



REPORT NO.: RES48348

DOCUMENT OF THE WORLD BANK

RESTRUCTURING PAPER

ON A

PROPOSED PROJECT RESTRUCTURING

OF

SENEGAL RIVER BASIN INTEGRATED WATER RESOURCES MANAGEMENT PROJECT

APPROVED ON JUNE 23, 2016

TO

OMVS - ORGANISATION POUR LA MISE EN VALEUR DU FLEUVE SENEGAL

WATER

AFRICA WEST

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**I. BASIC DATA****Product Information**

Project ID P153863	Financing Instrument Investment Project Financing
Original EA Category Partial Assessment (B)	Current EA Category Partial Assessment (B)
Approval Date 23-Jun-2016	Current Closing Date 30-Sep-2021

Organizations

Borrower OMVS - Organisation pour la Mise en Valeur du Fleuve Senegal	Responsible Agency OMVS
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Project Development Objective (PDO)

Original PDO

The development objective of the Senegal River Basin Integrated Water Management Project is to strengthen the capacity of OMVS and local water user associations to improve the environmental and water quality conditions of the Senegal River Basin's water resources.

Current PDO

The development objective of the project is to strengthen the capacity of the OMVS and local user associations for reducing erosion in the Upper Basin and proliferation of typha in the Lower Basin of the Senegal river.

Summary Status of Financing (US\$, Millions)

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net		
					Commitment	Disbursed	Undisbursed
TF-A2254	31-Mar-2016	09-Sep-2016	07-Dec-2016	30-Sep-2021	12.54	11.75	.41



Policy Waiver(s)

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

No

II. SUMMARY OF PROJECT STATUS AND PROPOSED CHANGES

A Trust Fund (TF) grant in the amount of US\$12.54 million was signed on September 9, 2016 for the Senegal River Basin Integrated Water Resources Management Project, and came into effectiveness on December 7, 2016. This trust-funded project is the third round of financing by the Dutch Government and it is commonly referred to as the TF3. The original closing date of the TF3 was October 30, 2019. In March 2018, it was extended to December 31, 2020. In June 2020, it was extended to September 30, 2021. The Organisation pour la Mise en Valeur du Fleuve Sénégal (OMVS), the responsible agency, has requested a new extension of the closing date of the TF3, which is currently scheduled to close on September 30, 2021, to December 31, 2021.

The TF3 aims to address river bank erosion in the upper Senegal River basin, the proliferation of an invasive plant species – typha – in the lower basin, and the capacity of users' associations to continue to fight these phenomena beyond the life of the project. The TF3 is linked to the Senegal River Basin Integrated Water Resources Management APL, currently in its second phase under the Senegal River Basin Climate Change Resilience Development Project (P131323, commonly referred to as PGIRE2), which aims to enhance regional integration among the riparian countries of the Senegal River Basin through OMVS for multi-purpose water resources development to foster improved community livelihood. In the lower basin, typha is a severe concern for irrigation perimeters rehabilitated and/or expanded by PGIRE2, which is why TF3 supported activities aim to strengthen the institutional capacity to manage typha and clear some of the large irrigation canals from the invasive plant. Both projects are implemented by the same Project Coordination Unit (PCU) which is housed under OMVS.

OMVS requested the extension of the closing date of the TF3 to December 31, 2021 to finalize several activities for a total amount of EUR 1.3 million, that got delayed in the final months of the project due to COVID-19 restrictions and local restrictions following unforeseen political events in Mali and Guinea, circumstances beyond the control of OMVS. This includes EUR 0.9 million of goods (EUR 0.65 million of material for erosion control and agroforestry and EUR 0.25 million for heavy machinery for typha management) that will likely be delivered in October 2021, EUR 0.6 million of small finishing works, as well as on-going trainings that will be completed by December 2021. During the latest supervision mission, which took place from September 7 to 14, 2021, it appeared that the estimated undisbursed amount of around EUR 0.3m did not capture these activities, as the corresponding amount of EUR 1.3 million had already been disbursed to the designated account. As a result, under the current closing date, the total potentially undisbursed amount of the grant could increase to around EUR 1.6 million at closing, or 16% of the total grant amount.

Given the good overall performance of the TF3 and its implementing agency, this extension is expected to allow the full completion of all remaining activities by the revised closing date, and the potential disbursement of the total grant amount. The TF3 is well performing and will achieve its development objective with the extension. This extension would not go beyond the closing date of the PGIRE2 project which is December 30, 2022 and will therefore not require any additional arrangements or costs since both projects are implemented by the same PCU. Since the total cumulated extension of the project will reach 26 months and exceed two years, this extension will require approval by the Regional Vice President. No other changes are proposed at this time.



III. DETAILED CHANGES

LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
TF-A2254	Effective	31-Oct-2019	31-Dec-2020, 30-Sep-2021	31-Dec-2021	30-Apr-2022