



RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF
INVESTING IN MATERNAL, CHILD AND ADOLESCENT HEALTH
APPROVED ON SEPTEMBER 26, 2019
TO
REPUBLIC OF SENEGAL

HEALTH, NUTRITION & POPULATION

AFRICA WEST

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ABBREVIATIONS AND ACRONYMS

GFF	Global Financing Facility
IDA	International Development Association
ISMEA	Investing in Maternal, Child and Adolescent Health
MoHSA	Ministry of Health and Social Action
RMNCAH-N	Reproductive, maternal, neonatal, child and adolescent health and nutrition



BASIC DATA

Product Information

Project ID P162042	Financing Instrument Investment Project Financing
Original EA Category Partial Assessment (B)	Current EA Category Partial Assessment (B)
Approval Date 26-Sep-2019	Current Closing Date 31-Dec-2024

Organizations

Borrower Republic of Senegal	Responsible Agency Ministry of Health and Social Action
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Project Development Objective (PDO)

Original PDO

The proposed Project Development Objective is to improve utilization of essential reproductive, maternal, neonatal, child and adolescent health and nutrition (RMNCAH-N) services meeting quality standards in Priority Regions.

Summary Status of Financing (US\$, Millions)

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net Commitment	Disbursed	Undisbursed
IDA-64950	26-Sep-2019	21-Feb-2020	14-Apr-2020	31-Dec-2024	120.00	9.70	110.80
TF-B0766	26-Sep-2019	07-Feb-2020	14-Apr-2020	31-Dec-2024	10.00	10.00	0

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

1. The Investing in Maternal, Child and Adolescent Health (ISMEA) Project was approved on September 26, 2019, became effective on April 14, 2020 and has an expected closing date of December 31, 2024. The project's development objective aims to improve utilization of essential reproductive, maternal, neonatal, child and adolescent health and nutrition (RMNCAH-N) services meeting quality standards in Priority Regions.¹ The project was restructured in June 2021 in response to the Government's request on April 16, 2021 to cancel US\$20 million equivalent under the ISMEA project, out of the US\$35 million equivalent total amount request for cancellation for two Bank-financed projects (Health, Nutrition and Population and Education Global Practices). This amount would be reprogrammed towards other interventions after a review was made on the impact of the COVID-19 pandemic on the social and economic development of the country. Therefore, the ISMEA project's total financing envelope went from US\$150 million (US\$140 million International Development Association –IDA credit and US\$10 million Global Financing Facility –GFF Grant) to US\$130 million (US\$120 million IDA credit and US\$10 million GFF Grant).
2. The project has been under implementation for 19 months and some progress has been noted in overall implementation and in the project's progress toward the achievement of its development objective. However, disbursement remains low and there were delays in the lifting of disbursement conditions due to the significant numbers of manuals and contracts that needed to be finalized, which has led to delays in the implementation of several activities. As of January 13, 2022, the GFF grant of US\$10 million is fully disbursed and US\$9.24 million has been disbursed under the IDA credit (8.05 percent of the IDA credit). Most of the disbursement conditions have been met as of December 31, 2021 except for the disbursement condition under Category 2 (Human Resources Contracting and Incentive Program Manual). The lifting of these conditions enable an increase in the disbursement rate in the coming months. The overall implementation progress of the components (Components 1-3) and Monitoring and Evaluation were downgraded to Moderately Satisfactory in the last Implementation Status and Results Report of January 18, 2022. A Plan of Action was developed with the Project Coordination Unit to ensure more regular follow-up of the activities that are planned to be implemented. An in-person supervision mission is also expected to take place in the coming months depending on the COVID-19 pandemic context.

B. Rationale for Restructuring

3. The proposed project restructuring is in response to the Government's request on January 5, 2022 to amend the disbursement condition under Category 2. Currently, to lift the disbursement condition for Category 2, the Government will have to not only prepare and adopt the human resources contracting manual

¹ Kaffrine, Kedougou, Kolda, Sedhiou, Tambacounda and Ziguinchor.



(completed), but also ensure the incentive program is included within this manual. The incentive program was included to improve healthcare workers’ motivation to relocate and work in rural regions through cash bonuses and other benefits. Unfortunately, the development of this incentive program is taking longer than expected and the reform is being discussed at the highest levels of the Government for all government employees to ensure equity in benefits. Therefore, by amending the disbursement condition for Category 2 (removing the incentive program from the manual as a condition), the project will be able to implement activities that are financed under this Category.

- 4. To ensure progress on the development of an incentive program at the Ministry of Health and Social Action (MoHSA) level, a legal covenant is being proposed that will enable more visibility and a better understanding of the procedural steps/milestones that will be taken to adopt an incentive program before the closing date of the project. This dated covenant would have to be complied with by December 31, 2023.

II. DESCRIPTION OF PROPOSED CHANGES

- 5. The paper seeks management approval to **amend the disbursement condition under Category 2 and to add a legal covenant.**
- 6. The proposed reformulation of the disbursement condition for Category 2 in the Financing Agreement is described as follows:
 - a. **Current:** Schedule 2, Section III.B.1.c: Notwithstanding the provisions of Part A above, no withdrawal shall be made for payments made under Category 2, until and unless the Recipient has prepared and adopted the **human resources contracting and incentive program manual**, in form and substance acceptable to the Association.
 - b. **Proposed:** Schedule 2, Section III.B.1.c: Notwithstanding the provisions of Part A above, no withdrawal shall be made for payments made under Category 2, until and unless the Recipient has prepared and adopted the **human resources contracting manual** in form and substance acceptable to the Association.
- 7. **To ensure progress on the development of an incentive program in the MoHSA, a new legal covenant is being proposed.** An Incentive Program Roadmap will need to be prepared and approved within the MoHSA, which will include the procedural steps and milestones to adopt an incentive program for MoHSA personnel (civil servants and contractual staff). The proposed legal covenant will be included under a new Section IV: Other Undertakings and will read as follows:
 - a. No later than December 31, 2023, or such later date as agreed by the Association, the Recipient shall furnish to the Association the **Incentive Program Roadmap**, in form and substance satisfactory to the Association.”

III. SUMMARY OF CHANGES

	Changed	Not Changed
Legal Covenants	✓	
Other Change(s)	✓	
Implementing Agency		✓
DDO Status		✓



Project's Development Objectives		✓
Results Framework		✓
Components and Cost		✓
Loan Closing Date(s)		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Disbursements Arrangements		✓
Disbursement Estimates		✓
Overall Risk Rating		✓
Safeguard Policies Triggered		✓
EA category		✓
Institutional Arrangements		✓
Financial Management		✓
Procurement		✓
Implementation Schedule		✓
Economic and Financial Analysis		✓
Technical Analysis		✓
Social Analysis		✓
Environmental Analysis		✓

IV. DETAILED CHANGE(S)

LEGAL COVENANTS

Loan/Credit/TF	Description	Status	Action
IDA-64950	SCHEDULE 2. Section I.A.9. The Recipient shall, no later than three (3) months after the Effective Date, update the existing PIM to include the Project specifications, in substance and form satisfactory to the Association.	After delay complied with	No Change



IDA-64950	SCHEDULE 2. Section I.A.10. The Recipient shall, no later than four (4) months after the Effective Date: (a) update the accounting and reporting system and fix software link issues; and (b) select and hire an external auditor, project coordinator, and a procurement specialist, all with qualifications and experience satisfactory to the Association.	After delay complied with	No Change
IDA-64950	SCHEDULE 2, Section IV.A. No later than December 31, 2023, or such later date as agreed by the Association, the Recipient shall furnish to the Association the Incentive Program Roadmap, in form and substance satisfactory to the Association.	Not yet due	New