



RESTRUCTURING PAPER  
ON A  
PROPOSED PROJECT RESTRUCTURING  
OF  
CONGO - REP. SKILLS DEVELOPMENT FOR EMPLOYABILITY PROJECT  
APPROVED ON SEPTEMBER 17, 2013  
TO  
GOVERNMENT OF REPUBLIC OF CONGO

EDUCATION

AFRICA

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**ABBREVIATIONS AND ACRONYMS**

AFD	<i>Agence Française de Développement</i> /French Development Agency
CFAF	<i>Communauté Financière Africaine Franc</i> /African Financial Community Franc
CPS	Country Partnership Strategy
DA	Designated Account
DL	Disbursement Letter
FA	Financing Agreement
FM	Financial Management
IDA	International Development Association
IFR	Interim Financial Report
METPFQE	<i>Ministère de l'Enseignement Technique, Professionnel, de la Formation Qualifiante et de l'Emploi</i> /Ministry of Technical and Professional Education, Qualifying Training and Employment
MEPSA	<i>Ministère de l'Enseignement Primaire, Secondaire et Alphabétisation</i> /Ministry of Primary, Secondary Education and Literacy
MES	<i>Ministère de l'Enseignement Supérieur</i> /Ministry of Higher Education
PCU	Projects' Coordination Unit/ <i>Unité de Coordination des Projets</i>
PDO	Project Development Objective
PPA	Project Preparation Advance
PRAEBASE	<i>Projet d'Appui à l'Éducation de Base</i> /Basic Education Support Project
ROC	Republic of Congo
SDR	Special Drawing Rights
TVET	Technical and Vocational Education and Training



**BASIC DATA**

**Product Information**

Project ID P128628	Financing Instrument Investment Project Financing
Original EA Category Not Required (C)	Current EA Category Not Required (C)
Approval Date 17-Sep-2013	Current Closing Date 30-Sep-2018

**Organizations**

Borrower Government of Republic of Congo	Responsible Agency Ministry of Technical and Professional Education
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**Project Development Objective (PDO)**

Original PDO

The objective of the Project is to improve job and entrepreneurship skills for vulnerable urban youth in order to improve their labor market insertion and earnings.

**Summary Status of Financing**

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net Commitment	Disbursed	Undisbursed
IDA-53020	17-Sep-2013	11-Oct-2013	30-Oct-2014	30-Sep-2018	10.00	2.50	7.00

**Policy Waiver(s)**

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

No



## I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

### *Project Status*

1. The Skills Development for Employability Project (SDEP or PDCE in French) is a US\$32 million project that was approved by the Board on September 17, 2013, signed on October 11, 2013 and became effective on October 30, 2014. The current credit closing date is September 30, 2018. The project is jointly financed through an IDA credit of US\$10 million (SDR 6,700,000 equivalent), and the Borrower's counterpart funding of US\$22 million.

2. Project implementation has slowed and progressively stalled when the Borrower was unable to meet its obligations regarding counterpart funding. Only one tranche of US\$5 million was paid to fulfill effectiveness condition. Thereby the necessity to restructure the Project. The restructuring will support the Government of Congo as it undergoes a sharp decrease in domestic revenues due to the drop in oil prices and hampers the country's ability to deliver adequate social services. Since project effectiveness in October 2014, the first tranche of counterpart funding of about US\$5 million was allocated to the project only to fulfill the effectiveness condition. Thereafter, the Borrower has been unable to pay the subsequent tranches (about US\$17 million).

3. Project Status on Audits. The Project does not have any audit overdue.

### **Component 1: Improving Teaching and Learning Conditions in Primary Schools (US\$24.3 million of which IDA US\$7.6 million).**

4. This component aims to support (i) Skills training, job insertion and entrepreneurship support for 8,000 vulnerable youth; (ii) Skills training for 1,000 micro-entrepreneurs; and (iii) Apprenticeship and functional literacy training for 6,000 out-of-school adolescent youth. Progress by sub-component is elaborated below.

5. Sub-component 1.1: Skills training, job insertion and entrepreneurship support for vulnerable youth. This sub-component provides a program for short-term skills training, internships, job search support and support for entrepreneurship. The original target was for 8,000 urban vulnerable youth and young adults (ages 17-30) who do not have access to the labor market in peri-urban and urban areas of Pointe Noire and Brazzaville. To be eligible, on top of the age requirement, the candidates must meet three additional conditions i) a school dropout for at least one year; ii) attained but not graduated from secondary education; and iii) not be employed in the formal sector. To date, only 328 youth or 4.1 percent of the target have completed the qualifying training program and related internship. Slightly less than half (46 percent) of the cohort are female. Just 34 of the cohort are now employed, and about 28 percent of all beneficiaries are women (against an objective of 50 percent).

6. Another significant reason that helps explain missing the objective was the narrowness of the private supply side for skills training. Only four training providers were available and they did not offer short-term training courses as planned by the Project. The PDCE focused on short-term training with a low theoretical content because the target group was school dropouts and it was assumed that the dropouts were more interested in acquiring practical skills than go back to the classroom they ran



away from in the first place. The private training providers were requested to adjust to the demands of PDCE but they still could not absorb as many young people as envisioned. Public providers were not used because, at the time, they did not have the necessary equipment for properly training the youth.

7. Subcomponent 1.2: Skills training for micro-entrepreneurs. This sub-component finances a program for skills training for at least 1,000 young micro-entrepreneurs in Brazzaville and Pointe Noire. The aim of the training is to increase the productivity and earnings of household enterprises and micro-entrepreneurs through upgrading the skill content of their activities and helping them to scale up. To date, 470 youth, or almost half the target, and the expect target at Mid-term Review (MTR), have completed the training to micro-entrepreneurs program. The training programs were delivered by six private training providers selected on a competitive basis. Roughly two-in-five (39 percent) of the beneficiaries are women (against an objective of 50 percent). This sub-component has functioning fairly well and will be maintained.

8. Subcomponent 1.3: Apprenticeship and functional literacy training for out-of-school adolescent youth. This sub-component supports a program for apprenticeship, functional literacy and numeracy, and life skills training for at least 6,000 out-of-school and other vulnerable youth. The target group is adolescent youth ages 16-19 with less than completed secondary schooling who are not enrolled in formal schooling, and have been out of school for at least one year, although they may be attending non-formal literacy training. They are also not in a wage job. Participants are placed in apprenticeships with master craftsmen for 12 months. Master craftsmen are remunerated at a fixed rate, and the project finances some material and equipment costs. To date, only 692 youth or less than 12 percent of the target, have completed the apprenticeship program. Exactly 429 or 62 percent of the beneficiaries are women thereby exceeding the 50 percent gender target set to be reached. The main constraint for achieving the target of this sub-component was the weak capacity of the intermediary agencies that place the trainees with the master craftsmen and are required to manage contracts and monitor the relationships.

## **Component 2: Strengthen the technical, planning, implementation, and monitoring and evaluation capacity of METPFQE (US\$ 7.7 million of which IDA US\$2.4 million)**

9. The project supports strengthening the capacity of the Ministère de l'Enseignement Technique, de la Formation Professionnelle Qualifiante et de l'Emploi (METPFQE) to better plan, coordinate and support the Technical and Vocational Education and Training (TVET) system in the country, with the objective of improving its efficiency and quality while also increasing access in line with present and future labor market demands. Progress under Component 2 is slow as well: (i) the Life Skills and Functional Literacy programs (key to the first component of the project) were completed with delay, (ii) the Independent Verification Agency was also contracted and started its work in October 2016; (iii) the report on the Global Value Chain Study on Forestry and Agro-business was made available in September 2017; (iv) a draft of the Labor Market Study was received in October 2017 and still under revision.

### ***Rationale for Restructuring***

10. The main purpose of the proposed restructuring is to adjust the project's scope to fit the size of the available financing while accounting for knowledge on unit costs acquired during the implementation of this first phase. The restructuring will mainly consist of: (i) removing the counterpart funding balance from the project financing; (ii) adjusting project activities initially planned, to take into account changes in the actual implementation to-date; (iii) reducing the end-of project targets of each component and sub-component in the results framework while at the same time on integrating public sector providers; and (iv) extending the closing date from September 30, 2018 to June 30, 2020. This extension of the closing date is necessary to help the upcoming training cohort that is due to start in September 2018 to complete its training and allow enough time for the evaluation of the training's impact 3-6 months prior to the closing date.



11. The restructuring is a level 2 with no changes in the PDO. The proposed Level 2 restructuring stems from the fact that Government has not been able to meet all its payments for the counterpart funding obligations. As a result, the project activities have stalled and the project needs to be scaled down to reflect the balance of available financing. This restructuring was requested by the Government of Congo in a letter dated May 30, 2018.

12. The Republic of Congo has been facing a fiscal and economic crisis since the decline of oil prices in late 2014. As a result, the shortage of counterpart funding is affecting the entire Country portfolio of World Bank projects which has led to the restructuring of almost all projects over the last two years. The PDCE is no exception because it was designed such that every component is split with 1/3 IDA and 2/3 counterpart funding. The MTR conducted in February 2017 thus revealed a substantial financing gap, and consequently concluded that the project was unable to implement its activities as originally appraised. The absence of this critical source of financing meant that no activity could be properly implemented leading the project to a stall.

## II. DESCRIPTION OF PROPOSED CHANGES

13. **Change in Results Framework.** The Results Framework will be revised to reflect the changes in the end-of-project targets and activities. The main changes concern the reduction in the overall number of beneficiaries from 15,000 to 6,500 of which 2,800 for sub-component 1.1; 1,000 for sub-component 1.2; and 2,700 for sub-component 1.3. These targets include the number of beneficiaries of the first phase of project implementation.

14. **Change in Loan Closing Date.** The closing date is extended by 21 months from September 30, 2018 to June 30, 2020. This extension will help make sure the new training cohort will finish their training. For all beneficiaries the training last either six or nine months. These are followed by a 3-month apprenticeship and in some case a 6-month support from the training providers to help trainees find a gainful employment in the labor market or create their own businesses. Overall this amounts to an 18-month period. An additional three months is necessary for the endline impact evaluation survey to be implemented. The impact evaluation will inform the government's strategy about what works well and what works less well or not at all. The Project is supported by the Gender Innovation Lab (GIL) to evaluate the impact of the training programs on youth's employability, employment, and productivity. The reports for the baseline and midline surveys for the first cohort are available and the endline survey for the first cohort is currently underway. The GIL will continue to support the Project and also evaluate the impact for this second cohort of youth to be trained.

15. **Change in Components and Cost.** The main changes to the components and costs reflect the scaling down of the project's activities and targets in terms of number of beneficiaries. The changes are detailed by sub-component below.

16. **Component 1: Improving Teaching and Learning Conditions in Primary Schools (Original Financing US\$24.3 million of which IDA US\$7.6 million – Revised Financing US\$11.8 of which IDA US\$7.6 million).**

- a) Sub-component 1.1: Skills training, job insertion and entrepreneurship support for vulnerable youth. Activities under this component will not change but the target is revised from 8,000 to 2,800 vulnerable youth in Brazzaville and Pointe Noire. Up to date only 328 youth have benefitted from this training. A major hurdle for reaching the objective was the severely constrained supply of training. Only four private training providers were available to receive vulnerable youth and they had very limited capacity. Indeed, the providers did not have short training programs as required by the PDCE and had to adapt to the demand of PDCE to provide shorter trainings to the youth they accepted. A major change for the second phase of the project implementation is the advent of public providers. At appraisal, public providers were deemed unable to take in any of PDCE's potential beneficiaries as they simply did not have the technical capacity in terms of equipment and human resources. However, with the help of AFD many public providers have been equipped and are now in a position to receive new recruits. For the second cohort to start training in September 2018, nine public providers have been assessed and their capacity



found acceptable. Moreover, the number of private providers have also been increased from four in the first phase to nine in the second phase by adding five new private providers. As a result, 18 providers will receive and train vulnerable youth in Brazzaville and Pointe Noire compared to only four providers in the first phase.

- b) Subcomponent 1.2: Skills training for micro-entrepreneurs. NO CHANGE. This sub-component worked well during the first phase and will be maintained during this second phase.
- c) Subcomponent 1.3: Apprenticeship and functional literacy training for out-of-school adolescent youth. As for sub-component 1.1, the target for this sub-component will be revised down to 2,700 vulnerable youth to be trained by master craftsmen. The master craftsmen provide training in a large array of skills such as bakery, welding, hairdressing, sewing, embroidery, or electricity, among many others. During the first phase, only 692 youth have completed an apprenticeship. One of the main challenges encountered in recruiting enough young people in the program was the length of the recruitment campaign which was i) too short, and ii) ill-timed. Indeed, the campaign only lasted one week and was launched just before the presidential campaign. As a result, the latent demand for apprenticeship could not be captured and the project ended with a shortage of young people. After the apprenticeship started, the use of intermediary craftsmen organizations such as the Agence Nationale de l’Artisanat (ANA) and Groupement Interprofessionnel des Artisans du Congo (GIAC) to manage the contracts between the master craftsmen and the apprentices did not work well because of lack of management capacity on all sides. During the second phase of project implementation (after restructuring), a longer and more rigorous recruitment campaign will be carried out to attract more youth. In addition, ANA and GIAC will be trained in the management of such contracts. An evaluation of ANA and GIAC’s performance was carried out in early 2017 and their training will implement the recommendations of the evaluation report. The market assessment that shows the supply side of master craftsmen will not be necessary for the remainder of the project’s life and will be left for the upcoming project.

17. **Component 2: Strengthen the technical, planning, implementation, and monitoring and evaluation capacity of METPFQE (Original Financing US\$7.7 million of which IDA US\$2.4 million – Revising Financing US\$3.2 of which IDA US\$2.4 million).**.. The component will mainly finance (i) operating costs related to the project; (ii) travel, workshops, and seminars; and (iii) training and travel tours that will reinforce the METPFQE’s capacity. Several non-essential activities in this component will be cancelled and left for an upcoming skills project in FY19.

**Table 1: Project cost by Component (US\$M)**

<i>Component/Sub-component</i>	<i>Original cost</i>	<i>Reduced Counterpart Funding</i>	<i>Reduced IDA Funding</i>	<i>Proposed Final Cost</i>
<b>Component 1: Improving Teaching and Learning Conditions in Primary Schools</b>	<b>24.3</b>	<b>12.5</b>	<b>0.0</b>	<b>11.8</b>
<i>1.1: Skills training, job insertion and entrepreneurship support</i>	15.3	8.2	0.0	7.1
<i>1.2: Skills training for micro-entrepreneurs</i>	1.6	0.0	0.0	1.6
<i>1.3: Apprenticeship and functional literacy training for out-of-school adolescent youth</i>	7.4	4.3	0.0	3.1



<b>Component 2: Strengthen the technical, planning, implementation, and monitoring and evaluation capacity of METPFQE</b>	<b>7.7</b>	<b>4.5</b>	<b>0.0</b>	<b>3.2</b>
<b>TOTAL</b>	<b>32.0</b>	<b>17.0</b>	<b>0</b>	<b>15.0</b>

18. **Change in Disbursement Estimates.** The change in disbursement estimates mainly takes into account the extended timeframe of the project and the reduced scope of the project. The project costs by category for IDA financing and parameters do not change although the share of IDA financing changes to reflect the cancellation of US\$17 million from counterpart funding. According to the latest Interim Financial Report (IFR) received on May 14, 2018 there is a balance of 483.850.173 CFA Francs or roughly US\$875,000 in the counterpart account. This balance will be devoted to Part 2 of the Project in its entirety while Part 1 is solely financed under IDA. As XDR522,189 the PPA has been refinanced the proceeds are distributed across the two categories with XDR322,189 in Category 1 and the remaining XDR200,000 in Category 2.

Expected Disbursements (in USD Million) (including all Sources of Financing)								
Fiscal Year	2014	2015	2016	2017	2018	2019	2020	2021
Annual	0.00	0.75	0.73	0.79	0.56	3.05	2.65	1.47
Cumulative	0.00	0.75	1.48	2.27	2.83	5.88	8.53	10.00
Project Costs by Category of Expenditure (in USD)								
Source of Fund	Currency	Category of Expenditure	Allocation		Disbursement % (Type Total)			
			Current	Proposed	Current	Proposed		
IDAT	SDR	TA Grants for Part 1 of the Project	4,700,000	5,022,189	31.25%	100.0%		
IDAT	SDR	GDs, NCS, CS, TR, OC, WkShps for Part 2 of the Project	1,400,000	1,600,000	31.25%	90.0%		
IDAT	SDR	Refund of Preparation Advance	600,000	77,811				
		<b>Total Amount</b>	<b>6,700,000</b>	<b>6,700,000</b>				

19. **Change in Implementation Schedule.** The closing date has been extended by 21 months to allow enough time for the second cohort of vulnerable youth to finish their training and benefit from support from the training providers to facilitate their integration in the Congolese labor market as either wage workers or self-employed. The 21-month extension will also allow the finalization of the impact evaluation that will help inform what works and what doesn't work. Finally, the extension will help recover the time lost because of the delay in effectiveness and the inability of the project to implement its activities because of the lack of counterpart funding.

20. The Project Coordination Unit (PCU) created by the Decree No 2867/METFPQE on April 20, 2007 is charged to carry out the technical, administration and financial management of all the Ministry's projects including PDCE. The PCU would be under the Director General for Qualifying Training and employment. The PCU was meant to be mostly staffed by civil servants. However, it proved difficult to find civil servants qualified for the M&E, Communication, FM, and Procurement functions. As a result, PDCE resorted to hiring "consultants" to fill these positions instead of civil servants. The PCU is composed of six civil servants and five consultants hired with one-year contracts renewable depending on performance. The PCU's capacity to handle FM and Procurement issues has been assessed and with the consultants on board the PCU is able to carry out those functions. A training plan is in place for all civil servants of the PCU for the second phase of PDCE. In addition, a Project Steering Committee (SC) is in place for the PDCE in lieu of a Project Consultative Committee (CC). The Project SC plays the same envisioned role than the CC.



### III. SUMMARY OF CHANGES

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

### IV. DETAILED CHANGE(S)

#### RESULTS FRAMEWORK



Project Development Objective Indicators

Youth who complete the training supported by the project (%)

Unit of Measure: Percentage

Indicator Type: Custom

	Baseline	Actual (Current)	End Target	Action
Value	0.00	93.00	70.00	Revised
Date	17-Sep-2013	22-Nov-2017	30-Jun-2020	

Percentage female

Unit of Measure: Percentage

Indicator Type: Custom Supplement

	Baseline	Actual (Current)	End Target	Action
Value	0.00	30.00	50.00	No Change

Training providers reaching performance benchmarks (%)

Unit of Measure: Percentage

Indicator Type: Custom

	Baseline	Actual (Current)	End Target	Action
Value	0.00	69.00	60.00	Revised
Date	17-Sep-2013	22-Nov-2017	30-Jun-2020	

Increase in trained youth who are employed or self-employed one year after completing training (%)

Unit of Measure: Percentage

Indicator Type: Custom

	Baseline	Actual (Current)	End Target	Action
Value	0.00	0.00	7.50	Revised
Date	17-Sep-2013	22-Nov-2017	30-Jun-2020	

Increase in average earnings of youth after completing training (%)

Unit of Measure: Percentage

Indicator Type: Custom

	Baseline	Actual (Current)	End Target	Action
Value	0.00	0.00	5.00	Revised



Date	17-Sep-2013	22-Nov-2017	30-Jun-2020
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**Intermediate Indicators**

<b>Direct project beneficiaries</b>				
Unit of Measure: Number				
Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	1499.00	6500.00	Revised
Date	17-Sep-2013	05-Jun-2018	30-Jun-2020	

<b>Female beneficiaries</b>				
Unit of Measure: Percentage				
Indicator Type: Custom Supplement				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	46.00	50.00	No Change

<b>Youth enrolled in school-based skills training supported by the project (Phase 1)</b>				
Unit of Measure: Number				
Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	328.00	2800.00	Revised
Date	17-Sep-2013	22-Nov-2017	30-Jun-2020	

<b>Percentage female</b>				
Unit of Measure: Percentage				
Indicator Type: Custom Supplement				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	14.00	50.00	Revised

<b>Youth enrolled in entrepreneurship/job insertion support (Phase 2&amp;3)</b>				
Unit of Measure: Number				
Indicator Type: Custom				



	Baseline	Actual (Current)	End Target	Action
Value	0.00	328.00	1800.00	Revised
Date	17-Sep-2013	22-Nov-2017	30-Jun-2020	

Percentage female  
Unit of Measure: Percentage  
Indicator Type: Custom Supplement

	Baseline	Actual (Current)	End Target	Action
Value	0.00	15.00	50.00	Revised

Micro-entrepreneurs enrolled in pilot skills training program  
Unit of Measure: Number  
Indicator Type: Custom

	Baseline	Actual (Current)	End Target	Action
Value	0.00	479.00	1000.00	Revised
Date	17-Sep-2013	22-Nov-2017	30-Jun-2020	

Percentage female  
Unit of Measure: Percentage  
Indicator Type: Custom Supplement

	Baseline	Actual (Current)	End Target	Action
Value	0.00	37.00	50.00	Revised

Adolescent youth enrolled in apprenticeships  
Unit of Measure: Number  
Indicator Type: Custom

	Baseline	Actual (Current)	End Target	Action
Value	0.00	692.00	2700.00	Revised
Date	17-Sep-2013	22-Nov-2017	30-Jun-2020	

Percentage female  
Unit of Measure: Percentage



Indicator Type: Custom Supplement				
	Baseline	Actual (Current)	End Target	Action
Value	0.00	59.00	50.00	No Change
Market Assessment Study completed Unit of Measure: Yes/No Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	No	No	Yes	Marked for Deletion
Date	17-Sep-2013	22-Nov-2017	30-Apr-2019	
Beneficiary surveys of impact evaluation completed (baseline, mid-line, end-line) Unit of Measure: Yes/No Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	No	Yes	Yes	Revised
Date	17-Sep-2013	22-Nov-2017	28-Jun-2019	
Data base of TVET provision established (baseline) Unit of Measure: Yes/No Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	No	No	Yes	Revised
Date	17-Sep-2013	22-Nov-2017	21-Dec-2018	
Global Value Chain Study completed Unit of Measure: Yes/No Indicator Type: Custom				
	Baseline	Actual (Current)	End Target	Action
Value	No	Yes	Yes	Revised
Date	17-Sep-2013	22-Nov-2017	21-Dec-2018	
Skills development strategy document prepared Unit of Measure: Yes/No Indicator Type: Custom				



	Baseline	Actual (Current)	End Target	Action
Value	No	No	Yes	Revised
Date	17-Sep-2013	22-Nov-2017	27-Sep-2019	

**COMPONENTS**

Current Component Name	Current Cost (US\$M)	Action	Proposed Component Name	Proposed Cost (US\$M)
Component 1: Skills training, job insertion and entrepreneurship support for vulnerable youth and micro-entrepreneurs	24.30	Revised	Component 1: Skills training, job insertion and entrepreneurship support for vulnerable youth and micro-entrepreneurs	11.80
Component 2: Strengthen the technical, planning, implementation, and monitoring and evaluation capacity of METPFQE	7.70	Revised	Component 2: Strengthen the technical, planning, implementation, and monitoring and evaluation capacity of METPFQE	3.20
<b>TOTAL</b>	<b>32.00</b>			<b>15.00</b>

**LOAN CLOSING DATE(S)**

Ln/Cr/Tf	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-53020	Effective	30-Sep-2018		30-Jun-2020	30-Oct-2020

**DISBURSEMENT ESTIMATES**

Change in Disbursement Estimates

Yes

Year	Current	Proposed
2014	670,000.00	0.00
2015	2,000,000.00	749,000.00



2016	2,330,000.00	730,000.00
2017	2,330,000.00	790,000.00
2018	2,330,000.00	560,000.00
2019	340,000.00	3,050,000.00
2020	0.00	2,650,000.00
2021	0.00	1,471,000.00

**SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)**

Risk Category	Rating at Approval	Current Rating
Political and Governance		● High
Macroeconomic		● High
Sector Strategies and Policies		● Substantial
Technical Design of Project or Program		● Substantial
Institutional Capacity for Implementation and Sustainability		● High
Fiduciary		● High
Environment and Social		● Low
Stakeholders		● Low
Other		
Overall		● High

**LEGAL COVENANTS**

Loan/Credit/TF	Description	Status	Action
IDA-53020	Finance Agreement :Counterpart Funding   Description :Without limitation upon the provisions of Section 4.03 of the General Conditions, the Recipient shall deposit into the Project Counterpart Funds Account amounts in CFA Franc not later than the dates indicated next to such amount: USD 6,000,000: Project effective date; USD 6,000,000: April 1, 2015; USD 4,000,000: April 1, 2016; USD 4,000,000: April 1, 2017; and USD 2,000,000: April 1, 2018.   Frequency :Yearly	Partially complied with	Revised



Proposed	Finance Agreement :Counterpart Funding   Description :Without limitation upon the provisions of Section 4.03 of the General Conditions, the Recipient shall deposit into the Project Counterpart Funds Account amounts in CFA Franc not later than the dates indicated next to such amount: 2,973,400,800 CFA Franc equivalent USD 6,000,000: Project effective date; USD No other counterpart funding required	Complied with	
IDA-53020	Finance Agreement :Technical Assistance to the PCU   Description :The Recipient shall, through METPFQE, not later than three (3) months after the Effective Date, appoint in accordance with the provisions of Section III of Schedule 2 to the Financing Agreement, and thereafter maintain at all times during Project implementation, a senior monitoring and evaluation specialist, a procurement specialist and a financial management specialist.   Due Date :30-January-2015	Complied with	No Change
IDA-53020	Finance Agreement :Computerized Project Accounting Package and Training   Description :The Recipient shall, not later than three (3) months after the Effective Date: (i) acquire and install appropriate accounting software and systems in accordance with the provisions of Section III of Schedule 2 to the Financing Agreement; and (ii) ensure that its financial staff involved in the implementation of the Project are properly trained in the use of such software and systems.   Due Date :30-January-2015	Complied with	No Change
IDA-53020	Finance Agreement :External Auditors   Description :The Recipient shall, not later than three (3) months after the Effective Date, appoint an external auditor, in accordance with the provisions of Section III of Schedule 2 to the Financing Agreement.   Due Date :30-January2015	Complied with	No Change
IDA-53020	Finance Agreement :Procurement Audit   Description :The Recipient shall carry out under terms of reference satisfactory to the Association, an annual audit of contracts procured under the Project, and furnish said annual audit to the Association not later than six (6)	Complied with	No Change



	months after the end of the Fiscal Year to which said audit relates.   Frequency :Yearly		
IDA-53020	Finance Agreement :Anti-Corruption and Governance Plan   Description :The Recipient shall, through METPFQE, not later than three (3) months after the Effective Date, prepare and adopt an Anti-corruption Action Plan for the Project, in form and substance satisfactory to the Association.   Due Date :30-January-2015	After delay complied with	No Change
IDA-53020	Finance Agreement :Project Mid-Term Review   Description :The Recipient shall, not later than thirty-six (36) months after the Effective Date, undertake, in conjunction with all agencies involved in the Project, a comprehensive mid-term review of the Project. Following the mid-term review, the Recipient shall act promptly and diligently in order to take any corrective action deemed necessary to remedy any shortcoming in the implementation of the Project.   Due Date :15-Jun-2016	Complied with	No Change
IDA-53020	Finance Agreement :Mid-Term Review Report   Description :The Recipient shall, not later than one month prior to the mid-term review, furnish to the Association for comments, a report, in such detail as the Association shall reasonably request, on the progress of the Project, and giving details of the various matters to be discussed at such review.   Due Date :15-May-2016	Complied with	No Change
IDA-53020	Finance Agreement :Independent Verification   Description :The Recipient shall, in accordance with terms of reference satisfactory to the Association, engage consultants to carry out, throughout Project implementation, every four (4) months verification exercises of PTA Subprojects and to provide the Recipient with reports of such exercises.   Frequency :CONTINUOUS	Complied with	No Change



IDA-53020	Finance Agreement :Project Implementation Manual   Description :The Recipient shall, not later than one (1) month after the Effective Date, prepare in accordance with terms of reference acceptable to the Association and furnish to the Association for review the Project Implementation Manual.   Due Date :30-November-2014	After delay complied with	No Change
IDA-53020	Finance Agreement :Counterpart Funds Account   Description :The Recipient shall open, and thereafter maintain, at all times during the implementation of the Project, in a financial institution and on terms and conditions acceptable to the Association, an account into which all counterpart funds required for the Project shall be deposited and maintained until required to pay for Eligible Expenditures.   Frequency :CONTINUOUS	Complied with	No Change