



Ceará Water Security and Governance (P165055)

LATIN AMERICA AND CARIBBEAN | Brazil | Water Global Practice |
IBRD/IDA | Investment Project Financing | FY 2020 | Seq No: 6 | ARCHIVED on 28-Jun-2022 | ISR51160 |

Implementing Agencies: Ceara Economic Research and Strategy Institute - IPECE, Ceara Water and Sanitation Utility - CAGECE, Secretariat of Water Resources - SRH, State of Ceara

Key Dates

Key Project Dates

Bank Approval Date: 08-Aug-2019

Effectiveness Date: 10-Feb-2020

Planned Mid Term Review Date: 13-Feb-2023

Actual Mid-Term Review Date:

Original Closing Date: 31-Dec-2026

Revised Closing Date: 31-Dec-2026

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The proposed Project's Development Objective (PDO) is to strengthen capacity for water resources management in the Borrower's territory, improve reliability of water services in selected municipalities, and improve operational efficiency of water services in the city of Fortaleza.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components Table

Name

Increasing Water Security:(Cost \$149.93 M)
Improving the Efficiency of Water Services:(Cost \$15.95 M)
Strengthening Public Sector Management:(Cost \$8.62 M)
Contingency Emergency Response Component - CERC

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Satisfactory
Overall Risk Rating	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial

Implementation Status and Key Decisions

The Project was approved by the Board on August 8, 2019. The Loan Agreement was signed on December 30, 2019 and the Effectiveness was declared on February 10, 2020.

After 27 months of implementation the Borrower, through the Project Management Unit (PMU) together with implementing agencies ARCE, CAGECE, CGE, SCIDADES, COGERH, FUNCEME, IPECE, SEDET, SEPLAG, SRH and TCE, is implementing 29 out of 57 Project's activities, including the Design and Build contract of the **Banabuiu-Sertão Central Pipeline System** and the Engineer that is responsible for overseeing the contract.



The Project Management Unit (PMU) is fully staffed and operational; each Project implementing entity has been working on procurement processes under the coordination of the PMU. The **Water Losses Control and Reduction in the Fortaleza Supply System** procurement was launched. **Dam safety activities** are ongoing in the Banabuiu and Gavião dams, monitored by the established independent dam safety panel with experts on hydraulic, hydrology and geotechnics. The task team is closely monitoring the processes jointly with the Borrower.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Substantial
Macroeconomic	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Sector Strategies and Policies	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Technical Design of Project or Program	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Institutional Capacity for Implementation and Sustainability	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial	<input type="checkbox"/> Moderate
Fiduciary	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Environment and Social	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Stakeholders	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Other	<input type="checkbox"/> Substantial	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Overall	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial

Results

PDO Indicators by Objectives / Outcomes

Strengthen capacity for water resources management				
▶ Percentage of strategic water users regularized (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	80.00
Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	31-Dec-2026

Improve reliability of water services in select municipalities				
▶ Continuity of water systems supplied with water from Banabuiu - Sertao Central pipeline system (Percentage, Custom)				



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	70.00	70.00	70.00	90.00
Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	31-Dec-2026
Comments:	Continuity of water services means uninterrupted supply (except for maintenance) following the National water quality standards (Ministry of Health PRC n. 05 of Sep. 28, 2017, Annex XX).			
► People benefiting from more reliable water services (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	118,490.00
Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	31-Dec-2026
Comments:	People benefiting from more reliable water services measured on a basis of uninterrupted water supply (except for maintenance) following the National water quality standards (Ministry of Health PRC n. 05 of Sep. 28, 2017, Annex XX).			
► Women benefiting from more reliable water services (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	61,615.00
Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	31-Dec-2026
Comments:	People benefiting from more reliable water services measured on a basis of uninterrupted water supply (except for maintenance) following the National water quality standards (Ministry of Health PRC n. 05 of Sep. 28, 2017, Annex XX).			

Improve operational efficiency of water services in the city of Fortaleza

► Reduction in Non Revenue Water in the city of Fortaleza (litters/connection.day) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	469.00	469.00	469.00	317.00
Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	31-Dec-2026
Comments:	Reduction in Non Revenue Water based on the creation of DMAs in hydraulic sectors in the city of Fortaleza.			

Intermediate Results Indicators by Components

Increasing Water Security

► Climate Forecast System strengthened (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
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Value	Climate Forecast System based on two global climate models on biweekly basis.	Climate forecast system information available to the public	Climate forecast system information available to the public	Climate Forecast System generated information being used to calculate water inflow in strategic reservoirs.
Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	15-Jun-2022
Comments:	System strengthened measured in terms of improving the climate component, public availability of information and use of information for decision making and water resources sector public policies.			
► Percentage of registered large users that have macro metering (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	7.00	7.00	7.00	75.00
Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	31-Dec-2026
► Increased water treatment capacity in the Banabuiu Sertao Central pipeline system region (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	1,900 m3/h
Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	31-Dec-2026
Comments:	Capacity refers to CAGECE's water treatment stations in the municipalities of Senador Pompeu (110 m3/h), Piquet Carneiro (110 m3/h), Mombaça (220 m3/h), and Jaguaratama (110 m3/h).			
► Reduction of the time lost from routine activities because of waterborne and gastrointestinal diseases (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	For women – 3.48 days/year For men - 3.15 days/year	For women – 3.48 days/year For men - 3.15 days/year	For women – 3.48 days/year For men - 3.15 days/year	Gap reduction by 20%
Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	31-Dec-2026
Comments:	Average number of days per year lost from routine activities due to waterborne and gastrointestinal diseases and the gap reduction between men and women.			
► Reduction of time spent with household workloads (including fetching water to the household) (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	For women - 18.1 hours/week For men - 10.5 hour/week	For women - 18.1 hours/week For men - 10.5 hour/week	For women - 18.1 hours/week For men - 10.5 hour/week	Gap reduction by 10%
Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	31-Dec-2026
Comments:	Average number of hours per week dedicated to household workloads, including fetching water to the household, and the gap reduction between men and women.			



► Beneficiaries' Level of satisfaction with the provision of water services (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	70.00
Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	31-Dec-2026
Comments:	Level of satisfaction of beneficiaries of the Banabuiú WSS with the provision of water services (disaggregated by gender). Three survey rounds will be carried out (baseline, mid-term and final).			
► Complaints and inquiries received through the Grievance Redress Mechanism that are registered and addressed (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	90.00
Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	31-Dec-2026
Comments:	Percentage of claims and inquiries received and addressed through the GRM (disaggregated by gender, age and priority groups).			
► Improve safety conditions of Banabuiú and Gavião dams (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No activity implemented.	Dam Safety Panel of Experts hired	Dam Safety Panel of Experts hired	Banabuiú rehabilitation works completed.
Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	31-Dec-2024
Comments:	Implementation of dam safety activities.			

Improving the Efficiency of Water Services				
► Number of District Metering Areas created in Fortaleza (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	44.00
Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	29-Dec-2023
Comments:	Number of District Metering Areas (DMA's) created in hydraulic sectors in the city of Fortaleza.			
► Water tariff structure revision proposal finalized, approved by the Administration Council and presented to the regulatory agencies. (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Tariff structure not revised.	Tariff structure not revised.	Tariff structure not revised.	Proposed tariff structure revision presented and approved by regulatory agencies.
Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	28-Jun-2024



Strengthening Public Sector Management				
► Public Investment Management System implemented and operational (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No system	No system.	No system.	20% of new water resources related projects analyzed via the System.
Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	31-Dec-2025
► Percentage of public works monitored (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	100% of the Project's works monitored. 80% of the State large works (above R\$50 million) monitored.
Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	30-Jun-2025
Comments:	Monitoring of Project works, and State large works, contracts above R\$ 50,000.00, and presentation of high risk associated with the bidding, contracting and/or execution.			
► Resolution regulating the patrimonial control of the water and sanitation sector assets published (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	1.00
Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	30-Jun-2023
► Contract evaluation average index developed (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No index.	No index.	No index.	Methodology applied for contracts registered in the new system.
Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	30-Jun-2025
Comments:	Level of adequacy of the contracts completed based on pre-established criteria based on qualitative and compliance aspects.			
► Dedicated group created at the IPECE to provide technical support in designing policies in the water and agribusiness sectors through on-demand research. (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No group	Group created within IPECE's Directorate of Economic Studies.	Group created within IPECE's Directorate of Economic Studies.	Inter and intra sectoral water demand study using input output model completed.



Date	01-Jul-2019	22-Nov-2021	22-Jun-2022	31-Dec-2024
Comments:	Water economy group within IPECE to carry out water resources and agribusiness sectors studies to support public policies decision making and strengthening the State's economic growth.			

Overall Comments

Update at ISM of June 2022: justification for indicators with intermediate targets by June 2022 that have not been met:

Climate Forecast System generated information being used to calculate water inflow in strategic reservoirs: the end target of this indicator, estimated to be reached in June 2022, is considerably delayed as the procurement of the activity is yet to be launched by August 2022.

Improve safety conditions of Banabuiú and Gavião dams: intermediate target 2 was estimated to be reached by December 2021, however the activity is delayed and expected to be reached by the end of August 2022.

Number of District Metering Areas created in Fortaleza: intermediate target 1 was estimated to be reached by December 2021, however this target and subsequent ones will not be reached on time, as the activity has been considerably delayed and contract award is expected by October 2022.

Performance-Based Conditions

Data on Financial Performance

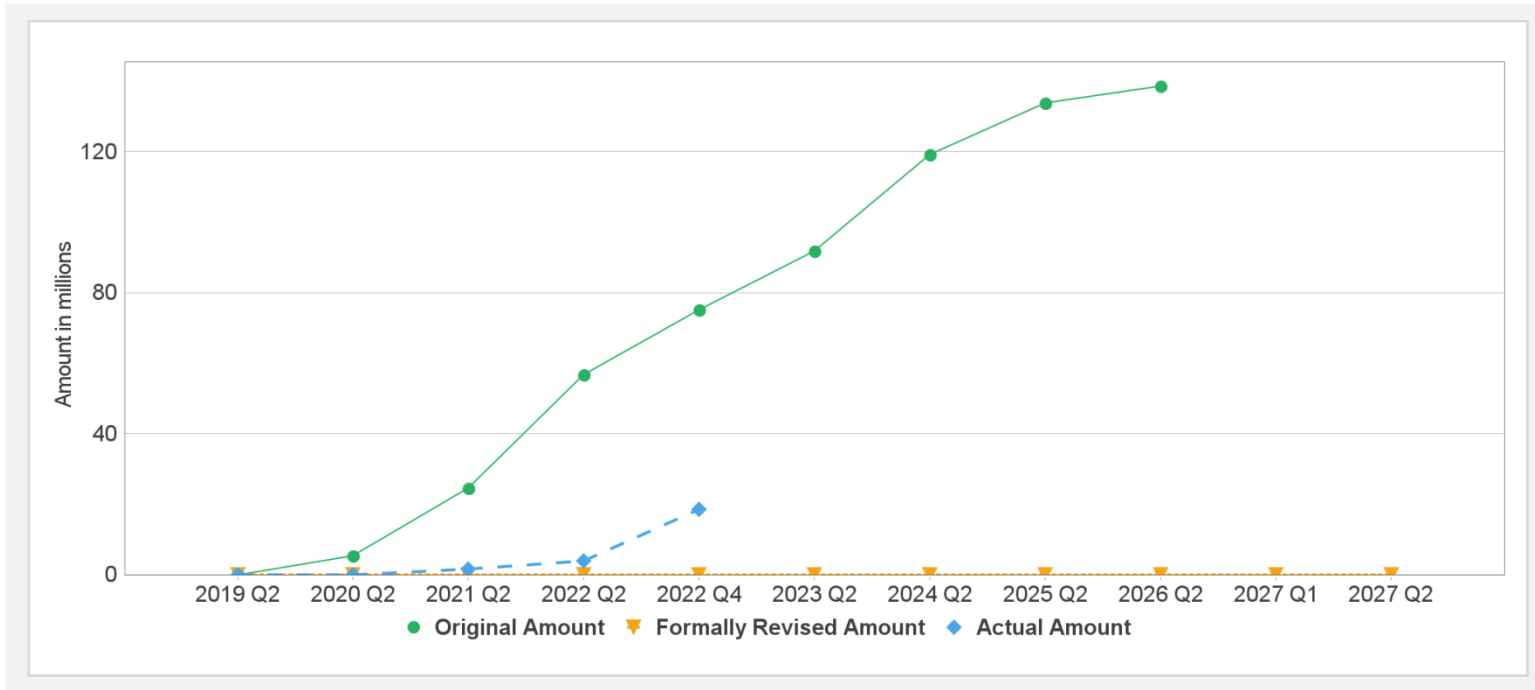
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P165055	IBRD-90060	Effective	USD	139.88	139.88	0.00	18.92	120.96	14%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P165055	IBRD-90060	Effective	08-Aug-2019	30-Dec-2019	10-Feb-2020	31-Dec-2026	31-Dec-2026

Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.