31-Dec-2022</td>
<td></td>
</tr>
<tr>
<td><strong>Grievances registered related to delivery of the Project benefits that are addressed</strong></td>
<td>Value 0.00</td>
<td>0.00</td>
<td>80.00</td>
<td>Revised</td>
</tr>
<tr>
<td>Unit of Measure: Percentage</td>
<td>Date 23-Nov-2016</td>
<td>13-Apr-2018</td>
<td>31-Dec-2022</td>
<td></td>
</tr>
<tr>
<td><strong>A feedback mechanism for citizens on sanitation service delivery is available in the Grand Nokoué Region</strong></td>
<td>Value No</td>
<td>No</td>
<td>Yes</td>
<td>Marked for Deletion</td>
</tr>
<tr>
<td>Unit of Measure: Text</td>
<td>Date 23-Nov-2016</td>
<td>24-Nov-2017</td>
<td>31-Dec-2022</td>
<td></td>
</tr>
<tr>
<td><strong>A new institutional and contractual framework for the urban water sector is defined</strong></td>
<td>Value No</td>
<td>No</td>
<td>Yes</td>
<td>Marked for Deletion</td>
</tr>
<tr>
<td>Unit of Measure: Text</td>
<td>Date 23-Nov-2016</td>
<td>24-Nov-2017</td>
<td>31-Dec-2022</td>
<td></td>
</tr>
</tbody>
</table>
### Baseline vs. Actual vs. End Target

<table>
<thead>
<tr>
<th>Value</th>
<th>Baseline</th>
<th>Actual (Current)</th>
<th>End Target</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>New</td>
</tr>
<tr>
<td>Date</td>
<td>19-Dec-2017</td>
<td>13-Apr-2018</td>
<td>31-Dec-2022</td>
<td></td>
</tr>
</tbody>
</table>

**Piped rural water supply systems constructed or rehabilitated under the Project**
- **Unit of Measure:** Number
- **Indicator Type:** Custom

<table>
<thead>
<tr>
<th>Value</th>
<th>Baseline</th>
<th>Actual (Current)</th>
<th>End Target</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td>0.00</td>
<td>21.00</td>
<td>New</td>
<td></td>
</tr>
<tr>
<td>Date</td>
<td>19-Dec-2017</td>
<td>13-Apr-2018</td>
<td>31-Dec-2022</td>
<td></td>
</tr>
</tbody>
</table>

**New standpipes that are resulting from the Project intervention**
- **Unit of Measure:** Number
- **Indicator Type:** Custom

<table>
<thead>
<tr>
<th>Value</th>
<th>Baseline</th>
<th>Actual (Current)</th>
<th>End Target</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00</td>
<td>0.00</td>
<td>105.00</td>
<td>New</td>
<td></td>
</tr>
<tr>
<td>Date</td>
<td>19-Dec-2017</td>
<td>13-Apr-2018</td>
<td>31-Dec-2022</td>
<td></td>
</tr>
</tbody>
</table>

### Components

**Current Component Name**

<table>
<thead>
<tr>
<th>Current Component Name</th>
<th>Current Cost (US$M)</th>
<th>Action</th>
<th>Proposed Component Name</th>
<th>Proposed Cost (US$M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 1: Scaling-up the Small Town Water Supply Subsidized Concession Model</td>
<td>33.50</td>
<td>Revised</td>
<td>Component 1: Increase Access to Water Services</td>
<td>33.50</td>
</tr>
<tr>
<td>Component 2: Improving Fecal Sludge Management</td>
<td>27.50</td>
<td></td>
<td>Component 2: Improving Fecal Sludge Management</td>
<td>27.50</td>
</tr>
<tr>
<td>Component 3: Project Management, Monitoring and Evaluation</td>
<td>7.00</td>
<td></td>
<td>Component 3: Project Management, Monitoring and Evaluation</td>
<td>7.00</td>
</tr>
<tr>
<td>Component 4: Contingent Emergency Response</td>
<td>0.00</td>
<td></td>
<td>Component 4: Contingent Emergency Response</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>68.00</strong></td>
<td></td>
<td><strong>68.00</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Reallocation Between Disbursement Categories

<table>
<thead>
<tr>
<th>Component Name</th>
<th>Proposed Cost (US$M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 1: Increase Access to Water Services</td>
<td>33.50</td>
</tr>
<tr>
<td>Component 2: Improving Fecal Sludge Management</td>
<td>27.50</td>
</tr>
<tr>
<td>Component 3: Project Management, Monitoring and Evaluation</td>
<td>7.00</td>
</tr>
<tr>
<td>Component 4: Contingent Emergency Response</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>68.00</strong></td>
</tr>
</tbody>
</table>
### Current Allocation

<table>
<thead>
<tr>
<th>IDA-59310-001</th>
<th>Currency: EUR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>iLap Category Sequence No: 1</strong></td>
<td>Current Expenditure Category: GD,WK,NCS,CS,OP,TR P1,2,3 x cat 2,3</td>
</tr>
<tr>
<td>46,500,000.00</td>
<td>219,870.66</td>
</tr>
<tr>
<td><strong>iLap Category Sequence No: 2</strong></td>
<td>Current Expenditure Category: Partial Credit Guarantees Part 1.1c</td>
</tr>
<tr>
<td>1,800,000.00</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>iLap Category Sequence No: 3</strong></td>
<td>Current Expenditure Category: Cash Transfers Part 1.2a</td>
</tr>
<tr>
<td>13,800,000.00</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>iLap Category Sequence No: 4</strong></td>
<td>Current Expenditure Category: Emergency expenditures Part 4</td>
</tr>
<tr>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>62,100,000.00</td>
</tr>
</tbody>
</table>

### DISBURSEMENT ESTIMATES

**Change in Disbursement Estimates**

**Yes**

<table>
<thead>
<tr>
<th>Year</th>
<th>Current</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>4,999,999.97</td>
<td>0.00</td>
</tr>
<tr>
<td>2018</td>
<td>9,999,999.96</td>
<td>4,617,757.00</td>
</tr>
<tr>
<td>2019</td>
<td>9,999,999.96</td>
<td>7,000,000.00</td>
</tr>
<tr>
<td>2020</td>
<td>12,000,000.00</td>
<td>10,000,000.00</td>
</tr>
<tr>
<td>2021</td>
<td>12,000,000.00</td>
<td>10,000,000.00</td>
</tr>
<tr>
<td>2022</td>
<td>11,000,000.04</td>
<td>17,626,000.00</td>
</tr>
<tr>
<td>2023</td>
<td>7,999,999.98</td>
<td>18,756,243.00</td>
</tr>
</tbody>
</table>
## LEGAL COVENANTS

<table>
<thead>
<tr>
<th>Loan/Credit/TF</th>
<th>Description</th>
<th>Status</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>IDA-59310</td>
<td>Institutional Arrangements (Schedule 2, Section 1.A.1): The Recipient shall, not later than one (1) month after the Effective Date, establish, and thereafter maintain, throughout the Project implementation period, with composition, mandate and resources satisfactory to the Association, a steering committee, to be chaired by the minister responsible for energy, water and mining and comprised of representatives of MCVDD, MoH, MEF, MGDL and mayors of Selected Municipalities.</td>
<td>Complied with</td>
<td>Revised</td>
</tr>
<tr>
<td>Proposed</td>
<td>Institutional Arrangements (Schedule 2, Section 1.A.1): The Recipient shall, no later than June 30, 2018, establish, and thereafter maintain, throughout the Project implementation period, with composition, mandate and resources satisfactory to the Association, a steering committee, comprised of board members of the PIE (“Steering Committee”).</td>
<td>Not yet due</td>
<td></td>
</tr>
<tr>
<td>IDA-59310</td>
<td>Institutional Arrangements (Schedule 2, Section 1.A.2): The Recipient shall maintain, throughout the Project implementation period, a project coordination unit with composition, mandate and resources satisfactory to the Association. To this end, the PCU shall: (a) recruit no later than four (4) months after the Effective Date and thereafter maintain at all times during Project implementation, an environmental and social safeguard specialist and (b) be responsible for day to day Project coordination and implementation.</td>
<td>After delay complied with</td>
<td>No Change</td>
</tr>
</tbody>
</table>

**Note to Task Teams:** End of system generated content, document is editable from here.