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Report No: RES48554

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT *AND/OR*
INTERNATIONAL DEVELOPMENT ASSOCIATION

RESTRUCTURING PAPER

ON A

PROPOSED PROGRAM RESTRUCTURING
OF

{AGRICULTURE AND LIVESTOCK COMPETITIVENESS PROGRAM FOR RESULTS}

{APPROVED ON MAY 12, 2020}

TO {THE}

{MINISTRY OF FINANCE AND BUDGET}

{Agriculture And Food Global Practice}

{Africa West Region}

Note to Task Teams:

1. Please modify amounts above and provide equivalent in US\$ if applicable.
2. For RVP CLEARANCE DATE, enter the same date as on MOP.
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ABBREVIATIONS AND ACRONYMS

CSA	Climate-smart agriculture
DLI	Disbursement-Linked Indicator
EB	Executive Board
GoS	Government of Senegal
IFAD	International Fund for Agricultural Development
IPL	Investment project lending
M&E	Monitoring and Evaluation
MAER	<i>Ministère de l'Agriculture et de l'Équipement Rural</i> (Ministry of Agriculture and Rural Equipment)
MEPA	<i>Ministère de l'Élevage et des Productions Animales</i> (Ministry of Livestock and Animal Production)
MFB	Ministry of Finance and Budget
PADAER-II	Agriculture Development and Rural Enterprise Support Program, phase 2
PAFA-E	<i>Projet d'Appui aux Filières Agricoles-Extension</i>
PAP	Program Action Plan
PARFA	<i>Projet d'Appui à la Résilience des Filières Agricoles</i>
PCAE	Agriculture and Livestock Competitiveness Program for Results
PforR	Program for Results
PRACAS II	Program for Accelerated Pace of Agriculture, phase II
PNDE	National Livestock Development Plan
RBL	Results-based Lending
TA	Technical Assistance
TCT	Technical Coordination Team



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DATA SHEET (AGRICULTURE AND LIVESTOCK COMPETITIVENESS PROGRAM FOR RESULTS - P164967)

Project ID P164967	Financing Instrument Program-for-Results Financing	IPF Component No
Approval Date 12-May-2020	Current Closing Date 31-Dec-2025	

Organizations

Borrower Ministry of Finance and Budget	Responsible Agency
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Program Development Objective(s)

The Program Development Objective is to enhance productivity and market access of priority commodity value chains and livestock, in the Extended Groundnut Basin and Agro-pastoral Areas.

Summary Status of Financing (US\$, Millions)

Ln/Cr/TF	Approval Date	Signing Date	Effectiveness Date	Closing Date	Net Commitment	Disbursed	Undisbursed
IDA-66160	12-May-2020	22-Jun-2020	02-Sep-2020	31-Dec-2025	150.00	29.29	133.53

Policy Waiver(s)

Does the Program require any waivers of Bank policies applicable to Program-for-Results operations?

No



The World Bank

AGRICULTURE AND LIVESTOCK COMPETITIVENESS PROGRAM FOR RESULTS (P164967)

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I. PROGRAM STATUS AND RATIONALE FOR RESTRUCTURING

A. PROGRAM STATUS

Summary.

1. This Project Paper seeks the approval of a restructuring of the Senegalese Agriculture and Livestock Competitiveness Program for Results (P164967, Cr.6616) to fix a corrigendum regarding the formulation of the DLI1 and DLI2 pertaining to the quantity of certified seeds, by adding the thousands of metric tons.
2. The Program Development Objective is to enhance productivity and market access of priority commodity value chains and livestock, in the Extended Groundnut Basin and Agro-pastoral Areas. There will be no change to the design of the Program, nor to the PDO, nor to the implementation arrangements, nor to DLIs, except adding the mission thousands of metric tons in the formulation of DLI1 and DLI2. The result framework will also be revised to account for this change pertaining to the quantity of certified seeds.

Implementation status.

3. The Program became effective on September 2, 2020. The Government had been using its own resources to carry out the planned activities under the Program, even before the initial advance requested had been granted in April 2021, and finally mobilized in December 2021. Implementation is on track and significant progress has been made. A first request for payment of some achieved DLIs is pending approval from the Bank. Approval of this request will enhance disbursement rate.

B. RATIONALE FOR RESTRUCTURING

4. There is a mistake in the formulation of the DLI 1 and DLI2 and the result framework (RF), regarding the quantity of certified seeds of certified groundnut seed acquired by producers in the Extended Groundnut Basin, and the cumulative certified seeds for diversification crops. There is a missing thousand metric tons in the formulation of the DLR1 and DLR2, as well as in the formula for disbursement and the RF. This is fixed by adding thousand (000) in the formulation.

DLI	Current		Proposed Change	
	DLR1	Formula	DLR1	Formula
DLI1: Quantity of certified groundnut seeds acquired annually	120 metric tons of certified groundnut seed acquired by producers in the Extended Groundnut Basin, from a baseline of 40 tons	For each additional 16 metric for the baseline, EUR 6,390,000 may be made available for withdrawal by the Recipient, up EUR 31,960,000	120,000 metric tons of certified groundnut seed acquired by producers in the Extended Groundnut Basin, from a baseline of 40 tons	For each additional 16,000 metric for the baseline, EUR 6,390,000 may be made available for withdrawal by the Recipient, up EUR 31,960,000
DLI2: Cumulative quantity of certified seeds for diversification crops	DLR2	Formula	DLR2	Formula
	53 metric tons of certified seeds, including <i>inter alia</i> fonio, maize and	For each additional 10.6 metric tons from the baseline, EUR 2,740,000 may be	53,000 metric tons of certified seeds, including <i>inter alia</i> fonio, maize and	For each additional 10,600 metric tons from the baseline, EUR 2,740,000 may



	sesame, acquired by producers in the Extended Groundnut Basin, from a baseline of 0 metric ton	made available for withdrawal by the Recipient, up to EUR 13,700,000	sesame, acquired by producers in the Extended Groundnut Basin, from a baseline of 0 metric ton	be made available for withdrawal by the Recipient, up to EUR 13,700,000
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II. DESCRIPTION OF PROPOSED CHANGES

A. FIXING A CORRIGENDUM IN THE FORMULATION OF DLI1 AND 2 AND.

- The only change is adding thousand (000) in the formulation of the statements of the two DLI, including the formula for disbursement, and the RF.
- The table below reflects the change.

Table: Disbursement-linked indicators

Category (including Disbursement Linked Indicator as applicable)	Disbursement Linked Result (as applicable)	Amount of the Credit Allocated (expressed in EUR) (IDA)
(1) DLI #1: Quantity of certified groundnut seeds acquired annually	DLR #1: 120,000 metric tons of certified groundnut seeds acquired by producers in the Extended Groundnut Basin, from a baseline of 40,000 metric tons	EUR 31,960,000 Formula: For each additional 16,000 metric tons from the baseline, EUR 6,390,000 may be made available for withdrawal by the Recipient, up to EUR 31,960,000
(2) DLI #2: Cumulative quantity of certified seeds acquired for diversification crops	DLR #2: 53,000 metric tons of certified seeds, including <i>inter alia</i> fonio, maize and sesame, acquired by producers in the Extended Groundnut Basin, from a baseline of 0 metric ton	EUR 13,700,000 Formula: For each additional 10,600 metric tons from the baseline, EUR 2,740,000 may be made available for withdrawal by the Recipient, up to EUR 13,700,000

B. PROGRAM COSTS

- The Program total cost of \$150 million remains unchanged.

C. RESULTS FRAMEWORK

- The result framework is revised by adding the missing thousands in the quantity of certified groundnut seeds as well as cumulative certified seeds for diversification.

D. SUPERVISION ARRANGEMENTS.

- The supervision arrangements remain unchanged.



III. SUMMARY OF CHANGES

	Changed	Not Changed
Change in Results Framework	✓	
Change in Implementing Agency		✓
Change in Program's Development Objectives		✓
Change in Program Scope		✓
Change in Loan Closing Date(s)		✓
Change in Cancellations Proposed		✓
Reallocation between and/or Change in DLI		✓
Change in Disbursements Arrangements		✓
Change in Disbursement Estimates		✓
Change in Systematic Operations Risk-Rating Tool (SORT)		✓
Change in Safeguard Policies Triggered		✓
Change in Legal Covenants		✓
Change in Institutional Arrangements		✓
Change in Technical Method		✓
Change in Fiduciary		✓
Change in Environmental and Social Aspects		✓
Change in Implementation Schedule		✓
Other Change(s)		✓

IV. DETAILED CHANGE(S)



ANNEX 1: RESULTS FRAMEWORK

Results framework

Program Development Objectives(s)

The Program Development Objective is to enhance productivity and market access of priority commodity value chains and livestock, in the Extended Groundnut Basin and Agro-pastoral Areas.

Program Development Objective Indicators by Objectives/ Outcomes

Indicator Name	DLI	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
Enhance productivity and market access of priority commodity value chains and livestock								
Yield increase of groundnut (Metric ton)		0.98	1.00	1.00	1.10	1.20	1.30	1.50



Indicator Name	DLI	Baseline	Intermediate Targets					End Target
			1	2	3	4	5	
Increase exports of shelled groundnuts (Metric ton)		215,000.00	230,000.00	255,000.00	280,000.00	315,000.00		350,000.00
Decrease in mortality rate of small ruminants (Percentage)		0.00	0.00		8.00			15.00
Increase in dairy farms productivity (Percentage)		0.00	0.00	5.00	10.00	15.00		20.00
Increase in volume of milk commercialized (Liters (Million))		270,000.00	280,000.00	295,000.00	310,000.00	325,000.00		340,000.00
Farmers reached with agricultural assets or services (CRI, Number)		0.00	50,000.00	100,000.00	200,000.00	230,000.00		250,000.00
Farmers reached with agricultural assets or services - Female (CRI, Number)		0.00						100,000.00

Intermediate Results Indicators by Result Areas

Indicator Name	DLI	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Improved Crop and Livestock Productivity and Resilience							



Indicator Name	DLI	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Quantities of certified groundnut seed acquired annually (Metric ton)		40,000.00	56,000.00	72,000.00	88,000.00	104,000.00	120,000.00
Action: This indicator has been Revised							
Cumulative quantity of certified seeds acquired for diversification crops (Metric ton)		0.00	10,600.00	21,200.00	31,800.00	42,400.00	53,000.00
Action: This indicator has been Revised							
Percentage of subsidy targeted to small producers and climate-smart technologies (Percentage)		40.00	50.00	60.00	70.00	80.00	90.00
Farmers adopting improved agricultural technology (CRI, Number)		0.00	30,000.00	70,000.00	100,000.00	130,000.00	150,000.00
Farmers adopting improved agricultural technology - Female (CRI, Number)		0.00					60,000.00
Vaccination coverage rates for small ruminant plague (PPR) (Percentage)		30.00	40.00	50.00	60.00	70.00	80.00
Strategy for the control of Newcastle Disease and fowlpox		No	No	No	Yes	Yes	Yes



Indicator Name	DLI	Baseline	Intermediate Targets				End Target
			1	2	3	4	
established and validated (Yes/No)							
Cumulative quantity of fodder certified seeds acquired by the producers (Metric ton)		0.00	0.00	0.00	100.00	200.00	300.00
Surface area producing fodder with certified seeds (Hectare(Ha))		0.00	0.00	0.00	5,000.00	10,000.00	15,000.00
National Genetic Improvement Strategy & Plan developed and validated (Yes/No)		No	No	No	Yes	Yes	Yes
Livestock husbandry guidelines (housing and management best practices) developed and disseminated (Yes/No)		No	No	No	Yes	Yes	Yes
Improved Business Environment and Market Integration							
Groundnut interprofession (CNIA) restructured (new action plan and framework agreement with government) (Text)		No existing action plan to restructure the National Committee on the Groundnut Value chain (CNIA)		CNIA restructured with an action plan to be autonomous, in an acceptable way to the WB	Framework agreement is signed between CNIA and the Government, encompassing new price setting mechanism for groundnut	Action plan is implemented	Groundnut interprofession (CNIA) restructured (new action plan and framework agreement with government)
Level of groundnut production under contract farming agreements (Percentage)		0.00	5.00	10.00	15.00	20.00	30.00



Indicator Name	DLI	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Number of producers with access to agriculture insurance for crops and livestock (Number)		269,000.00	292,000.00	319,000.00	346,000.00	373,000.00	400,000.00
of which women (Number)		80,000.00	87,000.00	96,000.00	104,000.00	112,000.00	120,000.00
Operationalization of the WRS in the Extended Groundnut Basin (Text)		The WRS regulatory body (OSRE) has not been implemented	ORSRE's key personnel has been appointed or recruited, and ORSRE has been provided with its own approved budget	10 warehouses meet ORSRE's licensing requirements allowing warehouse operators to issue warehouse receipts, from a baseline of 0	US\$ 10,000,000 financed by financial institutions through warehouse receipts, from a baseline of US\$ 0		The WRS is operational in the extended groundnut basin and facilitating access to credit
Warehouses in the groundnut basin licensed by the Warehouse Receipt System regulatory body (ORSRE) (Number)		0.00					10.00
Number of milk collection centers supported and/or equipped and operational (Number)		12.00	27.00	42.00	57.00	72.00	72.00
Improved Sector Governance, Coordination and Program Management							
Monitoring and evaluation system for agriculture and livestock performance (Text)		Draft Monitoring and Evaluation system at MAER and MEPA		Adequate monitoring and evaluation systems in place and operating in MAER and MEPA to track Program			Monitoring and evaluation system for agriculture and livestock performance



Indicator Name	DLI	Baseline	Intermediate Targets				End Target
			1	2	3	4	
			performance				
Application of DECRET n° 2008-1260 (Nov. 10, 2008, concerning recognition, organization and functioning of the Interprofessional Organizations in the Agricultural sector (OIA). (Yes/No)		No					Yes
Regional Committees on Agricultural Framework Law are functioning (CROASP) (Yes/No)		No	No	Yes	Yes	Yes	Yes
Animal Health and Veterinary Public Health Code finalized and validated (Yes/No)		No	No	Yes	Yes	Yes	Yes
Livestock Master Plan developed (Yes/No)		No	No	No	No	Yes	Yes
Share of targeted beneficiaries (total and female) with rating 'satisfied' or above on project interventions/support (survey) (Percentage)		0.00					85.00



Disbursement Linked Indicators Matrix

Disbursement Linked Indicators Matrix				
DLI 1	Quantity of certified groundnut seeds acquired annually			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	Yes	Metric ton	35,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	40.00			
Year 1	56.00		7,000,000.00	
Year 2	72.00		7,000,000.00	
Year 3	88.00		7,000,000.00	
Year 4	104.00		7,000,000.00	
Year 5	120.00		7,000,000.00	For each additional 16 metric tons from the baseline, US\$ 7m
DLI 2	Cumulative quantity of certified seeds acquired for diversification crops			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Metric ton	15,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	0.00			
Year 1	10.60		3,000,000.00	



Year 2	21.20		3,000,000.00	
Year 3	31.80		3,000,000.00	
Year 4	42.40		3,000,000.00	
Year 5	53.00		3,000,000.00	For each additional 10.6 metric tons from the baseline, US\$
DLI 3	Percentage of subsidy targeted to small producers and climate-smart technologies			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	Yes	Percentage	20,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	40.00			
Year 1	50.00		4,000,000.00	
Year 2	60.00		4,000,000.00	
Year 3	70.00		4,000,000.00	
Year 4	80.00		4,000,000.00	
Year 5	90.00		4,000,000.00	For each additional 10-percentage-point increase from the ba



DLI 4		Vaccination coverage rate for small ruminant plague (PPR)		
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	Yes	Percentage	30,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	30.00			
Year 1	40.00		6,000,000.00	
Year 2	50.00		6,000,000.00	
Year 3	60.00		6,000,000.00	
Year 4	70.00		6,000,000.00	
Year 5	80.00		6,000,000.00	For each additional 10-percentage-point increase from the ba
DLI 5		Cumulative quantity of fodder certified seeds acquired by the producers (tons)		
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	Yes	Metric ton	10,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	0.00			
Year 1	0.00		0.00	
Year 2	0.00		0.00	



Year 3	100.00	4,000,000.00	US\$ 4million for the first 100 tons
Year 4	200.00	3,000,000.00	US\$ 3 million
Year 5	300.00	3,000,000.00	US\$ 3 million

DLI 6				
Groundnut interprofession (CNIA) restructured				
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Text	10,000,000.00	0.00
Period	Value	Allocated Amount (USD)		Formula
Baseline	No existing action plan to restructure the National Committee on the Groundnut Valuechain (CNIA)			
Year 1		0.00		
Year 2	Restructuring of CNIA to: (i) establish CNIA as an autonomous entity through the adoption by the Recipient of an action plan and approval of a dedicated budget, and (ii) ensure representation of relevant stakeholders within CNIA	4,000,000.00		
Year 3	Signature of a framework agreement between the Recipient and CNIA, rolling out a price-setting mechanism for groundnut	4,000,000.00		
Year 4	CNIA's action plan is implemented	2,000,000.00		
Year 5		0.00		



DLI 7				
Number of producers with access to agriculture insurance for crops and livestock				
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Text	10,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	269,000 farmers covered with insurance			
Year 1	Insurance premium arrears due by the Recipient to CNAAS cleared entirely		2,000,000.00	
Year 2	321,400 farmers covered		3,200,000.00	
Year 3	347,600 farmers covered		1,600,000.00	
Year 4	373,800 farmers covered		1,600,000.00	
Year 5	400,000 farmers are covered by the insurance scheme		1,600,000.00	For each additional 26,200 farmers and herders covered from
DLI 8				
Operationalization of the WRS in the Extended Groundnut Basin				
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	Yes	Text	4,005,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	The WRS regulatory body (ORSE) has not been implemented			
Year 1	ORSRE's key personnel has been appointed or recruited, and ORSRE has been provided with its own approved budget		400,000.00	



Year 2	10 warehouses meet ORSRE's licensing requirements allowing warehouse operators to issue warehouse receipts, from a baseline of 0		805,000.00	
Year 3	US\$ 10,000,000 financed by financial institutions through warehouse receipts, from a baseline of US\$ 0		2,800,000.00	for each additional US\$ 2,500,000 financed by financial inst
Year 4			0.00	
Year 5			0.00	
DLI 9	Number of milk collection centers supported and/or equipped and operational			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Number	5,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	12.00			
Year 1	27.00		1,250,000.00	
Year 2	42.00		1,250,000.00	
Year 3	57.00		1,250,000.00	
Year 4	72.00		1,250,000.00	
Year 5	72.00		0.00	For each additional 15 milk collection centers supported and



DLI 10	Monitoring and Evaluation (M&E) system each at MAER and MEPA for agriculture and livestock performance in place and functioning			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Text	10,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	Draft Monitoring and evaluation system for agriculture and livestock sectors			
Year 1			0.00	
Year 2	Adequate monitoring and evaluation systems in place and operating in each MAER and MEPA to track Program performance		10,000,000.00	US\$ 5 million available for withdrawal per monitoring and ev
Year 3			0.00	
Year 4			0.00	
Year 5			0.00	

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ANNEX 2: PROGRAM ACTION PLAN

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Action Description	Source	DLI#	Responsibility	Timing		Completion Measurement
Establishment of the TCT within each of the two-line ministries	Technical		MAER and MEPA	Other	2 months after effectiveness	TCT in place
Recruitment of the Independant Verification Agency (IVA)	Other		MAER and MEPA	Other	3 months after effectiveness	IVA recruited
Appointment of dedicated public accountants to process line ministries payments at National Treasury and MAER Internal Auditors (Internal Inspection)	Fiduciary Systems		MAER, MEPA	Due Date	30-Jun-2021	Dedicated accountants appointed at MFB national Treasury and MAER Internal audit vacant position filled
Perform Agriculture sector PER with the Agriculture GP to deepen the analysis of the expenditures adequacy and efficiency under the Program	Fiduciary Systems		MAER, MEPA and MFB	Due Date	30-Aug-2022	PER report available for policy decision
Establishment of a Grievance Redress Mechanism (GRM)	Environmental and Social Systems		MAER and MEPA	Other	2 months after Effectiveness	GRM in place in each Ministry (MAER and MEPA)

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