



RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF
TRANSPORT AND URBAN INFRASTRUCTURE DEVELOPMENT PROJECT
APPROVED ON JUNE 13, 2016
TO
BURKINA FASO

URBAN, RESILIENCE AND LAND

AFRICA WEST

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ABBREVIATIONS AND ACRONYMS

ACOMOD	“Agence de Conseil et de Maîtrise d'Ouvrage Délégée en Bâtiment et Aménagement Urbain du Burkina”
AGETIB	“Agence des Travaux d'Infrastructures du Burkina”
CD	Country Director
GPS	Global Positioning System
IDA	International Development Association
MS	Moderately Satisfactory
PDO	Project Development Objective
PIU	Project Implementation Unit



BASIC DATA

Product Information

Project ID P151832	Financing Instrument Investment Project Financing
Original EA Category Partial Assessment (B)	Current EA Category Partial Assessment (B)
Approval Date 13-Jun-2016	Current Closing Date 31-Dec-2021

Organizations

Borrower Burkina Faso	Responsible Agency Permanent Secretariat of the Transport Sector Program, Ministry of Urban Planning and Housing, Ministry of Infrastructure, Ministère de l'Administration Territoriale et de la Sécurité, Ministry of Transport, Urban Mobility and Road Safety, Urban Infrastructure and Equipment Agency (ACOMOD), Burkina Faso Infrastructure Works Agency (AGETIB)
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Project Development Objective (PDO)

Original PDO

The objective of the Project is to improve mobility and access to infrastructure in targeted urban and rural areas and, 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 (US\$, Millions)

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net		
					Commitment	Disbursed	Undisbursed
IDA-58590	13-Jun-2016	07-Jul-2016	16-Nov-2016	31-Dec-2021	100.00	79.46	21.41



Policy Waiver(s)

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

No

I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

A. PROJECT STATUS

The project development objective of Burkina Faso Transport and urban infrastructure development is to improve mobility and access to infrastructure in targeted urban and rural areas and, in the event of an Eligible Crisis or Emergency, to provide immediate and effective response to said Eligible Crisis or Emergency. The component are (1) inter-urban infrastructure, (2) Urban infrastructures in targeted Urban Regional Capitals, (3) Institutional Support and Sector Governance.

The implementation progress is rated Moderately Satisfactory (MS):

Component A (Inter-Urban Infrastructure). The main activity which is the civil works of the Manga–Zabre (79 km) road section has been completed since December 2020. The travel time between Manga and Zabre which was more than two (2) hours was reduced to one (1) hour after the completion of the civil works.

Component B (Urban Infrastructure in Targeted Regional Capitals): The implementation of key infrastructures in five (5) targeted regional capitals are the following:

- City of Tenkodogo: The civil works of 5 km of urban roads was completed.
- City of Koudougou: The civil works of 7 km of urban roads and 2.5 km of rainwater drainage canal was completed.
- City of Ouahigouya: The civil works of 7 km of urban roads are underway and expected to be completed by mid-January. The civil works of the gardening perimeter are advanced and expected to be completed end of December.
- City of Dedougou: The civil works for the construction of the bus station and the market are near completion with the provisional acceptance expected before the end of December.
- City of Manga: The civil works of the construction of the bus station, the market and animal slaughter facilities are very advanced, and the full completion are expected by mid-January 2022.

Component C (Institutional Support and Sector Governance): The following major activities were successfully completed:

- Studies for the creation of the Urban Mobility Authority of Ouagadougou and the Traffic Management plan and equipment for the city of Ouagadougou.
- Statistical Studies for the Ministry of Urban Development, Infrastructure and Transports.
- Storm water drainage management master plan for all the secondary cities of Burkina Faso.
- Studies for Urban demarcation zoning and Urban master plan for major cities including post signs, GPS, demarcation equipment.



- Legal Texts on the code of urbanism and Housing are prepared.
- Traffic sign installation the city of Ouagadougou.
- Public awareness for the traffic of heavy vehicle in the city of Ouagadougou.
- Vehicle and office furniture for the urban mobility authority of the city of Ouagadougou.

The project development objective is still achievable because the planned activities which support the PDO have been substantially implemented for the following reason:

1. The travel time along the rehabilitated RN29 (Manga-Zabre) has decreased from 130 minutes to 80 minutes because the construction and the asphaltting of the Manga-Zabre road (79 km) has been completed and is under warranty period.
2. The Number of people in urban area provided with all-season roads within a 500-meter range is now 9419 and is expected to exceed the target of 18,000 people because the works of the remaining urban roads are around 90% physical advancement rate.
3. The Number of people in urban area provided with access to other infrastructure is expected to exceed the target of 23,750 people because the works of the 6 urban infrastructures are around 95% advancement rate.
4. Sector with improved capacity to monitor implementation of sector policies and generate annual sectors reports was already met because the project has been financing statistical studies to inform the decision of the ministry of infrastructure, transport, urban planning, and housing throughout the implementation period.
5. The Number of Project beneficiary is 283,667 and has exceeded the target.

B. RATIONALE FOR RESTRUCTURING

Although the civil works of key remaining activities which support the PDO are very advanced (over 90% physical advancement rate). The key remaining activities are the urban roads in the cities of Koudougou and Ouahigouya and the six (6) urban infrastructures in the cities of Manga, Dedougou and Ouahigouya. There is a risk that some of the infrastructure will not be fully completed with the provisional acceptance completed by the closing date of December 31, 2021. To give enough time for full completion of these infrastructures, avoid a rush completion with quality and safeguards issues, an extension of three (3) additional months of the closing date to March 31, 2021 is necessary. Furthermore, this extra time is needed so that the PIU complete the preparation of the implementation completion report and beneficiary satisfaction survey.



Given that the project will not disburse the full amount of 87.8 million EURO by the closing date. A cancellation of 6.3 million EURO which will not be committed by the closing date is necessary.

The works could not be fully completed before the closing date of December 31, 2021 because of the following reasons:

- a) Low capacity of the client to prepare environmental social documents satisfactory to the Bank. The contractors had to wait twelve (12) months for the finalization of Environmental and Social documents before beginning the works.
- b) Low organization and managerial capacity of the small local contractors in charge of the works. The implementation planning was never followed during the works.
- c) The prices of construction materials increased because of the impact of the COVID-19 pandemic. This situation decreases the margin of the contractors and created cashflow issues in some cases because the initial unit prices were set prior to the pandemic.
- d) Insecurity did not allow the bank staff to do field visit in the city of Ouahigouya. Therefore, the bank could not give timely recommendation and corrective measures.
- e) Utility relocation was also a major source of delay for the urban road works. Utility owners took months before taking the necessary actions so that civil works can continue.

Considering all the above, the government has requested a restructuring which will extend the closing date to March 31, 2022 and allow the cancellation of 6.3 million EURO which will not be disbursed so that the country does not lose the resources. The Task team agrees with this proposed restructuring.

II. DESCRIPTION OF PROPOSED CHANGES

Change in Project Closing Date: This restructuring paper seeks the approval of the Country Director for a proposed 3-months extension of the closing date from December 31, 2021 to March 31, 2022.

Cancellation of Funds. This restructuring paper also seeks the approval of the Country Director for a proposed cancellation of 6.3 million EURO which will not be disbursed at closing.

III. SUMMARY OF CHANGES

	Changed	Not Changed
Loan Closing Date(s)	✓	
Cancellations Proposed	✓	
Reallocation between Disbursement Categories	✓	



Disbursement Estimates	✓	
Implementing Agency		✓
DDO Status		✓
Project's Development Objectives		✓
Results Framework		✓
Components and Cost		✓
Disbursements Arrangements		✓
Overall Risk Rating		✓
Safeguard Policies Triggered		✓
EA category		✓
Legal Covenants		✓
Institutional Arrangements		✓
Financial Management		✓
Procurement		✓
Implementation Schedule		✓
Other Change(s)		✓
Economic and Financial Analysis		✓
Technical Analysis		✓
Social Analysis		✓
Environmental Analysis		✓

IV. DETAILED CHANGE(S)

LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-58590	Effective	31-Oct-2022	31-Dec-2021	31-Mar-2022	31-Jul-2022



CANCELLATIONS

Ln/Cr/Tf	Status	Currency	Current Amount	Cancellation Amount	Value Date of Cancellation	New Amount	Reason for Cancellation
IDA-58590-001	Disbursing	EUR	87,800,000.00	6,300,000.00	21-Dec-2021	81,500,000.00	UNDISBURSED BALANCE AT CLOSING

REALLOCATION BETWEEN DISBURSEMENT CATEGORIES

Current Allocation	Actuals + Committed	Proposed Allocation	Financing % (Type Total)	
			Current	Proposed
IDA-58590-001 Currency: EUR				
iLap Category Sequence No: 1	Current Expenditure Category: G, W, N/CS, T, OC PART A, B, D			
76,200,000.00	65,515,566.81	72,342,000.00	100.00	100.00
iLap Category Sequence No: 2	Current Expenditure Category: G, W, N/CS, T, OC PART C			
8,800,000.00	2,422,743.44	8,800,000.00	77.00	77.00
iLap Category Sequence No: 3	Current Expenditure Category: EMERGENCY EXPENDITURES PART E			
0.00	0.00	0.00	100.00	100.00
iLap Category Sequence No: 4	Current Expenditure Category: PPF REFINANCING			
2,800,000.00	357,084.27	358,000.00		
Total	87,800,000.00	68,295,394.52	81,500,000.00	

DISBURSEMENT ESTIMATES

Change in Disbursement Estimates

Yes

Year	Current	Proposed
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The World Bank

Transport and Urban Infrastructure Development Project (P151832)

2017	5,000,000.04	0.00
2018	15,000,000.00	15,000,000.00
2019	15,000,000.00	15,000,000.00
2020	20,000,000.04	20,000,000.00
2021	20,000,000.04	20,000,000.00
2022	20,000,000.04	18,000,000.00
2023	5,000,000.00	0.00