



1. Project Data

Project ID P160652	Project Name Gas Project Negotiations & Inst Capacity	
Country Senegal	Practice Area(Lead) Energy & Extractives	
L/C/TF Number(s) IDA-60530	Closing Date (Original) 31-Dec-2023	Total Project Cost (USD) 24,322,112.39
Bank Approval Date 26-May-2017	Closing Date (Actual) 30-Jun-2025	
	IBRD/IDA (USD)	Grants (USD)
Original Commitment	29,000,000.00	0.00
Revised Commitment	25,155,420.00	0.00
Actual	24,322,112.39	0.00

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2. Project Objectives and Components

a. Objectives

The Original Project Development Objective (PDO) was to “support the Recipient’s capacity to drive negotiations toward final investment decisions and lay the foundations for the gas sector’s contributions to the economy through enhanced legal and regulatory frameworks and capacity building.” (Financing Agreement, page 4). The PDO was phrased almost identically in the Project Appraisal Document (PAD) (PAD, page 1), with “Recipient” replaced by “government” and minor grammatical adjustments, reading as follows: to “support the government’s capacity to drive negotiations towards final investments decisions and lay the foundations



for the gas sector's contributions to the economy through enhanced legal and regulatory framework and capacity building".

The PDO was not revised during implementation.

For the purposes of this Implementation Completion and Results Report (ICR) review, the PDO will be parsed as follows:

PDO 1: To support the government capacity to drive negotiation toward final investment decisions (FID).

PDO 2: To lay the foundations for the gas sector's contributions to the economy through enhanced legal and regulatory frameworks and capacity building.

Note: The phrasing of the PDO requires clarification; however, this is addressed through the PDO indicators and a well-structured Theory of Change (ToC) presented in the ICR (page 4). The ToC will serve as the basis for the efficacy analysis.

For PDO1, primary outcomes are: (i) a validated concept for Phase 1 of GTA and Sagomar fields, and (ii) a developed GTA utilization agreement.

For PDO2, primary outcomes are: (i) a developed policy and strategy for the oil and gas sector (following Restructuring 2, focused on gas resources valorization for domestic use); (ii) a prepared master plan for oil and gas; (iii) an implemented institutional diagnostic; and (iv) an implemented communications strategy and roadmap.

b. Were the project objectives/key associated outcome targets revised during implementation?

Yes

Did the Board approve the revised objectives/key associated outcome targets?

Yes

Date of Board Approval

07-Nov-2023

c. Will a split evaluation be undertaken?

Yes

d. Components

1. Original components

Component A: Support for hydrocarbon project negotiations (cost at appraisal: US\$13.0 million; actual cost: US\$11.7 million) aimed to support negotiations with the Government of Mauritania and Production Sharing Contract (PSC) holders on the development of the Sangomar North Exploration (SNE) oil field, now known as Sangomar, and Grand Tortue Ahmeyim (GTA) gas field. Activities would support: (i) validation of the operator's resource estimates and the methodologies used to delineate the SNE and GTA fields; (ii) review and clearance of field development concept, plans, and engineering studies; (iii)



completion of the legal, fiscal, and regulatory frameworks for SNE and GTA; clearance of the GTA cooperation and unitization agreements; and development of operational, fiscal, marketing, and financial agreements; (iv) assessment of fiscal impacts of LNG strategies and optimal national company share; and (v) review of SNE and GTA marketing agreements and options for gas supply to domestic power.

Note: Sangomar is a deep offshore oil field discovered in 2014 in the Mauritania-Senegal-Guinea-Bissau Basin. GTA is an ultra-deep offshore gas field discovered in 2015 along the Mauritania-Senegal border.

Component B: Enhancement of the strategic and policy framework (cost at appraisal: US\$2.0 million; actual cost: US\$2.8 million) aimed to support the following activities: (i) development of the government's oil and gas sector policy and strategy, and assessment of expected production; and (ii) development/update of the oil and gas master plan.

Component C: Institutional diagnostic and capacity building (cost at appraisal: US\$12.0 million; actual cost: US\$4.5 million) aimed to identify and address capacity-building needs. Activities would support: (i) institutional diagnostics of line ministries - Energy, Economy, Finance, Transport, Infrastructure, and Environment – and the national oil company PETROSEN; (ii) training for decision-makers and staff involved in project negotiation and execution; and (iii) recruitment of experts in oil and gas engineering, project development and finance, economics, and fiscal and legal frameworks to support the Strategic Petroleum and Gas Steering and Development Monitoring Committee (COS-PETROGAZ), the Ministry of Energy and Development of Renewable Energy (MEDER), and PETROSEN.

Note: MEDER housed the Project's implementing agency Gestion Executive et Stratégique (GES)-PETROGAZ.

Component D: Stakeholders engagement campaign (cost at appraisal: US\$1.0 million; actual cost: US\$1.3 million) aimed to support the development of a communications and stakeholder engagement strategy. Activities would support: (i) assessment of communication options and capacity; (ii) design of the communications strategy and a stakeholder engagement campaign; (iv) capacity building for communications staff.

Component E: Project management and coordination (cost at appraisal: US\$1.0 million; actual cost: US\$2.9 million) aimed to support capacity development of GES-PETROGAZ, housed within MEDER, to manage Project activities.

Revised Components:

- **Component A** was expanded during Restructuring 1 (October 2021) to support (i) development of the Yakaar–Teranga gas field, (ii) Phases 2–3 of GTA, and (iii) Phase 2 of Sangomar. Support for GTA Phases 2–3 was dropped under Restructuring 2.
- **Component B** was expanded during Restructuring 2 (November 2023) to include preparation of PETROSEN's restructuring plan.
- **Component C** was increased during Restructuring 2 to include a feasibility study for the City of Energy and PETROSEN's financial management information system (FMIS).
- **Components B-C:** several non-core activities were dropped during Restructuring 1.



e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project Cost: The appraisal estimate was US\$29.0 million, and the actual disbursement was US\$23.1 million, a reduction of US\$5.9 million. This difference is explained by the cancellation of US\$5.9 million (Restructuring Paper, pages 3-4) during Restructuring 3 (May 23, 2025).

Project Financing: The Project was financed by an IDA credit.

Borrower/Recipient contribution: There was no Borrower's contribution.

Project Dates: The Project was approved on May 26, 2017, and became effective on October 4, 2017. The mid-term review (MTR) was conducted during February 8-25, 2021. The Project was restructured three times: (i) on October 27, 2021; and (ii) on November 7, 2023; and (iii) on May 23, 2025. The original closing date was December 31, 2023. The Project was extended once, for 18 months (one year and six months), to June 30, 2025, which was the Project's actual closure date.

Restructurings: Three restructurings were undertaken, with Restructuring 2 involving a scope/ambition reduction. The restructurings largely focused on streamlining the Project, which was originally designed with appropriate flexibility, as Sangomar and GTA were still under evaluation and required TA to be deployed quickly to keep pace with rapid sector developments. The restructurings introduced a more strategic orientation, with more clearly defined activities, clearer logic in activity planning, and stronger prioritization.

Restructuring 1 (October 27, 2021) was undertaken in response to the MTR recommendations and involved an overall expansion of the Project scope. The MTR found strong progress under Component A, with both PDO indicators and two of the three IRIs already achieved (MTR Aide Memoire, page 3), but noted slow implementation under Components B, C, and D. It recommended a clearer strategic orientation with prioritized activities. In addition, the Yakaar-Teranga gas field - discovered in 2016–17 - was included in the Project. Restructuring 1 included:

- **Expansion of Component A** to support the development of the Yakaar-Teranga gas field (MTR, pages 8, 12);
- **Reallocation of funds across components** toward activities critical to achieving FID for GTA, Sangomar, and Yakaar-Teranga; stakeholders engagement; and addressing key issues, such as slow procurement, insufficient oversight, and work overload at focal points. Institutional diagnostic and training were downsized.
- **Revision of the Results Framework (RF)** to reflect the expanded scope of Component A and introduce more targeted indicators, particularly for Component C.
- **Establishment of a Project Steering Committee (SC)** to guide Project-level decisions.

Restructuring 2 (November 7, 2023) involved a reduction in scope and ambition, triggering a split evaluation. It followed a technical mission in March 2023 that identified slow progress under Component A toward FID for Yakaar-Teranga, Phases 2 and 3 of GTA, and Phase 2 of Sangomar; delays in procurement; and insufficient prioritization of activities. Restructuring 2 included:

- **Refocusing and prioritization of activities**, including reduced advisory support under Component A for GTA Phases 2–3 and Sangomar Phase 2, and the addition of new activities under Components B and C, including a restructuring plan for PETROSEN and a feasibility study for the City of Energy and PETROSEN's FMIS.



- **Reallocation of funds across components**, with a reduction for Component A and increase for Components B and C.
- Revision of the RF to reflect the refocusing, including PDO indicator revisions:
 - *Objective 1*: (i) the indicator “Development concept for phase 2 and 3 of GTA validated” was dropped as non-achievable before Project closure; (ii) the indicator “Development concept for phase 2 of Sangomar validated” was narrowed to focus on negotiations for domestic gas use; and (iii) the deadline for indicator “Development concept for phase 1 of Yakaar-Teranga validated” was extended.
 - *Objective 2*: (i) the indicator “Oil and gas policy and strategy developed” was reformulated to focus on domestic gas valorization, reflecting a reduced ambition; and (iii) the target for indicator “Training completed for institutional capacity building” was reduced from 550 to 500 participants.
- Extension of the closing date from December 31, 2023, to June 30, 2025 (18 months).

Restructuring 3 (May 23, 2025) was implemented one month before Project closure to:

- Transfer of nine unfinished activities under Components A, B, and C to the ongoing *World Bank’s Senegal Energy Access Scale Up Project (PADAES, P176620)*.
- Cancellation of US\$5.9 million in Project funds.
- Dropping two PDO indicators not achievable in the remaining time:
 - “Development Concept for Phase 1B of Sangomar validated” - negotiations were still ongoing.
 - “Development Concept for Phase 1 of Yakaar-Teranga is validated” - a new operator – who would present the concept - had not been yet announced.

Although Restructuring 3 involved a scope reduction, it focused on transferring non-implemented activities to (PADAES). As such, a split evaluation is not applicable, and the scope reduction is reflected as non-achievement of the corresponding PDO targets at closure.

Split evaluation. A split evaluation is required due to the reduction in Project scope and ambition under Restructuring 2. Also, given the significant revision of the RF under Restructuring 1, a split evaluation is also applied at that point as well for clarity. As a result, the efficacy assessment covers three Projects: the Original Project (assessed against approval targets), the Revision 1 Project (assessed against Restructuring 1 targets), and the Revision 2 Project (assessed against Restructuring 2 targets).

3. Relevance of Objectives

Rationale

Country and Sector Context. At the time of project appraisal, significant offshore oil and gas resources had been discovered in Senegal, notably the high-profile GTA (shared with Mauritania) and Sangomar. These discoveries had the potential to position Senegal as a key regional energy producer and exporter, strengthen economic base and energy security, expand electricity access, increase fiscal revenues, and reduce emissions by substituting coal and heavy fuel oil (HFO) with gas. However, the oil and gas sector was underdeveloped, and the scale of anticipated private investment - over US\$10 billion - prompted the



Government to reassess sector policies, institutional frameworks, and capacity. Key institutions requiring support were: (i) MEDER (later succeeded by MEPM), which governed the sector; (ii) PETROSEN, responsible for contract technical monitoring and negotiations; (iii) COS-PETROGAZ, which oversaw hydrocarbon development and guided policy and inter-institutional coordination; and (iv) GES-PETROGAZ, tasked with implementing decisions of MEDER/MEPM and COS-PETROGAZ.

The Government requested technical and advisory support from the World Bank. The Project was designed to improve sector governance and capacity, support negotiations and intergovernmental agreements, and promote stakeholder engagement. (ICR, pages 2-3)

Relevance to Government Strategies at closure. At closure, the Project remained aligned with the Government's long-term strategy, the *Emerging Senegal Plan (PSE) 2014-35*, which promotes the development of oil and gas resources (including Sangomar and GTA) to transition Senegal into an energy exporter, build oil and gas industry, attract foreign investment, and support economic transformation, while strengthening sector governance. The Project was also aligned with the energy sector strategy, the *Energy Sector Development Policy Letter (LPDSE) 2019-23*, which aims to: (i) ensure a reliable energy supply, developing oil and gas production, and increasing the share of gas in electricity mix; (ii) strengthen sector governance, regulation, coordination, financial planning, and monitoring; and (iii) make energy a foundation for economic transformation. At the time of this Review, the new LPDSE 2024–2028 was under preparation, expected to maintain a focus on increasing oil and gas production; supporting energy security; and reinforcing governance, regulation, and sector capacity. (ICR, pages 3, 9; PSE; LPDSE)

Relevance to the WBG's Assistance Strategies at closure. The Project was aligned with the WBG Country Partnership Framework (CPF) FY2020-24 – active at the time of this Review – specifically, Focus Areas Two and Three. Under *Focus Area Two: Boost Competitiveness and Job Creation Through Private Sector-Led Growth*, the Project supported *Objective 2.2: Lower Energy Costs and Carbon Footprint and Optimize the Energy Mix*, which aimed to increase the share of gas in the energy mix, reduce dependence on HFO, lower energy costs, attract private investments, and enhance sector governance. Under *Focus Area Three: Increase Resilience and Sustainability in the Context of Growing Risks*, the Project supported *Objective 3.3: Improve Government's Overall Effectiveness, Efficiency, and Transparency*, which supported the upstream oil and gas, institutional frameworks, private participation, and effective management of sector revenues. The Project was referenced under Objective 3.3. (CPF, pages 28-29, 36)

Previous sector experience. The Project drew on lessons from prior World Bank technical assistance (TA). Notably, the *Mining and Gas Technical Assistance Project (MAGTAP)* in Mozambique (P161683, FY2013-23) supported gas sector planning, policy, and capacity building, with a focus on managing large offshore gas discoveries. Upstream oil and gas TA was also provided in Afghanistan, Brazil, Guyana, Suriname, Kenya, and Ghana.

The World Bank's parallel TA project in Mauritania, *Gas Project Negotiations and Institutional Capacity* (P163563, FY2018-24), was designed based on the Project under review.

The relevance of objectives is rated as High. The PDO was aligned with Government and Bank strategies in effect at Project closure, and the objectives were pitched at the right level.

Rating



Substantial

4. Achievement of Objectives (Efficacy)

OBJECTIVE 1

Objective

To support the government capacity to drive negotiations towards final investment decision.

Rationale

The Project's theory of change (ToC) was not included in the PAD but was prepared for the ICR in two versions (ICR, pages 4,7). Both closely reflected the Project's logic at closure, with the second version highlighting the main changes during restructurings. The ToC outlined activities, intermediate outputs/outcomes, PDO outcomes, and long-term impacts. To achieve Objective 1, the Project-supported activities were: resource estimate clearance; preparation of Sangomar and GTA development plans; completion of legal and fiscal frameworks; fiscal impact assessment; and finalization of domestic gas plans. Expected intermediate outputs/outcomes were: GTA phase 1 LNG commercialization and marketing agreement prepared; Sangomar lifting agreement prepared; delineation and estimation of transnational gas finalized; and intergovernmental cooperation agreement developed and signed. Expected PDO outcomes were: (i) the GTA and Sangomar Phase 1 concept prepared, and (ii) the GTA unitization agreement developed.

The ToC captured the main activities, and outputs and intermediate outcomes, adequately reflecting the causal links, though critical assumptions were missing.

At closure, the RF under Objective 1 included two PDO indicators: (i) Development concept for Phase 1 of the GTA and Sangomar determined, and (ii) Unitization agreement for the GTA developed. Four Intermediate Results Indicators (IRIs) measured progress on: GTA Phase 1 LNG commercialization agreement development; preparation of the Sangomar lifting agreement; finalization of transnational gas delineation and estimation; and preparation of the intergovernmental cooperation agreement. The RF was aligned with the ToC and the PDO, and the IRIs were linked to and supported the PDO indicators. For example, transnational gas delineation and the GTA LNG commercialization agreement supported the GTA concept, while the Sangomar lifting agreement supported the Sangomar concept. The changes to the RF during restructurings were due to revisions of Project components.

IRI results:

1. "Intergovernmental cooperation agreement developed and cleared (Yes/No)". The agreement was created and approved; the target was achieved.
2. "Delineation and estimation of transnational gas finalized (Yes/No)". Work was completed as planned; the target was achieved.
3. "Sangomar and GTA marketing agreements developed (Yes/No)". The target was achieved.



PDO results:

1. “Development concept for Phase 1 of the GTA and Sangomar determined (Yes/No)”. The concept was determined by the private operator and the Government; the target was achieved.
2. “Unitization agreement for the GTA developed (Yes/No)”. The agreement for the joint development of the GTA with Mauritania was prepared and approved by the Government; the target was achieved.

Overall, all RF indicator targets under Objective 1 were met. The ICR noted that the Project successfully supported the FID for Phase 1 of Sangomar and GTA, with production starting in June 2024 and January 2025, respectively. The Project also contributed to building long-term oil and gas sector capacity, including in negotiations and field development.

Rating. All RF targets were reached, and outcome level results beyond the RF (GTA and Sangomar production) were achieved. Accordingly, the efficacy rating is High.

Rating

High

OBJECTIVE 1 REVISION 1

Revised Objective

To support the government capacity to drive negotiation towards final investment decision (same as in the Original Project).

Revised Rationale

The ToC discussion and RF review can be found under Objective 1, Original Project.

The following IRI indicators were added at Restructuring 1:

1. “GTA phase 1 LNG commercialization agreement developed” (Yes/No)”. The target was achieved.
2. “GTA phase 2 LNG commercialization agreement developed (Yes/No)”. The target was not met; the indicator was dropped at Restructuring 2.
3. “Sangomar Phase 2 Natural Gas Commercialization Agreement Developed” and “Yakaar-Teranga Phase 1 Natural Gas Commercialization Agreement Developed” (Yes/No). The targets was not met; the tasks were shifted to other Bank operations at Restructuring 3.
4. “Lifting agreement for Sangomar in place (Yes/No)”. The target was achieved.

The following PDO indicators were added at Restructuring 1:



1. “Development Concepts for Phase 2 and 3 of GTA validated (Yes/No)”. The target was not met; the indicator was dropped at Restructuring 2.

2. “Development Concept for Phase 2 of Sangomar validated” and “Development Concept for Phase 1 of Yakaar-Teranga validated” (Yes/No). The targets were not met; the activities were shifted to PADAES at Restructuring 3.

Overall: Under Objective 1, the Revision1 Project results were substantially achieved. The Original tasks – most critical for the FID of Phase 1 of GTA and Sangomar, leading to the start of oil and gas production - were fully accomplished. However, the new tasks approved under Restructuring 1 (related to GTA and Sangomar later phases, and the Yakaar-Teranga development) were not completed, and the related PDO and IRI targets were not achieved.

Rating. While most critical outcomes were met, the new task targets were not. Accordingly, the efficacy rating is Substantial, with minor shortcomings.

Revised Rating

Substantial

OBJECTIVE 1 REVISION 2

Revised Objective

To support the government capacity to drive negotiation towards final investment decision (same as in the Original Project).

Revised Rationale

See ToC discussion and RF review under Objective 1, Original Project.

IRI results:

1. “GTA phase 1 LNG commercialization agreement developed” (Yes/No)”. The target was reached.
2. “Sangomar Phase 1B Natural Gas Commercialization Agreement Developed” and “Approval of farm-out and farm-in agreements for Yakaar-Teranga” (Yes/No). The targets were not met, and the activities were shifted to other Bank operations at Restructuring 3.
3. “Lifting agreement for Sangomar in place (Yes/No)”. The target was reached.
4. “Delineation and estimation of transnational gas finalized (Yes/No)”. The target was met.
5. “Intergovernmental cooperation agreement developed and cleared (Yes/No)”. The target was met.
6. “Sangomar and GTA marketing agreements developed (Yes/No)”. The target was met.

PDO results:



1. "Development concept for Phase 1 of the GTA and Sangomar determined (Yes/No)". The target was met.
2. "Unitization agreement for the GTA developed (Yes/No)". The target was met.
3. "Development Concept for Phase 2 of Sangomar validated" and "Development Concept for Phase 1 of Yakaar-Teranga validated" (Yes/No). The targets were not met; the activities were shifted to PADAES at Restructuring 3.

Overall, the results under Objective 1, Revision 2 Project were substantially met. The most critical tasks were accomplished, resulting in the FID for Phase 1 of the GTA and Sangomar fields in the Original Project and the start of oil and gas production. However, the tasks introduced under Restructuring 1- on the new phases of GTA and Sangomar and Phase 1 of Yakaar-Teranga - were not completed, and the related PDO and IRI targets were not met.

Rating. While the most critical outcomes were completed, the new Restructuring 1 tasks were not. Accordingly, the efficacy rating is Substantial, with minor shortcomings.

Revised Rating
Substantial

OBJECTIVE 2

Objective

To lay the foundations for the gas sector's contribution to the economy through enhanced legal and regulatory frameworks and capacity building.

Rationale

The Project's ToC for Objective 2 outlined Project activities, intermediate outputs/outcomes, PDO outcomes, and long-term impacts. To achieve Objective 2, the Project supported activities in three areas: (i) strategy and policy (policy and strategy development, master plan preparation); (ii) capacity building (institutional diagnostics, training); and (iii) stakeholder engagement (communication strategy, engagement campaign, training). Expected intermediate outputs/outcomes included: (i) strategy and policy - financing structure for the national oil company's share identified, petroleum accounting review conducted; (ii) capacity building - key staff recruited, training completed for high level stakeholders and staff; and (iii) stakeholder engagement - communications strategy assessment conducted, citizen survey implemented. Expected PDO outcomes were: strategy for domestic natural gas use developed, master plan for oil and gas development formulated, institutional diagnostic conducted, and communications strategy developed and implemented.

The ToC captured the main activities, and outputs and intermediate outcomes, adequately reflecting the causal links, though critical assumptions were missing.

The RF under Objective 2 included three PDO indicators: (i) strategy for the valorization of natural gas for domestic use developed, (ii) institutional diagnostic conducted and made public, and (iii) communications strategy and roadmap designed and implemented. IRIs (14) tracked progress on the master plan, environmental and social (E&S) monitoring and evaluation (M&E) framework, production rights allocation system, social assessment, staff recruitment and training, and communication strategy assessment. The RF



was aligned with the ToC and the PDO. Some IRIs supported the PDO indicators (e.g., assessment of communications options supported the communications strategy). However, PDO indicators largely measured the critical intermediate outputs/outcomes (e.g., strategy development and institutional diagnostic implementation), while IRIs tracked both less critical intermediate results (e.g., the oil and gas master plan and Strategic Environmental and Social Assessment) and inputs/outputs (e.g., number of staff trained and surveys conducted). Such RF design is appropriate for a TA project with many activities. The MTR noted that the RF under Objective 2 had indicators not informative of outcomes. As a result, Restructuring 1 significantly modified it to achieve more comprehensive and better targeted result monitoring. The RF was further improved under Restructuring 2.

IRI results:

I. Strategic and policy framework enhancement:

1. “Financing structure and sources of funds for National Oil Corp’s share of oil and gas development identified (Yes/No)”. The scope of this indicator was reduced at Restructuring 2 to the financing structure. The revised indicator target was met. The original target was therefore partially met.
3. “Framework Plan for Environmental and Social (E&S) Management of the Oil and Gas Sector approved (Yes/No)”. The scope of this indicator was reduced at Restructuring 2 to the use of tools and methodologies for E&S. The original target was partially achieved (ICR, page 27).

II. Institutional diagnostic and capacity building:

4. Three original indicators were later reformulated, and target achievement is unclear: “Instrumental staff members recruited to fulfill technical and fiduciary capacities”; “Training sessions conducted on institutional capacity building”, and “Number of participants to the training sessions on institutional capacity building”. While these results are unclear, the new indicators were similar and mostly achieved.

III. Stakeholder engagement:

5. “Assessment on the current existing communications options/mechanisms and institutional capacity regarding communications conducted (Yes/No)”. The target was met.
6. “Survey of citizens conducted with summary of findings publicly disclosed” (target: six surveys). At closure, one survey was conducted; the target was 16.7 percent (barely) met.
7. “Separate focus group (FG) discussions for female citizens conducted” (target: 12). With eight FGs conducted, the target was 66.7 percent (substantially) met.

PDO results:

I. Strategic and policy framework enhancement:

1. “Oil and gas policy and strategy developed (Yes/No)”. This indicator was reformulated during Restructuring 2 to focus on domestic gas valorization, with a reduced ambition. The new target was partially achieved, as



core activities were shifted to PADAES at closure; accordingly, the original target can be considered barely or partially met.

2. “Master plan for oil and gas development created (Yes/No)”. The target was met.

II. Institutional diagnostic and capacity building:

3. “Institutional diagnostic conducted and results publicly disseminated (Yes/No). The target was met.

III. Stakeholder engagement:

4. “Communication strategy and roadmap for government agencies developed and implemented (Yes/No)”. The target was met.

Results under Objective 2, Original Project were mixed. The first task - *Enhancing strategic and policy framework* - was partially achieved: while the master plan for oil and gas was developed (PDO indicator 2), the oil and gas policy and strategy was not (PDO indicator 1), and the two IRIs - financing structure for the national oil company’s share and E&S management - were only partially met. The second task – *Institutional diagnostic and capacity building* – was substantially achieved: the institutional diagnostic was completed (PDO indicator 3), and results on training (IRIs) were strong. The third task - *Stakeholder engagement* - was also substantially achieved: the communications strategy and roadmap (PDO indicator 4) were prepared, and the communications assessment and most of FGs were completed, with only one output – number of surveys – barely met.

Based on the evidence presented in the ICR, overall Project outcomes under Objective 2 at closure were significant:

- **Enhancing strategic and policy framework.** The master plan supported implementation of the 2021 oil and gas strategy. A regulatory framework for integrating offshore projects into the maritime economy was built, improving safety and risk management. While the framework for M&E of E&S impacts was only partially established, it is on track for completion. A transparent system for awarding oil and gas exploration and production rights was established through an oil and gas cadaster.
- **Institutional diagnostic and capacity building.** Key ministries and PETROSEN were assessed, seven key staff recruited, and over 30 training sessions delivered to 485 staff. Career paths of trained staff were reviewed, confirming that most remain in roles that support development of oil and gas, in both public and private sectors.
- **Stakeholder engagement.** The communications strategy enhanced coordination across levels of Government, supported stakeholder consensus building, and promoted private sector participation. An expert-led assessment of existing communications options and institutional capacity was conducted across a wide range of institutions, followed by development and implementation of a national communications strategy.

Rating. Of the three tasks, two – (i) institutional diagnostic and capacity building, and (ii) stakeholder engagement – were substantially achieved, while the task of enhancing strategic and policy framework was partially achieved. Accordingly, efficacy is rated as Substantial, with moderate shortcomings.



Rating

Substantial

OBJECTIVE 2 REVISION 1

Revised Objective

To lay the foundations for the gas sector's contribution to the economy through enhanced legal and regulatory frameworks and capacity building (same as in the Original Project)..

Revised Rationale

See ToC discussion and RF review under Objective 1, Original Project.

IRI results:

I. Strategic and policy framework enhancement:

1. "Master plan for oil and gas development created (Yes/No)". The plan was developed; the target was achieved.

2. "Legal framework for the development of the oil and gas sector prepared (Yes/No)". Achievement is assessed as partial, as the indicator was later revised to narrow its scope to the integration of offshore projects into the maritime economy, which was achieved.

3. "Financing structure and sources of funds for National Oil Corp's share of oil and gas development identified (Yes/No). The target was partially reached (see details under Original Project).

4. "Framework Plan for Environmental and Social (E&S) Management of the Oil and Gas Sector approved (Yes/No)". The target was partially achieved (see details under Original Project).

II. Institutional diagnostic and capacity building:

5. "Key staff recruited to fill the technical capacity gap" (target: seven). The result was seven staff; the target was met.

6. "High level training completed for institutional capacity building" (target:90 staff). The achievement at closure was 48 staff; the target was 53.3 percent (partially) achieved.

7. Staff training was implemented as planned, with targets exceeded or almost fully met, covering petroleum engineering, taxation and accounting, oil and gas law and contract management, E&S impacts, and negotiations.

III. Stakeholder engagement:

8. "Assessment on the current communications options/mechanisms and institutional capacity regarding communications conducted (Yes/No)". The target was met.



9. “Survey of citizens conducted with summary of findings publicly disclosed” (new target: two surveys). Only one survey was conducted; the target was 50 percent (partially) met.

10. “Separate FGs for female citizens conducted” (target: 12). Eight FGs were conducted; the target was 66.7 percent (substantially) met.

PDO results:

I. Strategic and policy framework enhancement:

1. “Oil and gas policy and strategy developed (Yes/No)”. The target was barely or partially met (see details under Original Project).

2. “Strategic Environmental and Social Assessment is carried out (Yes/No)”. The assessment was completed, approved, and disclosed in 2025; the target was met.

II. Institutional diagnostic and capacity building:

3. “Institutional diagnostic conducted and results publicly disseminated (Yes/No). The target was met.

4. “Training completed for institutional capacity building” (target: 550 staff). At closure, 485 staff were trained, the target was 88.2 percent (substantially) achieved.

III. Stakeholder engagement:

5. “Communication strategy and roadmap for government agencies developed and implemented (Yes/No)”. The target was met.

Rating. Institutional diagnostic and capacity building, and stakeholder engagement tasks were achieved substantially, while the strategic and policy framework task was only achieved partially. Accordingly, efficacy is Substantial, with moderate shortcomings.

Revised Rating

Substantial

OBJECTIVE 2 REVISION 2

Revised Objective

To lay the foundations for the gas sector’s contribution to the economy through enhanced legal and regulatory frameworks and capacity building (same as in the Original Project)..

Revised Rationale

See ToC discussion and RF review under Objective 1, Original Project.

IRI results:



I. Strategic and policy framework enhancement:

1. "Master plan for oil and gas development created (Yes/No)". The target was met.
2. "Regulatory framework for the integration of offshore projects in the maritime economy developed (Yes/No)". The framework was developed; the target was met.
3. "Financing structure for the national oil company's share of oil and gas developments identified (Yes/No). The target was partially met (see details under Original Project).
4. "Environmental and Social monitoring and evaluation system for the oil and gas sector is established and operational (Yes/No)". The target was partially met (see details under Original Project).
5. "A transparent system for the allocation of oil and gas exploration and production rights is established (Yes/No)". The target was met.
6. "Strategic Environmental and Social Assessment is carried out (Yes/No)". The assessment was completed, approved, and disclosed in 2025; the target was met.

II. Institutional diagnostic and capacity building:

7. "Key staff recruited to fill the technical capacity gap" (target: seven). The result was seven staff; the target was met.
8. "High level training completed for institutional capacity building" (target:90 staff). The result was 48 staff; the target was 53.3 percent (partially) achieved.
9. Staff training was implemented as planned, with targets exceeded or almost fully met (see details under Original Project).

III. Stakeholder engagement:

10. "Assessment on the current existing communications options/mechanisms and institutional capacity regarding communications conducted (Yes/No)". The target was met.
11. "Survey of citizens conducted with summary of findings publicly disclosed" (new target: two surveys). One survey was conducted; the target was 50 percent (partially) met.
12. "Separate FGs for female citizens conducted" (target: 12). At closure, eight FGs were conducted; the target was 66.7 percent (substantially) achieved.

PDO results:

I. Strategic and policy framework enhancement:

1. "Strategy for the valorization of natural gas resources for domestic use is developed (Yes/No)". The target was only partially achieved, since the core activity (the "City of Energies" pre-feasibility study) was shifted to PADAES at closure.



II. Institutional diagnostic and capacity building:

2. "Institutional diagnostic conducted and results publicly disseminated (Yes/No). The target was reached.
3. "Training completed for institutional capacity building" (new target: 500 staff). At closure, 485 staff were trained, the target was 97.0 percent (almost fully) achieved.

III. Stakeholder engagement:

4. "Communication strategy and roadmap for government agencies developed and implemented (Yes/No)". The target was achieved.

Rating. Institutional diagnostic and capacity building, and stakeholder engagement tasks were achieved substantially, while the strategic and policy framework task was only achieved partially. Accordingly, efficacy is Substantial, with moderate shortcomings.

Revised Rating

Substantial

OVERALL EFFICACY

Rationale

Original Project. Under Objective 1, all RF targets were met, and the efficacy rating is High. The FIDs for Sangomar and GTA were successfully supported, with production starting in June 2024 and January 2025, respectively, demonstrating achievement of outcome level results beyond the RF. The project also made a critical contribution to oil and gas sector capacity, particularly in negotiations and field development. Under Objective 2, however, results were mixed, and efficacy is Substantial, with moderate shortcomings. The strategic and policy framework task was partially achieved: a master plan for oil and gas was developed (PDO indicator 2), but the oil and gas policy and strategy was not (PDO indicator 1), and supporting IRIs were partially met. The other two tasks - institutional diagnostics and capacity building, and stakeholder engagement - were substantially achieved. The institutional diagnostic was completed (PDO indicator 3), with strong training results, and the communications strategy and roadmap was prepared (PDO indicator 4), supported by the communications options assessment. Accordingly, the Original Project's efficacy is Substantial.

Overall Efficacy Rating

Substantial

OVERALL EFFICACY REVISION 1

Overall Efficacy Revision 1 Rationale



Revision 1 Project. Objective 1 efficacy is Substantial, with minor shortcomings. Original tasks, critical for the GTA and Sangomar FIDs, leading to oil and gas production, were accomplished, but not the tasks related to later phases of GTA and Sangomar and Yakaar-Teranga Phase 1 (approved under Restructuring 1). The latter were later either dropped or transferred to PADAES. Objective 2 results were achieved Substantially, with moderate shortcomings: institutional diagnostic and capacity building, and stakeholder engagement tasks were successful, while the strategic and policy framework task was only partially completed. Accordingly, the Revision 1 Project's efficacy is Substantial, with minor to moderate shortcomings.

Overall Efficacy Revision 1 Rating

Substantial

OVERALL EFFICACY REVISION 2

Overall Efficacy Revision 2 Rationale

Revision 2 Project. Objective 1 efficacy is Substantial, with minor shortcomings. Critical tasks were completed, enabling the FIDs for GTA and Sangomar fields and the start of oil and gas production. Shortcomings included tasks introduced under Restructuring 1- for the new phases of GTA and Sangomar and Phase 1 of Yakaar-Teranga – which were not completed. Objective 2 efficacy is Substantial, with moderate shortcomings, primarily due to partial achievement of the strategic and policy framework task. Accordingly, the Revision 2 Project's efficacy is Substantial, with minor to moderate shortcomings.

Overall Efficacy Revision 2 Rating

Substantial

5. Efficiency

a. Economic Analysis:

No economic analysis was conducted at appraisal or closure, as the Project focused on TA and such analysis was deemed not applicable. The ICR's efficiency section briefly reviewed the Project's expected economic benefits. At Project's approval, the oil and gas sector's contribution to GDP was minimal, as commercial production had not yet commenced. Gas production from the GTA and Sangomar fields began in 2024. Senegal's GDP growth reached 6.1 percent in 2024, with the hydrocarbon sector contributing 2.6 percent. GDP growth is projected to rise to 7.9 percent in 2025, with a 4.6 percent contribution from hydrocarbons. Fiscal revenues from oil and gas are expected to add, on average, 1 percent of GDP over the period 2024-2045. (ICR, pages 15-16)

b. Administrative Efficiency:

The ICR notes that the Project's design was solid, with a clear structure and implementable activities. The technical design was well aligned with the 2018 Systematic Country Diagnostic (SCD), technical advisory



support provided during preparation, and the World Bank’s experience with similar operations. The Project was implemented in parallel with Mauritania’s Gas Project Negotiations and Institutional Capacity (P163563) to support GTA development in both countries. Risk analysis was exceptionally thorough, accounting for a wide range of risks, including macroeconomic, political, institutional, fiduciary, procurement, environmental, stakeholder, and exploration and production, with appropriate mitigation measures built into the design. Bank supervision was generally consistent and efficient, with close coordination with the Government and an appropriately flexible approach. (ICR, pages 14-16, 18-22)

However, the Project faced some inefficiencies. Completion was delayed by 18 months, US\$5.9 million in funds (20.2 percent of the appraisal cost) were cancelled, the scope was reduced, and several activities were transferred to PADAES at closure. Project management costs nearly tripled, from US\$1.0 million at appraisal to US\$2.9 million at closure (ICR, page 6). Delays stemmed from both external factors - such as COVID-19 and shifts in the global oil and gas market, particularly the 2019-20 crisis - and internal factors. These included procurement inefficiencies; a PIU with limited experience in key areas; weak communication between the PIU and beneficiary ministries and agencies, affecting validation of proposals, contracts, and deliverables; misalignment between government stakeholders and oil and gas operators, which led to protracted negotiations for Yakaar-Teranga and operator (British Petroleum (BP)) withdrawal; insufficient high-level oversight; and overburdened focal points.

The MTR and project restructurings were instrumental in improving efficiency by refocusing the Project on high-impact, strategic activities, dropping non-performing non-critical activities, and addressing procurement bottlenecks and institutional constraints. RF revisions streamlined Project monitoring. (ICR, page 14-16, 18-22)

On balance, while the Project benefited from thorough preparation, hands-on supervision, and timely restructurings that improved implementation efficiency, these strengths were offset by delays, cancellation of activities, weaknesses in PIU functioning, and procurement challenges. Accordingly, the efficiency rating is Modest.

Efficiency Rating

Modest

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 <input type="checkbox"/> Not Applicable
ICR Estimate		0	0 <input type="checkbox"/> Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome



	Original Project	Revision 1 Project	Revision 2 Project
Relevance of objectives	High		
Efficacy	Substantial	Substantial	Substantial
Efficiency	Modest		
Outcome	Moderately Satisfactory	Moderately Satisfactory	Moderately Satisfactory
Outcome value	4	4	4
Amount disbursed, US\$ million	10.36	9.14	3.63
Disbursement percentage	44.8%	39.5%	15.7%
Weight value	1.79	1.58	0.63
Total weight	4.00		
Overall outcome rating	Moderately Satisfactory		

The relevance of objectives and efficacy of all three Projects are rated Substantial, while efficacy is rated Modest. Based on the shares of the disbursed funds before Restructuring 1, between Restructuring 1 and Restructuring 2, and after Restructuring 2, (US\$10.36 million or 44.8 percent, 9.14 million or 39.5 percent, and US\$3.63 million or 15.7 percent), the overall Project outcome rating is Moderately Satisfactory* ($0.448*4+0.395*4+0.157*4=4.0$).

a. Outcome Rating
Moderately Satisfactory

7. Risk to Development Outcome

Energy market volatility. The Project was negatively affected by the trends in global oil and gas markets, particularly the 2019-20 crisis. These market fluctuations, beyond government control, introduced uncertainty around the expected benefits from the GTA and Sangomar development, especially export revenues and contribution to GDP.

Political. Management of the GTA field, which straddles the Senegal Northern maritime boundary with Mauritania, presents political risks given the two countries' history of both cooperation and tension over natural resources. This risk has been partially mitigated through a parallel project in Mauritania, and the Government remains alert and prepared to manage potential tensions.

Stakeholder ownership: private sector. Investor-government relations have been challenging, creating uncertainty for large-scale private investment in oil and gas. The Project was negatively affected by BP's exit from Yakaar Teranga due to misalignment with the Government on domestic gas strategy. Subsequent phases of GTA, Sangomar, and Yakaar-Teranga are experiencing difficulties in attracting operators. Following the May 2024 elections, the new government's reviews of natural resource contracts and a retroactive tax reassessment of a private operator – with a significant increase, now under arbitration in the



International Centre for Settlement of Investment Disputes - have further weakened investor confidence. (ICR, page 22)

Macroeconomic. Development of the oil and gas fields is expected to increase reliance on natural resource revenues, with potential implications for the current account balance, savings, public spending, and investment. The Project sought to mitigate these risks through capacity-building measures to strengthen macroeconomic management.

Institutional capacity. The Project supported improvements in government institutions, regulatory frameworks, and negotiation capacity, contributing to a stronger institutional and legal environment and a growing pool of skilled professionals in the gas sector. Nevertheless, institutional capacity constraints remain and pose risks to the sustainability of outcomes; ongoing Bank projects will continue to address these challenges.

8. Assessment of Bank Performance

a. Quality-at-Entry

The Project was thoroughly prepared, with implementable activities and a clear design. It was aligned with the 2018 SCD and informed by the World Bank's experience with similar operations. It was implemented in parallel with the Mauritania Gas Project Negotiations and Institutional Capacity Project (P163563) to support GTA development in both countries. The M&E framework was adequate, supported by an exceptionally thorough risk assessment, with mitigation strategies, and the RF was generally adequately designed, with relevant M&E arrangements. (ICR, pages 14-16, 18-22)

However, there were some shortcomings. The PDO was vaguely phrased, and the RF was largely output-oriented and insufficiently captured Objective 2 results, necessitating revisions during project restructurings. In addition, the ICR noted early implementation delays in procurement due to prolonged consultant hiring processes, reflecting limited PIU capacity and challenges with the World Bank's Systematic Tracking of Exchanges in Procurement (STEP) system. (ICR, pages 14-16, 18-22)

Overall, Bank performance at Entry is rated Moderately Satisfactory - the Project design was adequate with some shortcomings.

Quality-at-Entry Rating

Moderately Satisfactory

b. Quality of supervision

The ICR noted that Bank supervision was generally consistent and efficient, with close coordination with the Government and a flexible approach. The Bank team provided consistent, high-level expertise and supervision to maximize development impact. Communication - through Implementation Status Reports (ISRs), aide memoirs, and the MTR - was detailed and candid, supporting key decisions that shaped the



Project's trajectory. The team demonstrated adaptability by responding to evolving government priorities. (ICR, pp. 14–16, 18-22)

Despite adequate supervision, the Project experienced an 18-month completion delay and an underspend of US\$5.9 million (20.2 percent of the appraisal cost). Project management costs nearly tripled, from US\$1.0 million at appraisal to US\$2.9 million at closure (ICR, page 6). Delays were driven by external factors, including the COVID-19 pandemic and the 2019–20 oil and gas market downturns, as well as internal challenges: procurement issues, limited PIU experience, misalignment between government stakeholders and operators, insufficient high-level oversight, and overburdened focal points. (ICR, pages 14-16, 18-22)

Overall, Bank performance at Supervision is rated Satisfactory. Support was consistent and adaptive, though implementation was affected by procurement and capacity challenges.

Quality of Supervision Rating

Satisfactory

Overall Bank Performance Rating

Satisfactory

9. M&E Design, Implementation, & Utilization

a. M&E Design

The RF at design reflected the logic of Project interventions, aligning with the PDO. The indicators measured objective results and included both quantitative and binary (Yes/No) indicators that were time-bound, measurable, specific, and attributable to the Project. PDO indicators were directly linked to and clarified the PDO, and were easy to monitor. The IRIs under Objective 1 were linked to and supported the PDO indicators but were mainly complementary to PDO indicators under Objective 2 (which is appropriate for a TA operation with many activities). A key shortcoming was that many indicators were at the output rather than outcome level. Also, the original RF was not sufficiently comprehensive or well targeted, requiring modifications under Restructurings 1 and 2.

b. M&E Implementation

The ICR noted that M&E implementation was generally adequate. The project team monitored indicators in line with established M&E arrangements. Following the MTR, the World Bank requested closer monitoring to strengthen M&E practices, including submission of at least quarterly M&E reports by the PIU (ICR, page 19). Restructuring 1 significantly revised the RF to enable more comprehensive and better-targeted results monitoring, and further improvements were made under Restructuring 2.



c. M&E Utilization

The ICR reported that M&E data were critical in informing MTR decisions and were also utilized to prepare initially biweekly and later quarterly reports to track procurement progress and implementation timelines, as well as to deliver the ISRs.

The M&E Quality is rated Substantial. While M&E implementation and utilization were adequate, the design had some shortcomings, as noted above.

M&E Quality Rating

Substantial

10. Other Issues

a. Safeguards

Environmental and Social (E&S) Safeguards. At appraisal, the Project was classified as Environmental Category B (Partial Assessment), triggering the Environmental and Social Assessment safeguard policy (OP/BP 4.01). As required, a Strategic Environmental and Social Assessment (SESA) for the hydrocarbons sector was prepared and disclosed in 2025, albeit with some delay. The Project also supported capacity building for managing environmental and social impacts of oil and gas operations. The ICR did not report any shortcomings in the application of E&S safeguards. A Grievance Redress Mechanism (GRM) was put in place early in implementation to mitigate social and institutional risks, covering both central government agencies and local authorities and allowing for complaint resolution. No grievances were recorded by Project closure. Safeguards performance was rated as Moderately Satisfactory in the last six ISRs. (ICR, page 20)

b. Fiduciary Compliance

Financial management (FM). The ICR reported that FM performance was adequate throughout implementation. Risks were appropriately assessed at preparation and effectively mitigated, and the FM system functioned well, supported by qualified staff. FM risk was rated Moderate during implementation. The system ensured proper use of funds, adequate internal controls, and timely financial reporting. Annual external audits followed international requirements; all audit reports were submitted on time and deemed satisfactory by the Bank, with no major unresolved issues. Challenges included limited FM capacity at start and spending caps imposed by the Ministry of Finance in later years, which slowed activity completion. As a result, nine unfinished contracts were transferred to PADAES project. FM performance was rated Satisfactory or Moderately Satisfactory in the last six ISRs, and Satisfactory in the final ISR. (ICR, pages 20-21)

c. Unintended impacts (Positive or Negative)



Procurement issues persisted in the first years of implementation but improved following the adoption of mitigation measures after the MTR. The ICR noted that the main issue was the irregular updating of STEP, resulting in missing key information for some contracts. Out of the 71 approved activities, 63 contracts were signed and recorded in STEP, with the main contracts executed. However, only 27 contracts were completed by Project closure. Several contracts were transferred to PADAES operation at Restructuring 3. (ICR, page 20)

d. Other

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11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Moderately Satisfactory	Moderately Satisfactory	
Bank Performance	Satisfactory	Satisfactory	
Quality of M&E	Substantial	Substantial	
Quality of ICR	---	Substantial	

12. Lessons

The following lessons were derived from the ICR (ICR, page 23):

1. Given the complexity of developing oil and gas production from the ground up, it is vital that project preparation incorporate contingency planning and allow for flexibility throughout implementation. Such projects are subject to geopolitical sensitivities, commodity market volatility, global value chain disruptions, and shifting government priorities. In this context, the Project’s flexible design and hands-on, adaptive management enabled it to respond to emerging challenges, remain focused on achieving the PDO, and adjust activities as needed to ensure that objectives were met while laying the groundwork for the long-term benefits of sector development.

2. Ensuring robust institutional arrangements from start is critical to implementation efficiency. Project implementation suffered from ambiguous institutional setup and weak intergovernmental communication - particularly between the PIU (GES-PETROGAZ) and beneficiary ministries and agencies - resulting in inefficiencies and delays. These issues were identified at the MTR, after which a Steering Committee was created to provide strategic guidance, and inter-institutional coordination was improved. Addressing this early on would have helped harmonize strategies and avoid fragmented actions.

3. Establishing sound project management practices early on, with clear procedures, defined timelines, and well-assigned roles and responsibilities, is essential for successful



implementation. This can be achieved through skills transfer from an experienced PIU or targeted PIU staff training at project outset. In the Project, such measures were insufficient, and key PIU staff lacked knowledge of managing World Bank operations - particularly procurement and related IT systems - resulting in avoidable implementation delays.

13. Assessment Recommended?

No

14. Comments on Quality of ICR

The ICR provides sufficient technical information and presents a succinct, clear, and well-justified assessment of the Project's outcomes, implementation efficiency, key factors of implementation, and other evaluation dimensions. It is logical, well structured, analytical, and internally consistent, linking evidence to findings and candidly discussing Project weaknesses. The ICR's shortcoming is that a split approach to efficacy evaluation was not applied despite the scope reduction at Restructuring 2. Given the significant changes to the RF during restructurings, as discussed in the ICR, such an approach would have enhanced transparency by making clear whether the targets against which efficacy was assessed changed substantially.

Considering the ICR's overall high technical and presentational quality, while taking the noted shortcoming into account, the rating is Substantial.

a. Quality of ICR Rating

Substantial