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**The World Bank**  
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Report No: ICR00005057

IMPLEMENTATION COMPLETION AND RESULTS REPORT

TF018539

ON A

GRANT

IN THE AMOUNT OF US\$ 7.5 MILLION EQUIVALENT

TO THE

NIGER BASIN AUTHORITY

FOR THE

NIGER RIVER BASIN MANAGEMENT PROJECT (P149714)

June 2020

Water Global Practice  
Africa Region

## CURRENCY EQUIVALENTS

(Exchange Rate Effective December 31, 2019)

Currency Unit = SDR

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0.73 SDR= US\$1

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1.38 US\$ = SDR 1

FISCAL YEAR

July 1 - June 30

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## ABBREVIATIONS AND ACRONYMS

|                    |  |
|--------------------|--|
| <b>AFRVP</b>       | African Region Vice President  |
| <b>AfDB</b>        | African Development Bank   |
| <b>AM</b>          | Aide Memoire   |
| <b>APL</b>         | Adaptable Program Lending  |
| <b>ARS</b>         | Africa Region Strategy   |
| <b>CIWA</b>        | Cooperation in International Waters in Africa  |
| <b>CoM</b>         | Council of Ministers   |
| <b>CRIP</b>        | Climate Resilience Investment Plan   |
| <b>ESIA</b>        | Environmental and Social Impact Analysis   |
| <b>FIC</b>         | Fomi Inter-ministerial Committee   |
| <b>FMP</b>         | Fomi Multipurpose Project  |
| <b>ICR</b>         | Implementation Completion Report   |
| <b>IDA</b>         | International Development Agency   |
| <b>ISR</b>         | Implementation Status and Results Report   |
| <b>IWRM</b>        | Integrated Water Resources Management  |
| <b>M&amp;E</b>     | Monitoring and Evaluation  |
| <b>MDTF</b>        | Multi-donor Trust Fund   |
| <b>NBA</b>         | Niger Basin Authority  |
| <b>NFS</b>         | National Focal Structure   |
| <b>NID</b>         | Niger Inner Delta  |
| <b>PAD</b>         | Project Appraisal Document   |
| <b>PDO</b>         | Project Development Objective  |
| <b>PDRECC</b>      | <i>Projet de Développement de la Résilience Aux Changements Climatiques dans le Bassin du Fleuve Niger / Building Climate Change Resilience in the Niger Basin</i> |
| <b>PMCU</b>        | Project Management and Coordination Unit   |
| <b>PGBFN/NRBMP</b> | <i>Projet de Gestion du Bassin du Fleuve Niger / Niger River Basin Management Project</i>  |
| <b>PES</b>         | Payment for Environmental Services   |
| <b>RBO</b>         | River Basin Organization   |
| <b>RCCAF</b>       | Regional Climate Change Adaptation Fund  |
| <b>RF</b>          | Results Framework  |
| <b>RIAS</b>        | Regional Integration Assistance Strategy   |
| <b>RP</b>          | Restructuring Paper  |
| <b>SDAP</b>        | Sustainable Development Action Plan  |
| <b>SSA</b>         | Sub-Saharan Africa   |
| <b>SVP</b>         | Shared Vision Process  |
| <b>TC</b>          | Technical Committee  |
| <b>ToR</b>         | Terms of Reference   |
| <b>TTL</b>         | Task Team Leader   |
| <b>WB</b>          | World Bank   |
| <b>WRD-SEM</b>     | Water Resources Development and Sustainable Ecosystems Management Project  |

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**DATA SHEET**

**BASIC INFORMATION**

**Product Information**

|  |  |
|--|--|
| Project ID<br>P149714                          | Project Name<br>Niger River Basin Management Project |
| Country<br>Western Africa                      | Financing Instrument<br>Investment Project Financing |
| Original EA Category<br>Partial Assessment (B) | Revised EA Category<br>Partial Assessment (B)        |

**Organizations**

|                                   |  |
|-----------------------------------|--|
| Borrower<br>Niger Basin Authority | Implementing Agency<br>Niger Basin Authority (NBA) |
|-----------------------------------|--|

**Project Development Objective (PDO)**

Original PDO

The objective of the project is to strengthen the institutional framework for regional cooperation in water resources in the NigerRiver Basin.

## FINANCING

|                                 | Original Amount (US\$) | Revised Amount (US\$) | Actual Disbursed (US\$) |
|---------------------------------|------------------------|-----------------------|-------------------------|
| <b>World Bank Financing</b>     |                        |                       |                         |
| TF-18539                        | 7,500,000              | 4,198,203             | 4,198,203               |
| <b>Total</b>                    | <b>7,500,000</b>       | <b>4,198,203</b>      | <b>4,198,203</b>        |
| <b>Non-World Bank Financing</b> |                        |                       |                         |
| Borrower/Recipient              | 0                      | 0                     | 0                       |
| <b>Total</b>                    | <b>0</b>               | <b>0</b>              | <b>0</b>                |
| <b>Total Project Cost</b>       | <b>7,500,000</b>       | <b>4,198,203</b>      | <b>4,198,203</b>        |

## KEY DATES

| Approval    | Effectiveness | MTR Review  | Original Closing | Actual Closing |
|-------------|---------------|-------------|------------------|----------------|
| 28-Jan-2015 | 03-May-2016   | 07-Dec-2018 | 31-Dec-2019      | 31-Dec-2019    |

## RESTRUCTURING AND/OR ADDITIONAL FINANCING

| Date(s)     | Amount Disbursed (US\$M) | Key Revisions   |
|-------------|--------------------------|---|
| 27-Jun-2018 | 1.12                     | Change in Results Framework<br>Change in Components and Cost<br>Cancellation of Financing<br>Reallocation between Disbursement Categories |

## KEY RATINGS

| Outcome                 | Bank Performance        | M&E Quality |
|-------------------------|-------------------------|-------------|
| Moderately Satisfactory | Moderately Satisfactory | Modest      |

## RATINGS OF PROJECT PERFORMANCE IN ISRs

| No. | Date ISR Archived | DO Rating               | IP Rating                 | Actual Disbursements (US\$M) |
|-----|-------------------|-------------------------|---------------------------|------------------------------|
| 01  | 16-Jun-2015       | Moderately Satisfactory | Moderately Unsatisfactory | 0                            |



|    |             |                           |                           |      |
|----|-------------|---------------------------|---------------------------|------|
| 02 | 14-Dec-2015 | Moderately Satisfactory   | Moderately Unsatisfactory | 0    |
| 03 | 18-Apr-2016 | Moderately Satisfactory   | Moderately Satisfactory   | 0    |
| 04 | 04-Jan-2017 | Moderately Unsatisfactory | Moderately Unsatisfactory | 0    |
| 05 | 05-Oct-2017 | Moderately Unsatisfactory | Moderately Unsatisfactory | 0    |
| 06 | 26-Dec-2017 | Moderately Unsatisfactory | Moderately Unsatisfactory | .71  |
| 07 | 15-Jun-2018 | Moderately Unsatisfactory | Moderately Unsatisfactory | 1.11 |
| 08 | 18-Dec-2018 | Moderately Unsatisfactory | Moderately Unsatisfactory | 1.21 |
| 09 | 06-Jun-2019 | Moderately Satisfactory   | Moderately Satisfactory   | 1.71 |
| 10 | 02-Nov-2019 | Moderately Satisfactory   | Moderately Satisfactory   | 3.30 |
| 11 | 23-Dec-2019 | Moderately Satisfactory   | Satisfactory              | 3.30 |

## SECTORS AND THEMES

### Sectors

Major Sector/Sector (%)

**Agriculture, Fishing and Forestry 20**

Agricultural Extension, Research, and Other Support Activities 20

**Public Administration 20**

Sub-National Government 20

**Energy and Extractives 30**

Renewable Energy Hydro 30

**Water, Sanitation and Waste Management 30**

Other Water Supply, Sanitation and Waste Management 30



| <b>Themes</b>                                      |           |
|--|-----------|
| Major Theme/ Theme (Level 2)/ Theme (Level 3)      | (%)       |
| <b>Private Sector Development</b>                  | <b>35</b> |
| Regional Integration                               | 35        |
| <b>Social Development and Protection</b>           | <b>15</b> |
| Social Inclusion                                   | 15        |
| Indigenous People and Ethnic Minorities            | 5         |
| Other Excluded Groups                              | 5         |
| Participation and Civic Engagement                 | 5         |
| <b>Environment and Natural Resource Management</b> | <b>50</b> |
| Environmental policies and institutions            | 15        |
| Water Resource Management                          | 35        |
| Water Institutions, Policies and Reform            | 35        |

| <b>ADM STAFF</b>         |                                      |                                  |
|--------------------------|--------------------------------------|----------------------------------|
| Role                     | At Approval                          | At ICR                           |
| Regional Vice President: | Makhtar Diop                         | Hafez M. H. Ghanem               |
| Country Director:        | Colin Bruce                          | Deborah L. Wetzel                |
| Director:                | Junaid Kamal Ahmad                   | Simeon Kacou Ehui                |
| Practice Manager:        | Alexander E. Bakalian                | Yogita Mumssen                   |
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## I. PROJECT CONTEXT AND DEVELOPMENT OBJECTIVES

### A. CONTEXT AT APPRAISAL

#### Context

1. **The Niger Basin is the largest transboundary basin in West Africa and constitutes an important lifeline in the arid and semi-arid Sahel region, and is experiencing increased fragility.** The hydrologically active watershed (the “basin”) covers 1.5 million km<sup>2</sup> and spreads across nine West African countries: Benin, Burkina Faso, Cameroon, Chad, Guinea, Ivory Coast, Mali, Niger, and Nigeria. All countries are members of the Niger Basin Authority (NBA). Of an estimated total basin population in 2015 of 138 million people, 69 percent resided in Nigeria and nine percent in Mali and Niger, respectively<sup>1</sup>. Population density in the basin is four to five times greater than the national averages with national level annual population growth ranging from 2-4 percent. The Niger Basin hydro-system contributes to between 20-50 percent of the basin countries’ gross domestic product as it enables agriculture, generates significant employment, and provides food security for the basin’s population, including for major metropolitan centers such as Bamako, Niamey, and Abuja. The Niger River is also important for the region’s energy security, with an installed and partially integrated hydropower capacity of 2,000 megawatt. The inner and maritime deltas are wetlands of international importance (RAMSAR sites<sup>2</sup>) that provide livelihoods to many millions of people. The basin population is mostly young, rural, poverty-stricken, agriculture-dependent, and vulnerable due on the one hand to food security and social well-being being dependent on unpredictable and extreme rainfall regimes, and on the other hand, to the recent conflicts which have arisen in Mali, Burkina Faso, and Niger as well as the resurgence of the Boko Haram.

2. **The basin’s large potential for water infrastructure development is mostly untapped.** Lack of water resources development and coordinated flow regulation in the Upper and Middle Basin was preventing equitable socio-economic growth, endangering water security in towns bordering the river, limiting the scale of intensity of irrigation investments, and depriving countries of a relatively clean, accessible, and cheap source of energy. Currently, about 20 percent of the hydropower potential and less of the irrigation potential are being used.

3. **The Niger Basin Authority was created in 1980<sup>3</sup> with the overall goal to “promote cooperation between the nine riparian countries and ensure the integrated development of the Niger Basin in the areas of energy, hydraulic, agriculture, animal husbandry, fishing and aquaculture, agro-forestry, transport and communications and industry”.** This is to be achieved focusing on five specific objectives: (1) harmonization and coordination of national policies for the beneficial use of water resources; (2) participation in the preparation and implementation of the basin integrated development plan; (3) promotion and participation in the design and operation of infrastructure and joint-interest projects; (4) control and regulation of navigation on the Niger River and its tributaries; and (5) participation in project formulation and in the mobilization of financing for studies and works required for the development of the basin water resources. In addition to these “historical roles”, the NBA has gradually embraced direct functions that enable the

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<sup>1</sup> BRL. 2007. *Elaboration Du Plan D’action De Développement Durable Du Bassin Du Niger*

<sup>2</sup> A Ramsar site is a wetland of international importance under the Ramsar Convention. The Ramsar Convention is an intergovernmental environmental treaty stipulated in 1971 by UNESCO. It provides for national action and international cooperation regarding the conservation of wetlands.

<sup>3</sup> NBA replaces the River Niger Commission, which was created in 1964.



coordinated management of water resources in the Basin, particularly along the River Niger, where several large dams and significant irrigation abstractions were and are still planned.

4. **In 2004, the nine riparian countries committed to regional cooperation for joint development and sustainable management of shared water resources through coordinated multisectoral investments and common water governance rules.** This commitment, known as the Paris Declaration, initiated the Shared Vision Process (SVP) that reaffirmed the central role of the NBA as a coordination, knowledge, and development organization and led to a basin-wide Sustainable Development Action Plan (SDAP) piloted by the NBA which was approved in 2007. Its pillars are (a) socioeconomic infrastructure (development of cascade storage dams for irrigation and hydropower), (b) ecosystem conservation and natural resource protection, and (c) capacity building and stakeholder participation, including a strengthened legal and regulatory framework. Based on the SDAP, the Member States approved an US\$ 8 billion 20-year Investment Program in April 2008. The Water Charter and its Annexes<sup>4</sup>, approved in April 2008, gives legal status to the Paris Declaration and confirmed the mandates of the NBA. The NBA monitors the conditions of the basin (done, in practice, through the NBA's Observatory of the Environment), provides services to key stakeholders (including flow forecasts) and a neutral analysis of planned water abstractions, and it mobilizes high-level expertise for relevant studies and analyses. The World Bank, together with five other donors, accompanied the SVP and committed to align their financial assistance to the pillars of the SDAP. The NBA lacked operational capacity. Therefore, supporting the NBA's institutional strengthening and capacity building at all levels (headquarter and country focal structures) was key to promoting regional cooperation and growth in the basin area.

5. **With the coming online of major regulating infrastructure, the demands on the NBA and its role in promoting and participating in the design and exploitation of works and projects of common interest were growing.** As part of the SDAP, three large dams were initially planned in the upper basin to work in cascade: Fomi dam in Guinea, Taoussa in Mali and Kandadji in Niger. Operation of these new transboundary infrastructure works requires a carefully coordinated approach at the regional level, which the NBA is mandated to take on. The NBA has an increasingly central role in facilitating decisions and building consensus among member countries, water users, civil society, and other key river basin partners and increasingly called upon to link national-level investments to regional processes. With the assistance of several development partners, the NBA had made significant progress towards operationalizing its mandate. However, as the development in the river basin continued, and pressure on the water resources base increased, the NBA needed to become a more robust institution. This required a more autonomous and sustainable financial resources base for the NBA, improvement of the basin-wide legal framework for enhanced coordination in the exploitation of transboundary infrastructure, as well as information systems and tools to enable the NBA to effectively enforce its mandate, including to respond to the growing demands on its coordination function. The Fomi Multipurpose Project (FMP) was a critical investment of the basin's SDAP, but although its transformative potential was tremendous, potential impacts included the resettlement of 45,000 people, environmental impacts in the reservoir's area, and changes to the flood regime in the ecologically rich and already sensitive Niger Inner Delta (NID). The dam design and operating rules would also be key determinants of how the benefits would be shared. The

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4 The Water Charter and its annexes have defined the following tools and rules, such as: notification (i.e. projects or emergencies of transboundary impacts); common or joint-interest projects (i.e. ownership, management, financing, monitoring); **conflict** management between riparian countries (i.e. mediation, arbitration); definition of environmental norms (i.e. ambient water quality standards; discharge standards; environmental flows); environmental impact studies; environmental monitoring (i.e. water quality, water quantity; withdrawals, discharges and other environmental aspects); environment information system and reporting; water-use and pollution fees.



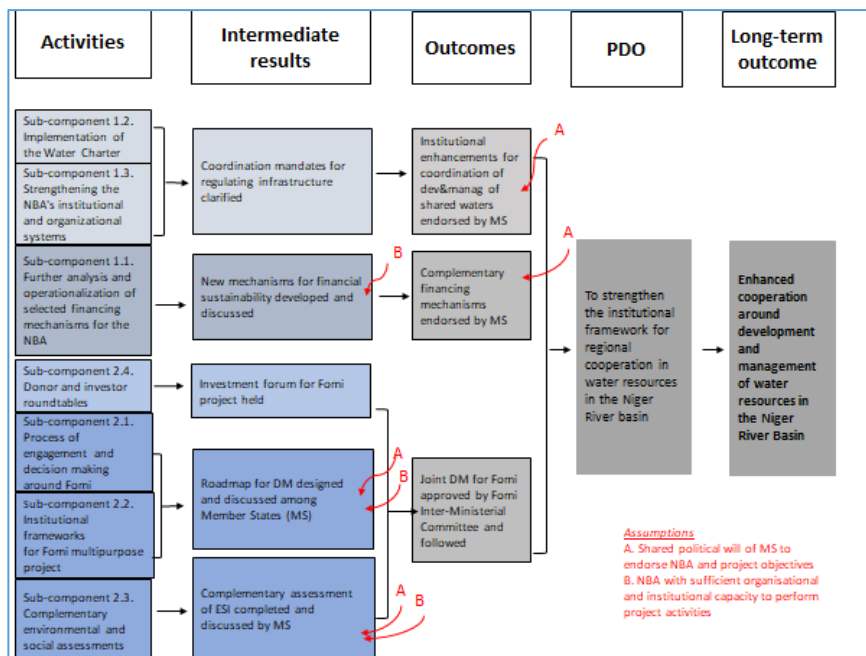
adequate institutional mechanisms therefore needed to be mobilized, and the Niger Basin Authority, as the “guardian” of the basin, could play this role – and sought Bank’s support.

6. The Niger River Basin Management Project (herein called the “Project”) was intended to be a vehicle for furthering transformative, strategic engagement in the Sahel region and formed part of the World Bank’s strategic engagement under the Sahel Initiative, a World Bank Group regional approach for supporting fragility and development in the Sahelian countries consisting of Burkina Faso, Mali, Mauritania, Niger and Chad. The Sahel Initiative was endorsed by the Bank in August 2013 and emphasizes the need for strong linkages with neighboring countries for deeper economic and connective integration, as would be the case of key transboundary multi-sector projects. The Project and the overall Niger Basin program were also consistent with the Bank’s Regional Integration Assistance Strategy for Sub-Saharan Africa (RIAS) and the Africa Region Strategy (ARS), which recognized regional approaches as a means for increasing opportunities and realizing economies of scale. In particular, the Project supported pillar one of the RIAS on regional infrastructure, pillar three on coordinated intervention to provide regional public goods, and the cross-cutting aspect on strengthening regional strategic planning and alignment with national development plans.

Theory of Change (Results Chain)

7. The Project aimed at enhancing the institutional framework for regional cooperation in water resources in the Niger River Basin by strengthening the institutional, organizational, and financial capacity of the key responsible authority, the NBA. At the time of project preparation, a full theory of change was not required. This is the ICR’s team interpretation of the project’s objectives and indicators.

Figure 1 Project’s Theory of Change



MS=Member States; DM=Decision Making



### Project Development Objectives (PDOs)

8. The original Project Development Objective (PDO) as per the Project Appraisal was “to strengthen the institutional framework for regional cooperation in water resources in the Niger River basin”.

#### Key Expected Outcomes and Outcome Indicators

9. The associated PDO level results indicators were:
- (i) Institutional enhancements for coordination of development and management of shared water resources endorsed by member states;
  - (ii) A complementary financing mechanism endorsed by member states;
  - (iii) Joint decision-making process for Fomi multipurpose project approved by Fomi Inter-Ministerial Committee and followed.
10. Progress towards achieving the PDO targets was planned to be achieved by strengthening the primary institution responsible for facilitating regional cooperation in water resources in the Niger River basin, the NBA. Progress to this end was going to be measured through intermediate results targets and related indicators as per the Results Framework (RF) in the Project Appraisal Document (PAD), listed below:
- a. New mechanism for financial sustainability developed and discussed (Yes/No)
  - b. Coordination mandates for regulating infrastructure clarified (Yes/No)
  - c. Roadmap for decision making around Fomi designed and discussed among relevant Member States (Yes/No)
  - d. Complementary assessments of environmental and social impacts completed and discussed by relevant member states (Yes/No)
  - e. Investment forum for Fomi project held (Yes/No)

### Components

11. The project included two components: Component 1 - Strengthening the NBA for Sustainably Delivering its Mandate; and Component 2 - Facilitating Evidence Based-Decision Making in Fomi Multipurpose Project. An overall description of the components and their subcomponent is presented below.

12. **Component 1.** Strengthening the NBA for Sustainably Delivering its Mandate (US\$ 3,750,000) supported the institutional, organizational, and financial strengthening of the NBA to enhance its capacity to implement its mandate.

*Sub-component 1.1. Further analysis and operationalization of selected financing mechanisms for the NBA* (US\$ 1,200,000) through, inter alia: (a) the development of a business case for hydropower levy; (b) the development of a related feasibility study; (c) regional and national stakeholder consultations; (d) the design of an implementation plan; and (e) the provision of support to the NBA to implement said plan.

*Sub-component 1.2. Implementation of the Water Charter* (US\$ 550,000) through inter alia: (a) revisions of the annex 2 to the Water Charter, on coordinated management of dams<sup>5</sup>; and (b) the improvement and operationalization of the hydrological information system tool required for the implementation of said Annex 2.

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<sup>5</sup> ANNEX No.2 TO THE NIGER BASIN WATER CHARTER RELATING TO THE WATER REGULATIONS FOR THE COORDINATED MANAGEMENT OF THE STRUCTURING DAMS. Article 2: Objective: The present Annex No.2 is adopted in application of articles 2, 5, 6, 7, 10 12, 13, 14, 15, 19,20, 27, 28 and 33 of the Niger Basin Water Charter, the provisions of which it specifies and completes in terms of coordinated management of the structuring dams. Its aim is to define the general rules, methods and constraints for the



*Sub-component 1.3. Strengthening the NBA's institutional and organizational systems (US\$ 2,000,000) by: (a) providing financial support to: (i) the Dam Safety and Safeguards Panel of Experts; (ii) the NBA operational expenses associated to project implementation iii) project operational expenses including Project Management and Coordination Unit (PMCU) staffing; and (b) technical/organizational support to (iii) the implementation of priority recommendations from the institutional and organizational audit prepared under the Niger Basin Water Resources Development and Sustainable Ecosystems Management (WRD-SEM) Program.*

13. **Component 2.** Facilitating Evidence Based-Decision Making in Fomi Multipurpose Project (US\$ 3,750,000). This component provided process support to the design and implementation of a clear roadmap for project development, decision making points and engagement and sensitization of concerned stakeholders, as well as complementary studies concerning environmental and social impacts

*Sub-component 2.1. Process of engagement and decision making around Fomi (US\$ 1,650,000) through: (a) the provision of support to the NBA for the development of a summary of the state of knowledge on the FMP; (b) the development of a strategy and action plan for the decision-making process on the FMP; and (c) the carrying out of a process of engagement and sensitization of stakeholders, and workshops to familiarize decision-makers with technical details of key studies.*

*Sub-component 2.2. Institutional frameworks for Fomi multipurpose project (US\$ 1,100,000).* This sub-component supported studies and technical assistance to explore institutional arrangements for the FMP including joint project preparation, joint financing and management, implementation and operation, support to national institutional structures.

*Sub-component 2.3. Complementary environmental and social assessments (US\$ 1,100,000).* Carrying out complementary studies related to environmental and social risks arising from the Fomi Multipurpose Project, including: (a) an advanced modeling of the ecosystem services in the Niger Inner Delta ; and (b) further studies in response to issues emerging from the technical reports and the Environmental and Social Impact Analysis (ESIA).

*Sub-component 2.4. Donor and investor roundtables (US\$ 350,000).* Carrying out a program of activities to enable the NBA to mobilize resources from a range of potential sources, including the organization of an investors' conference and the development of communication material aimed at introducing the Fomi Multipurpose Project to investors.

## B. SIGNIFICANT CHANGES DURING IMPLEMENTATION

14. A restructuring of the project was approved in June 2018, to update the Results Framework (RF), change components and their cost, propose a partial cancellation of the grant, and reallocate between disbursement categories. The key changes introduced during restructuring were the following:

### Revised Components/project scope:

15. Under Component 1, the restructured project supported the design of an operationally sustainable financing mechanism but not, as initially planned, assistance to actually set it up, as this would not be realistically achievable within the project's timeframe and was determined could be supported under future engagements. Moreover,

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coordinated management of all the existing and future structuring dams on the Niger river and its tributaries, and includes the major social, economic and environmental challenges of the hydrographic drainage basin.



endorsement of the financing mechanism was scaled down from ministerial to technical level<sup>6</sup>, more realistically achievable within the project's lifetime. The endorsement of the Technical Committee (TC) remained nonetheless an important achievement and necessary step towards the final political endorsement. Indeed, before the PGBFN, there had not been agreement on one type of financing mechanism. The expectations were that a ministerial level endorsement could be pursued after the project closure under future engagements, therefore the project targets were scaled down to reflect the new realistic expectations.

16. Under Component 1, in 2018, as part of the revived dialogue between the NBA and its development partners, the NBA also requested the Bank to finance a strategic institutional analysis of the NBA in order to inform the decision to enhance. The PGBFN, with additional support from a Bank executed Cooperation in International Waters in Africa-Multi Donor Trust Fund (CIWA-MDTF) (Niger Basin Support Program, P148889), financed it.

17. The focus of Component 2 was broadened from the specific case of the FMP towards support for large, transboundary infrastructure in general within the NBA's mandate. The reason was that the results of the Fomi dam's feasibility study and ESIA study, completed in December 2017 under the WRD-SEM Program, revealed significant environmental and social constraints at the original site. The Project financed the methodology for evidence-based analysis and discussion of these studies, which led to a consensual decision over an alternative solution during a regional workshop in December 2017. Identifying alternative site(s) and doing new feasibility studies exceeded the scope of the project and its safeguards category. Therefore, activities related to the review of institutional management arrangements for the Fomi dam, the financing of the round table of donors for Fomi, and additional environmental and social studies were removed from the project scope. The restructured project focused on assisting the NBA to develop and advocate generic methods for sound, fact-based decision-making procedures regarding more generic transboundary infrastructure projects in the Niger Basin. NBA will be of course able to apply these procedures also to the Fomi project's decision-making process when the time is ripe. The name of Component 2 was thus changed to "Facilitating evidence-based decision-making for large transboundary infrastructure in the Niger Basin". The related indicators were also updated accordingly, and respective amount cancelled.

#### Revised results framework

18. The **PDO** remained unchanged.

19. The **indicators** in the RF were adjusted to reflect the changes discussed in paragraphs 16-18 and are reported in Table 1. A new intermediate indicator was introduced to measure the outputs of the institutional assessment, "Priority Actions to improve the organizational performance of the NBA are approved by the Summit of Heads of States and implemented", linked to the PDO indicator "Institutional enhancements for coordination of development and management of shared water resources endorsed by member states (Yes/No)" was therefore added at restructuring.

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<sup>6</sup> However, the Extraordinary Council of Ministers held in November 2019 took note of the conclusions of the Feasibility Study on NBA's Sustainable and Autonomous Financing Mechanism relating to Hydropower and invited the Executive Secretary: To transfer the outcomes of the study to the Ad hoc Committee with a view to harmonizing the various initiatives on NBA' sustainable and autonomous funding and to defining the modalities of implementation of the new sharing formula of the royalty.



Table 1 Revised Indicators

| Original indicator   | Achieved<br>(as of June<br>2018, time of<br>restructuring) | Original<br>target | Revised/ new indicator  | Revised<br>Target | Comments   |
|--|--|--------------------|---|-------------------|--|
| <b>PDO level indicators</b>  |  |                    |   |                   |  |
| Institutional enhancements for coordination of development and management of shared water resources endorsed by member states (Yes/No) | No   | Yes                | <i>No change</i>  | <i>No change</i>  |  |
| A complementary financing mechanism endorsed by member states (Yes/No)   | No   | Yes                | A complementary financing mechanism is endorsed by a Technical Committee (Yes/No) [ <i>In RP, Aide Memoirs, NBA ICR</i> ]*<br><br>A sustainable financing mechanism is designed and endorsed by a regional NBA workshop [ <i>In RP datasheet and December 2019 ISR</i> ]* | Yes               | The endorsement level was lowered from political to technical level, given that Council of Ministers' endorsement would likely depend on other external factors and went beyond the implementation period of the project.<br><br>*There are some inconsistencies in the RP itself and in successive documents (AMs, ISRs, NBA ICR) as to the wording of the revised indicators. After the restructuring, the team reached out several times to the Portal Support team to fix these inconsistencies, without success. Yet, the TC and the regional NBA workshop embed the same level of technical endorsement.               |
| Joint decision-making process for Fomi multi-purpose project approved by Fomi Interministerial Committee and followed (Yes/No)         | No   | Yes                | Evidence-based decision-making process for transboundary infrastructure projects is endorsed by the Technical Committee (Yes/No) [ <i>In RP, Aide Memoirs, NBA ICR</i> ]**<br><br>Evidence-based decision-making process for transboundary                                | Yes               | The sound evidence-based decision-making process financed by the project led to a consensual decision of the FIC over an alternative solution: Member States decided to abandon the Fomi site due to the calculated high social and economic risks. Hence new studies were to be prepared for the new site. The need to pursue the decision-making process on FMP became irrelevant.<br><br>The new wording illustrates that, in its ambition to develop a methodology for evidence-based decision-making, Component 2 becomes more generic. The methodology would be informed by case studies in the basin, including Fomi. |





|  |    |     |   |     |   |
|--|----|-----|---|-----|---|
|  |    |     | infrastructure projects designed and presented to decision makers [In RP datasheet and December 2019 ISR]**   |     | **There is a discrepancy in the RP (and successive documents) between the two proposed indicators in terms of what would determine their achievement: endorsement by a TC, or presentation to DM.   |
| <b>Intermediate indicators</b>   |    |     |   |     |   |
| New mechanism for financial sustainability developed and discussed (Yes/No)  | No | Yes | Feasibility study and road map for financing mechanism based on a hydropower levy is endorsed by the Technical Committee (Yes/No)                                     | Yes | The indicator was made more precise by specifying the actual financial mechanism that would be addressed as agreed with the NBA Council of Ministers. To note that the revised indicator is more ambitious than the pre-restructuring, as it includes the endorsement of the feasibility study and road map, and not just their discussion. It also specifies who should endorse the study and related road map.  |
| Coordination mandates for regulating infrastructure clarified (Yes/No)   | No | Yes | Annex 2 to the Water Charter on coordinated management of water infrastructure and its implementation modalities is endorsed by the NBA Council of Ministers (Yes/No) | Yes | The indicator was made more specific and ambitious because Annex 2 is intended to set the rules for coordinated management of the water infrastructure in the Niger River and its interdependent tributaries. The substance of what was being measured did not change.<br>To note that the revised indicator is more ambitious than the pre-restructuring one, since it includes the endorsement by the NBA CoM, a very high-level endorsement (which should perhaps even warrant a PDO level). |
| Complementary assessments of environmental and social impacts completed and discussed by relevant member states (Yes/No) | No | Yes | Modeling reports generated from the operation of the Niger Inner-Delta model published (Yes/No)   | Yes | The original indicator intended to capture the results related to sub-component 2.3 (see paragraph 14). However, when the original site was dropped, the full set of technical and ESIA studies were to be redone. This Project could not finance them and the need for complementary assessments was thus postponed and likely to not be necessary until after project completion. Yet, the modeling on the NID was maintained hence the indicator revised accordingly.                        |
| Roadmap for decision making around Fomi  | No | Yes | <i>Marked for deletion</i>  |     | As the FMP was put on hold until the studies for the new site were completed, this indicator lost relevance.  |





|  |    |     |   |     |  |
|--|----|-----|---|-----|--|
| designed and discussed among relevant member states (Yes/No) |    |     |   |     |  |
| Investment Forum for Fomi project held (yes/No)              | No | Yes | <i>Marked for deletion</i>  |     | Since the FMP was put on hold when the original site was dropped, whilst new feasibility studies were prepared, the conditions for an investment forum for the Fomi project were not met.  |
|  |    |     | Evidence-based decision-making process for transboundary infrastructure tested (Yes/No)   | Yes | <i>New indicator</i><br>This indicator is meant to describe the actual implementation of a real case of a methodology developed for evidence-based decision-making and its outcome in a case study. "Tested" in this context means that the findings of the transboundary dam's feasibility and environmental study are discussed by key stakeholders and contributed to informed decision-making. |
|  |    |     | Priority Actions to improve the organizational performance of the NBA are approved by the Summit of Heads of States and implemented | Yes | <i>New indicator.</i><br>This indicator aimed to monitor the effective adoption of the main recommendations of the revised institutional assessment of NBA.<br>NOTE: This indicator was added to the RP datasheet – but it does not appear in the RP, nor in successive ISR, including the final. It does not appear in the NBA ICR either.  |



### Partial cancellation of the grant

20. The grant was reduced from US\$ 7.5 million to US\$ 4.2 million. The cost for Component 1: Strengthening the NBA for Sustainably delivering its mandate was reduced from US\$ 3.75 million to US\$ 2.40 million. The title of Component 2 was revised from “Facilitating Evidence-based decision making in the Fomi Multipurpose project” to “Facilitating evidence-based decision-making for large transboundary infrastructure in the Niger Basin, and its cost reduced from US\$ 3.75 million to US\$ 1.8 million.

### Other Changes

21. Two other changes occurred during restructuring:

- a. Updated disbursement estimates
- b. Reallocation between disbursement categories, to account for the partial cancellation of the grant. Table 2 and Table 3 Disbursement categories revised during restructuring below show the disbursement categories before and after the project (Table in Section IV A.2 of Schedule 2 of the agreement (Withdrawal of Grant Proceeds).

*Table 2 Disbursement categories at appraisal*

| Category   | Amount of the Grant Allocated<br>(expressed in US\$) | Percentage of Expenditures to<br>be financed (incl. of taxes) |
|--|--|---|
| Goods, consultant services, operating costs and training under the project | 7 500 000  | 100%  |
| <b>TOTAL AMOUNT</b>  | <b>7 500 000</b>                                     |   |

*Table 3 Disbursement categories revised during restructuring*

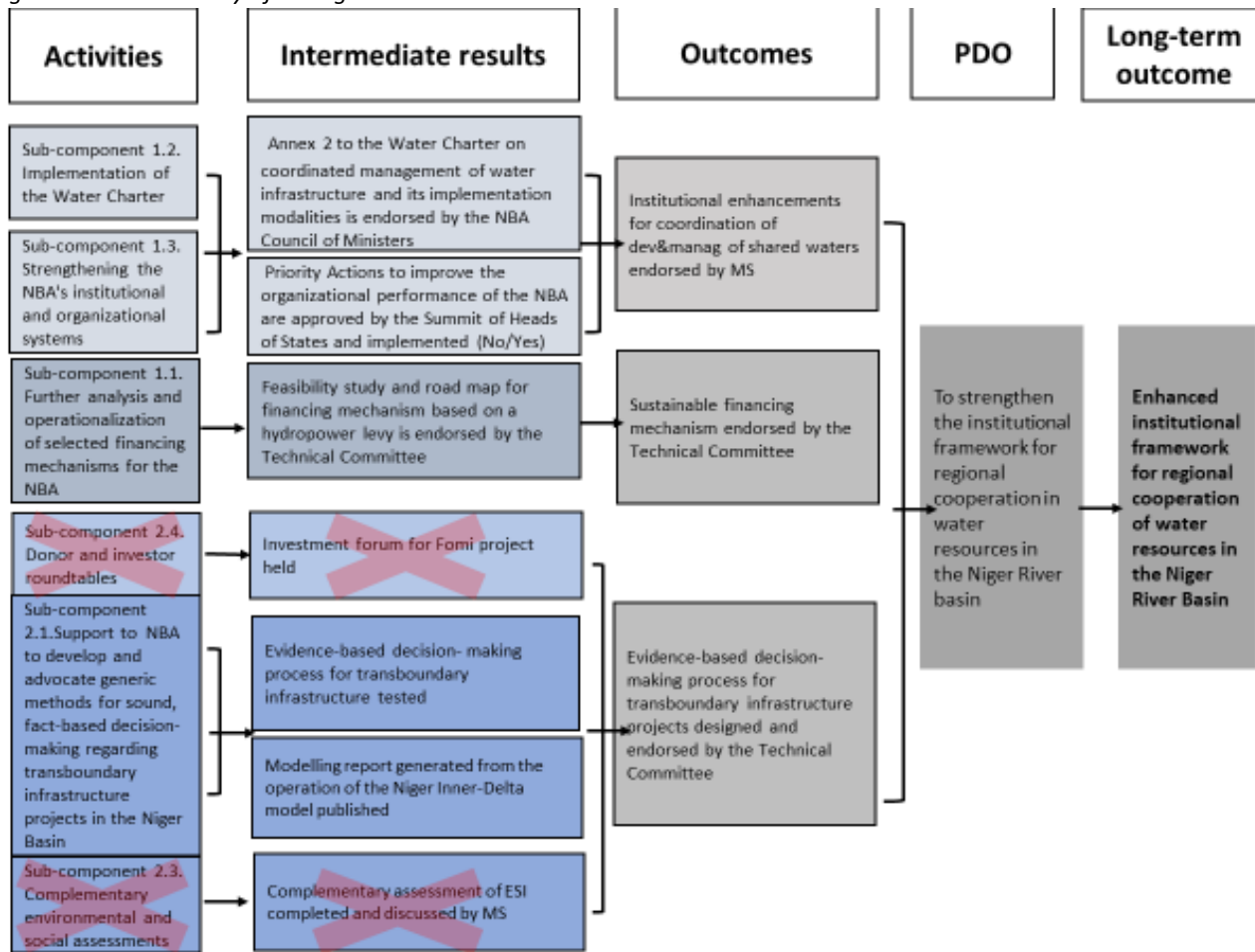
| Category   | Amount of the Grant Allocated<br>(expressed in US\$) | Percentage of Expenditures to<br>be financed (incl. of taxes) |
|--|--|---|
| 1. Goods, consultants services, operating costs and training under the project | 4 200 000  | 100%  |
| 2. Cancellation amount (as of November 29, 2017)                               | 3 300 000  |   |
| <b>TOTAL AMOUNT</b>  | <b>7 500 000</b>                                     |   |

### Rationale for Changes and Their Implication on the Original Theory of Change

22. As a result of the introduced changes (ref. paras 16-18), the original theory of change was slightly revised (see below the revised theory of change).



Figure 2 Revised Theory of Change



MS=Member States; DM=Decision-Making

## II. OUTCOME

### A. RELEVANCE OF PDOs

#### Assessment of Relevance of PDOs and Rating

Project Relevance Rating: HIGH

23. The Niger River Basin population is mostly young, rural, poverty-stricken, agriculture-dependent, and vulnerable to food insecurity and **conflict**. Significant changes with an impact on its transboundary water flows are currently happening on the Niger River and its main Western tributaries, which call for a strong river basin organization that is able to ensure its coordinated management and development, essential to avoid furthering poverty in already very fragile areas. The development of three large dams in the upper basin in Guinea (Fomi), in Mali (Taoussa), and in Niger (Kandadji) will significantly change river flows downstream and could drive suboptimal hydropower generation in downstream dams (Kainji and Jebba, in Nigeria) due to insufficient upstream flow. The latter two are under construction already, whereas the former, now planned in a different site, is at an advanced stage of study. These were initially planned as cascade dams. These potential impacts call for strong coordination on water resources management between



countries. Given the high concentration of population along the River Niger in its Sahelian portion, including two capital cities (Bamako and Niamey) and the vast NID wetland in Mali, host of the livelihoods of 1 million people, it is essential that decisions on the design and operating rules of these large dams be based on evidence and take into account the local and transboundary impacts. Given all these developments and NBA's prominent role in regulating water resources while at the same time working towards enhancing cooperation for shared economic growth among riparian countries - as per its mandate-it is highly relevant to continue supporting NBA in enhancing its institutional, technical, and financial capacities. Today, NBA struggles to fill these critical functions. **Despite NBA weaknesses, Member States remain committed to the organization and are keen to improve its institutional capacity and role in managing resources in the Basin.** As an example, the October Council of Ministers, representing all member countries, validated and approved several steps for improving NBA as an organization. Moreover, in November 2019, NBA's nine Member States adopted a legally binding Annex of the Water Charter, to which they would have to abide when developing new infrastructure in the river basin. NBA is in charge of its implementation.

24. **The project's objective is also aligned with several internal strategies.** It is aligned with the objective 4.2 of the Africa Regional Integration and Cooperation Assistance Strategy (FY18-FY23), to support sustainable management and financing of transboundary water, coastal and marine resources (Report No. 121912-AFR presented to the Board in June 2018<sup>7</sup>). The project also complements the Project WRD-SEM Adaptable Program Lending (P130147), which finances the Kandadji Dam Project in Niger by strengthening the NBA in its role to generate shared transboundary benefits while enforcing environmental flows on the River. The project is also fully aligned with the CIWA objective of strengthening cooperative water resources management and development to enable sustainable, climate resilient economic growth in the region (CIWA results framework, 2019<sup>8</sup>).

## B. ACHIEVEMENT OF PDOs (EFFICACY)

### Assessment of Achievement of Each Objective/Outcome

**Project Efficacy Rating:** Given the 2018 restructuring changing the PDO level indicators, a split evaluation is needed. The pre-restructuring rating is **MODEST** (27 percent) and the post-restructuring is **SUBSTANTIAL** (73 percent).

25. The project's PDO is to "strengthen the institutional framework for regional cooperation in water resources in the Niger River Basin". As mentioned in paragraph 24 of the PAD, progress towards achieving the PDO targets was to be achieved by strengthening the primary institution responsible for facilitating regional cooperation in water resources in the Niger River Basin (NBA).

#### *Pre-restructuring efficacy assessment (27 percent)*

26. "Pre-restructuring" achievement of the PDO is measured against three PDO-level outcome indicator targets: (1) institutional enhancements for coordination of development and management of shared water resources endorsed by member states (2) a complementary financing mechanism endorsed by member states and (3) joint decision-making process for multipurpose project approved by Fomi Interministerial Committee and followed.

27. The major achievement related to PDO indicator 1 was the development of a legally-binding tool on how to regulate the coordinated management of dams in the basin (Annex 2 of the Water Charter). Annex 2 was validated by

<sup>7</sup> World Bank, 2018. SUPPORTING AFRICA'S TRANSFORMATION: REGIONAL INTEGRATION AND COOPERATION ASSISTANCE STRATEGY FOR THE PERIOD FY18-FY23. May 7, 2018

<sup>8</sup> [http://www.ciwaprogram.org/annualreportFY19/wp-content/uploads/2019/10/CIWA\\_AnnexC\\_v1.pdf](http://www.ciwaprogram.org/annualreportFY19/wp-content/uploads/2019/10/CIWA_AnnexC_v1.pdf)



the TC of the NBA and endorsed by Member States. The Project also supported a strategic institutional audit which led to the identification of priority measures, endorsed by Member States, on how to strengthen the capacity of the NBA. These measures are currently being implemented. Activities related to setting up the institutional framework for the FMP, lost relevance as a result of Project-supported evidence-based decision making which led to a consensual decision of the FIC to discard the original site in favor of an alternative solution. The first PDO-level indicator can be thus considered PARTIALLY ACHIEVED.

28. The second PDO indicator was NOT ACHIEVED: whereas both the TC and decision-makers did endorse the Project-supported feasibility study of the complementary financing mechanism based on a hydropower levy and the proposed operational and financial frameworks, they did not endorse the legal component as Guinea and Nigeria rejected the hydropower royalty. The TC agreed on a clear road map to continue the process and the financing mechanism is currently being revised. It is hard however to predict if it will be eventually adopted as it is a delicate political process.

29. PDO indicator 3 can be considered ACHIEVED. The Project successfully supported the development of a methodology for informed decision-making around Fomi dam, which was tested during the December 2017 Regional Workshop “Updated Feasibility Study and Environmental and Social Impact Assessment for the Fomi Multipurpose Dam Project” and validated by the FIC. A major outcome of the joint decision-making process supported by the Project was the decision of halting the project because studies revealed major constraints associated with the original site as well as knowledge gaps for a possible alternative site (the Moussako site, upstream of Fomi).

30. **Error! Reference source not found.** below provides an overview of pre-restructuring indicators, what was expected, and what was achieved. As the table conveys, the operation partly achieved its pre-restructuring objectives. The efficacy pre-restructuring is rated as **MODEST**.



Table 4 Pre-restructuring Efficacy Assessment

| PDO indicator   | Status             | Related intermediate indicators   | Status             | Comments / Outputs as foreseen in the PAD (Annex 3 on Detailed Project Description)   |
|---|--------------------|---|--------------------|---|
| <b>Component 1: Strengthening the NBA for Sustainably Delivering its Mandate</b>  |                    |   |                    |   |
| Institutional enhancements for coordination of development and management of shared water resources endorsed by member states (Yes/No). | Partially Achieved | Coordination mandates for regulating infrastructure clarified (Yes/No)<br><br>[according to the PAD, this indicator measured revision of Annex 2 and clarification of Fomi institutional framework] | Partially Achieved | Expected Outputs:<br>(i) Revised and finalized text of Annex 2 to the Charter, based on national and regional consultations; operational hydrological information tool. TARGET EXCEEDED; ENDORSED BY Member States (groundbreaking achievement, one of few RBOs around the world to have a legally binding tool on coordinated management of dams), TOOL VALIDATED AND TRAININGS HELD<br>(ii) Fomi institutional framework clarified: the Project-financed sound evidence-based decision making process led to a consensual decision in favor of an alternative solution. Therefore, even though the Fomi institutional framework was not clarified per se, the project supported an informed decision making.<br>(iii) NBA institutional and organizational systems strengthened (specific interventions to be identified), PARTIALLY ACHIEVED: PRIORITY MEASURES ENDORSED BY COM IN OCTOBER 2019 AND SOME IMPLEMENTED |
| A complementary financing mechanism endorsed by member states (Yes/No).   | Not achieved       | New mechanism for financial sustainability developed and discussed (Yes/No)   | Achieved           | Expected Outputs:<br>(i) a business case for the hydroelectricity levy, including its institutional and technical justification and a feasibility analysis; and an action plan for implementation. DONE AND APPROVED BY A TC IN NOVEMBER 2019.<br>(ii) technical assistance for implementation of the action plan. NOT DONE AS LEVY NOT FULLY APPROVED  |
| <b>Component 2: Facilitating evidence-based decision making in Fomi multipurpose project preparation process</b>                        |                    |   |                    |   |
| Joint Decision-Making process for multipurpose project approved by Fomi Interministerial Committee and followed (Yes/No).               | Achieved           |   | Achieved           | Expected Outputs of sub-component 2.1, measured by the PDO indicator:<br>(i) Summary of the state of knowledge on the Fomi multipurpose project as a communications tool to ensure that all stakeholders have a robust and accessible set of information and the same level of knowledge of the project. DONE, Nov 2017<br>(ii) Development and adoption of a strategy and action plan for the decision-making process on the Fomi multipurpose project in consultation with the directly concerned countries, Guinea and Mali. DONE, Nov 2017<br>(iii) Implementation of the decision-making process to achieve early engagement and sensitization of key stakeholders. DONE, Dec 2017 – leading to  |



|  |  |  |                    |  |
|--|--|--|--------------------|--|
|  |  |  |                    | unanimous decision to abandon original site.<br>The PDO level indicator has thus been achieved as the methodology was approved by the IMC and followed at least once.  |
|  |  | Roadmap for decision making around Fomi designed and discussed among relevant member states (Yes/No)                     | Not achieved       | As the FMP was put on hold until the new studies would be completed, which was expected to exceed the project's lifetime, the activities related to these indicators lost relevance.<br>Yet, these indicators were not achieved not because of faults in project's implementation, but because the sound evidence-based decision-making process financed by the project led to a consensual decision over an alternative solution: Member States decided to abandon the Fomi site due to the calculated high social and economic risks. Thus, the fact that the activities were dropped and the indicators consequently not achieved could in fact be a positive outcome of the project. |
|  |  | Complementary Assessments of environmental and social impacts completed and discussed by relevant member states (Yes/No) | Partially achieved | Expected outputs:<br>(i) Advanced modeling of ecosystem services in the Niger Inner Delta available under different flow regimes and operational conditions of the proposed Fomi dam. DONE The NID model and the associated report were delivered in full and validated on December 14, 2019. Training also took place in December 2019.<br>(ii) Additional complementary studies defined in response to needs identified in the decision-making process. DROPPED AS NO LONGER RELEVANT (see above)  |
|  |  | Investment Forum for Fomi project held (yes/No)  | Not achieved       | DROPPED AS NO LONGER RELEVANT (see above)  |



### *Post-restructuring efficacy assessment (73 percent)*

31. “Post-restructuring” achievement of the PDO is measured against three PDO-level outcome indicator targets, one of which “Institutional enhancements for coordination of development and management of shared water resources endorsed by member states” remained unchanged from appraisal while two were changed during restructuring (see Table 1 on restructuring details).

32. While the first PDO indicator remained unchanged, the restructuring modified its intermediate indicators to reflect (i) the abandonment of Fomi dam activities while broadening the scope to more generic transboundary infrastructure and (ii) results of the strategic institutional audit. The first intermediate indicator “Annex 2 to the Water Charter on coordinated management of water infrastructure and its implementation modalities is endorsed by the NBA CoM” was achieved, as mentioned in paragraph 27, and the second “Priority Actions to improve the organizational performance of the NBA are approved by the Summit of Heads of States and implemented” can be considered partially achieved: the Council of Ministers (CoM) held on October 11, 2019, endorsed six important measures contained in the strategic institutional analysis, of which two have been fully implemented. COVID 19 is delaying the implementation of a third measure, the revision of NBA’s organizational chart, upon which depends the implementation of the rest of measures. It is important to mention that the WRD-SEM APL2A (P128336), soon to be extended until 2026 and renamed the “Kandadji Project”, Board approval pending, focuses, inter alia, on strengthening NBA, particularly through the implementation of the Priority Actions and the finalization and approval of the financing mechanism. This raises the likelihood that even the remaining Priority Actions will be implemented. Given all this and the crucial importance of Annex 2 and the larger budget spent to make sure it was revised, of good quality, and adopted by Member States – we believe that overall, indicator 1 has been ACHIEVED.

33. PDO indicator 2 “A sustainable financing mechanism is designed and endorsed by a Technical Committee//by a regional NBA workshop” has NOT been ACHIEVED. As mentioned in paragraph 27, Member States and the TC asked for the revision of the legal framework of the financing mechanism based on the hydropower levy. The Kandadji project is planning to continue to support the finalization and endorsement process of the mechanism.

34. PDO indicator 3 “Evidence-based decision-making process for transboundary infrastructure projects is endorsed by the Technical Committee//presented to decision makers” can be considered as ACHIEVED. The methodological note for evidence-based decision making around transboundary infrastructure was validated by a Technical Committee on November 5 and 7, 2019 in Niamey – hence the indicator that mentions the Technical Committee has been achieved. If we consider the latter wording (presented to decision makers), there is a high likelihood of achievement in the near future as (i) this NBA had already organized a regional workshop in March 2020 to validate the methodological note with the representatives of the countries but had to postpone it due to COVID19 (ii) the Kandadji Project (P128336) 2020 budget and work program includes the completion of this activity and (iii) this indicator does not require political endorsement and the decision making methodology in question is not a controversial issue, hence there is very low risk it will not be discussed at the next workshop.

35. Table 5 below provides an overview of post-restructuring indicators, what was expected, and what was achieved. As the table conveys, the operation almost fully achieved its objectives (intended outcomes) or is likely to do so and therefore the efficacy rating post- restructuring is **SUBSTANTIAL**.





Table 5 Post-restructuring Efficacy Analysis

| PDO indicator  | Status       | Related intermediate indicators   | Status  | Comments / Outputs as foreseen in the RP and, if unchanged, in the PAD (Annex 3 on Detailed Project Description)  |
|--|--------------|---|---|---|
| <b>Component 1: Strengthening the NBA for Sustainably Delivering its Mandate</b>   |              |   |   |   |
| Institutional enhancements for coordination of development and management of shared water resources endorsed by member states (Yes/No).  | Achieved     | Annex 2 to the Water Charter on coordinated management of water infrastructure and its implementation modalities is endorsed by the NBA CoM (Yes/No)  | Achieved  | Expected output:<br>(i) Endorsement by CoM of the revised and finalized text of Annex 2 to the Charter, based on national and regional consultations; operational hydrological information tool. ENDORSED BY COM IN NOVEMBER 2019 (groundbreaking achievement, one of few RBOs around the world to have a legally binding tool on coordinated management of dams), TOOL VALIDATED AND TRAININGS HELD  |
|  |              | Priority Actions to improve the organizational performance of the NBA are approved by the Summit of Heads of States and implemented (No/Yes)<br><br>[This indicator only appears in the RP datasheet, it hasn't been monitored since, in any other supervision documents] | Partially achieved, likely to be achieved in an ongoing project | Expected output:<br>(i) Priority actions approved by HoS and implemented<br>6 Priority actions endorsed in October, 2 high priority actions selected, of which one fully implemented, and one being implemented. Another Priority Action has been implemented since project's completion.<br><br>The Kandadji project is being extended to 2026 (pending Board approval at the time of writing) and one component focuses on strengthening NBA, particularly through the implementation of the Priority Actions and the finalization and approval of the financing mechanism. Additional support is planned through a BE TA, so the Bank remains engaged and is able to continue to support the process to some extent. This raises the likelihood that even the remaining Priority Actions will be implemented.<br><br>Therefore, the PDO indicator is Achieved. |
| A sustainable financing mechanism is designed and endorsed by a <b>Technical Committee</b> (RP, AMs, NBA ICR) // A sustainable financing mechanism is designed and endorsed by a | Not achieved | Feasibility study and road map for financing mechanism based on a hydropower levy is endorsed by the Technical Committee  | Achieved  | Expected output:<br>(i) A business case for the hydroelectricity levy, including its institutional and technical justification and a feasibility analysis. DONE Feasibility study and roadmap endorsed by a NBA Regional Workshop in October 2019 and again by a TC of Experts in November 2019, where they agreed it is feasible and agreed on a roadmap for its finalization and approval   |



|  |   |  |                 |   |
|--|---|--|-----------------|---|
| <p><b>regional NBA workshop</b> (RP datasheet, December 2019 ISR)</p>  |   |  |                 | <p>(Intermediate Indicator ACHIEVED). The TC did not however fully endorse the proposed mechanism and asked for revision on the legal framework (PDO indicator NOT ACHIEVED)</p> <p>Though short of the achievement of the PDO indicator, the decision of the TC is a significant step forward in the adoption of a sustainable financing mechanism. The Kandadji project, now being extended until 2026, is planning to continue to support the finalization and endorsement process of the mechanism.</p>   |
| <p><b>Component 2: Facilitating evidence-based decision-making for large transboundary infrastructure in the Niger Basin</b></p>   |   |  |                 |   |
| <p>(a) Evidence-based decision-making process for transboundary infrastructure projects is <b>endorsed by the Technical Committee</b> (Yes/No). [RP, AMs, NBA ICR]</p>         | <p>Achieved, the note was endorsed in Nov 2019 by a TC</p>                    | <p>Evidence-based decision-making process for transboundary infrastructure tested (Yes/No)</p>         | <p>Achieved</p> | <p>The decision-making methodology funded by the project has been successfully tested in the analysis and discussion of updated ESIA and feasibility studies of the Fomi dam in December 2017.</p>  |
|  |   | <p>Modelling report generated from the operation of the Niger Inner-Delta model published (Yes/No)</p> | <p>Achieved</p> | <p>Modeling report generated and published in December 2019. Staff trained.</p>   |
| <p>(b) <i>Evidence-based decision-making process for transboundary infrastructure projects designed and presented to decision-makers</i> [RP datasheet, December 2019 ISR]</p> | <p>Partially achieved, highly likely to be achieved in this calendar year</p> |  |                 | <p>High likelihood of its achievement in the near future because:<br/>(i) NBA had already organized a regional workshop to validate the methodological note with the representatives of the countries (who usually study whatever is presented to and recommend to the Council of Ministers whether they should endorse, in this case it will be dam experts), the managers of the existing and planned dams in the basin, and representatives of the Ministries in charge of environmental and social safeguards. This workshop could not take place before December, but was planned in March 2020, in occasion of a Council of Ministers. In preparation for the meeting, NBA was planning to send to the countries the final version of the methodology together with a proposed action plan to lead to its application, which would then be presented and discussed during the regional workshop with decision makers. COVID 19 prevented the workshop from happening at</p> |



|  |  |  |  |   |
|--|--|--|--|---|
|  |  |  |  | <p>the end of March. Things are being postponed but still likely taking place this calendar year, COVID allowing;</p> <p>(ii) the organization of the workshop for the presentation of the methodological note is reflected in the Kandadji project's 2020 budget and work program.</p> <p>(iii) the achievement of this indicator does not require political endorsement and the decision-making methodology in question is not a controversial issue, therefore the risk it will not be presented in the next meeting is low. In fact, the core of what the note proposes was already validated in the December 2017 Fomi dam workshop with <b>decision makers</b>.</p> |
|--|--|--|--|---|



36. **Overall, as a result of the Project, both the institutional and technical capacity of the NBA improved substantially relative to pre-project levels.** First, NBA is now equipped with a legally binding agreement signed by Member States on how to regulate the coordinated management of transboundary dams. Second, NBA possesses and has tested a framework for complex, evidence-based, multicriteria decision-making around transboundary infrastructure. Third, NBA now owns and uses a technical tool to support its decisions by modeling the impacts of operational decisions related to dams on river flows, ecosystems, and depending livelihoods. Fourth, it is undergoing organizational restructuring to improve transparency and efficiency in fiduciary and budgetary processes by hiring new staff and revising its organizational chart. All this is posed to enhance NBA's capacity to carry out its mandate and accrue its authority and trust *vis-a-vis* Member States. Thanks to Project's support, the NBA was also instrumental in influencing the choice of the site for the Fomi dam by relying on technical data and analysis. This reinforced its influence on the Mali-Guinea FIC by notably getting both countries to officially disclose the new design to all member countries<sup>9</sup>. Clearly, the endorsement of the financing mechanism at the highest political level (by Heads of States), which would make it binding for all Member States, and the finalization of the recruitment of competent technical staff in the currently vacant positions -one of the recommendations of the institutional study- do remain critical and yet, beyond the project scope.

37. Based on the above, the operation almost fully achieved its post-restructuring objectives and therefore the efficacy rating post- restructuring is **SUBSTANTIAL**.

#### **Justification of Overall Efficacy Rating**

38. The project's efficacy is rated as **MODEST** before restructuring (27 percent) and **SUBSTANTIAL** after restructuring (73 percent).

### **C. EFFICIENCY**

#### **Assessment of Efficiency and Rating**

**Project Efficiency Rating: MODEST**

#### **Cost Efficiency**

39. Because it is focused on strengthening the institutional framework for transboundary water resources management, this project does not really lend itself to any of the usual economic analysis methods. However, several studies show the economic benefits of enhanced transboundary cooperation. With the endorsement of Annex 2 of the Water Charter and the development of tools to enforce it, NBA is now better placed to guarantee the interests of the riparian countries. As several studies show, transboundary cooperation catalyzes economic growth through optimally developing water resources.

40. In terms of cost-benefit, delays in implementation and hence in the achievement of several deliverables meant that it is premature to correctly assess the accruing benefits. Though it is too soon to quantify the benefits of enhanced cooperation in the Niger Basin due to this Project, the riparian countries of the Niger Basin are expected to reap significant benefits from enhanced cooperation. Examples from other basins can be used as a benchmark, though of course the context also counts. An example of a basin where countries have achieved significant mutual economic

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<sup>9</sup> During the last meeting of the Mali-Guinea FIC, a road map has been adopted and assigned the NBA to raise funds and carry-out ESIs, institutional studies, and cost-benefit sharing studies related to Guinea, Mali and other NBA countries.



benefits through cooperation is the Columbia Basin in North America. There, average annual flood damage prevented in the United States that can be attributed to the Treaty is estimated at US\$ 75 million. In the La Plata Basin, cooperation on hydropower generation development on the shared river stretches of the Paraná River have equally generated significant benefits from electricity production. The development of the hydropower potential that the country shares on its border rivers with Brazil and Argentina has provided Paraguay with significant export revenues and linkages to the markets of its larger neighbors.

41. At the time of Project appraisal, the benefits of a rapid implementation of the Fomi dam were utilized to calculate the economic benefits of the projects, yet the original site was abandoned during the course of the project, so activities related to the implementation of the dam lost relevance. The analyses compared project activities to the business as usual scenarios of 2, 5, 10, and 15 years, and sought to answer the question: what would happen to the Fomi dam if this technical assistance project were not implemented. The viability of productive investments was verified through computing net present values (NPVs) using a discount rate of 10 percent. Several other project benefits were not quantified because of lack of usable data and the nature of the benefits. Many of the benefits of the project are systemic and process oriented which poses quantification problems. Results of this partial analysis indicate that the proposed operation was economically viable at the regional level, with a positive NPV of about US\$ 114.4 based on a 15-year delay in project planning and implementation which was deemed highly likely if there is no intervention or assistance. Yet, the major environmental and social drawbacks of the Fomi dam led decision makers (helped by the process put in place by the NBA, which this project supported) to drop the initial site for the dam and put the project on hold. For instance, a study estimated an annual economic loss of EUR 35 million in the NID due to the Fomi dam on average. As a result, the initial approach to assess efficiency lost relevance.

42. The choice of an alternative dam site for which only 12,000 people need to be relocated against 60,000 (and two towns with hospitals, schools) in the original site can be attributed to the Project. Though the avoided cost is not available, 48,000 less people would be displaced if the new site were confirmed (80 percent less). Moreover, the tools financed by this project on advanced modeling of upstream water uses (dams and irrigation) operation onto the NID help NBA make informed decisions and evaluate properly the tradeoffs associated with various water release patterns. Thanks to this Project, NBA can more accurately evaluate the costs and benefits associated not only with the Fomi dam, but with all planned and future dams, and play a growing role in the negotiations between the basin countries.

43. The administrative efficiency of the Project is also worth noting, with completion of all activities and disbursement of the quasi-totality of funds (expected disbursement at the end of the grace period ~100 percent of funds, at 99.42 percent on April 22, 2020) without extension and despite a near-to-18-months pause on project implementation. Nevertheless, implementation delays were significant and most of the major activities (including annex 2 of the Water Charter) were completed during the last 3 months before the closing date.

### ***Cost effectiveness***

44. With US\$ 4.2 million, the project has achieved some game changing results that will benefit the populations of the basin much beyond the duration of the project. Notably, the project funded the preparation of Annex 2 of the Water Charter on coordinated management of dams and the sensitization of Member States on the implications. It was approved by countries in November 2019, which makes it legally binding. With new dams being planned in the basin, its population will benefit of an equitable operation of these dams, reducing the negative impacts they may have downstream. Lastly, it is interesting to compare the results and impacts achieved within a rather short time and using a



modest budget when compared for instance with the Nile Basin Initiative in which donors have invested over US\$ 200 million with so far a more fragile institutional framework than the NBA, with respect to IWRM.

**D. JUSTIFICATION OF OVERALL OUTCOME RATING**

**Overall Outcome MODERATELY SATISFACTORY**

45. Based on the above ratings for achievement of the Project Objectives, Relevance and Efficiency, the pre-restructuring overall outcome of the project is *Moderately Unsatisfactory*, and the post restructuring is *Moderately Satisfactory*. Therefore, considering a split rating due to the revision of PDO indicators during restructuring, the overall outcome is considered *Moderately Satisfactory*.

|  | Before restructuring                         | After restructuring     |
|--|--|-------------------------|
| Relevance                              | High   |                         |
| Efficacy                               | Modest                                       | Substantial             |
| Efficiency                             | Modest                                       |                         |
| Outcome rating                         | Moderately Unsatisfactory                    | Moderately Satisfactory |
| Numerical value of the outcome ratings | 3  | 4                       |
| Disbursement                           | US\$ 1.12 million                            | US\$ 3.06 million       |
| Share of disbursement                  | 27%  | 73%                     |
| Weighted value of the outcome rating   | 0.81   | 2.92                    |
| <b>Final Outcome Rating</b>            | Moderately Satisfactory (3.73, rounded to 4) |                         |

**E. OTHER OUTCOMES AND IMPACTS (IF ANY)**

**Gender**

46. Women were not an explicit target group during Project design. However, the project will indirectly benefit the more than 100 million population in the Niger River basin, of which approximately half are women

**Poverty Reduction and Shared Prosperity**

47. The Project does not measure directly the impact on Poverty Reduction and shared prosperity. However, People in the basin, and particularly those along the river shore, will benefit from a coordinated management of dams. One benefit of the improved coordination will be the management of seasonal floods which sustain the livelihoods of millions of people and which may be significantly affected by dam development, if not considered in the dams’ operation (which usually, privileges energy generation). An improved coordination along the basin will also improve shared prosperity, as all NBA countries will be able to benefit from energy generation and irrigation development in the basin.

**Other Unintended Outcomes and Impacts**

48. One negative unintended impact of the Bank de facto suspending the implementation of the Niger River Basin Management Project (PGBFN) for 18 months – which will be discussed in detail in section III.B. - is that the Bank was not present when important matters were being discussed, like the temporary withdrawal of Guinea from the NBA to carry out the Fomi studies unilaterally, which severely threatened the legitimacy and the *raison d’etre* of the NBA itself. This could perhaps have been avoided had the World Bank been present, and had the project, which was supposed to provide technical assistance for those studies, been progressing. Guinea joined again at the end of 2017 (see Section III for more details).



49. As a counterexample, when the Bank resumed the NBA dialogue and the Task Team Leader (TTL) took on the leading role of the group of donors supporting the NBA, thanks to active participation and lobbying, the Member States agreed to improve the institutional audit (improvement then financed by this Project, with additional BE CIWA financing) and committed to the Authority's improvement, including its financial sustainability.

### III. KEY FACTORS THAT AFFECTED IMPLEMENTATION AND OUTCOME

#### A. KEY FACTORS DURING PREPARATION

50. *Project design* responded well to the challenges identified during preparation (i.e., NBA institutional weaknesses and the needs to support the Fomi process). The activities chosen were appropriate for enabling NBA to implement its mandate, focusing on key levels of accountability for NBA: its capacity to coordinate the regulation of the basin with appropriate legal and technical tools, in a self-financed way. Moreover, the Fomi-related activities would have filled the gaps in terms of analytical work and decision making tools that were needed to ensure that all risks and opportunities related to the dam would be appropriately taken into account and openly discussed. The project included clearly structured component with clear operational logic, and appropriate timing and sequencing of tasks.

51. *The objective of strengthening the institutional framework for regional cooperation in water resources in the Niger Basin was also clearly linked to the challenges highlighted at preparation. Yet success towards this objective could have been measured via more realistic indicators. Some indicators were too ambitious given the context.* The RF was clearly aligned with the project's activities and the PDO, but some indicators were too ambitious, not fully reflecting the complexity of institutional strengthening activities and political buy-in. Indeed, the project's outcomes (high level political endorsement of project outcomes for two out of three PDO indicators) were too ambitious in relation to the project's duration and its scope. Interestingly, the project team had identified this risk in the PAD – acknowledging that whilst member countries pledged to support the endorsement of the project's results at the highest levels (Heads of States and CoM meetings), the final adoption was beyond the control of the project. However, this was not reflected in the RF.

52. *Readiness for implementation was mixed.* On the one hand, the team had taken measures for ensuring that a competent PMCU be in place before effectiveness. During appraisal it was decided to keep the existing PMCU of the WRD-SEM program for the management and implementation of the PGBFN, and that the existing NBA Secretariat would continue to contribute to the implementation of key activities. The underlying assumption was that utilizing the existing PMCU would build on the capacity and expertise of the existing implementation structures, allow for synergies with WB's wider WRD-SEM program and allow for timely and efficient project onset. Moreover, given that the project was closely prepared with this PMCU, this choice intended to limit adaptation time of a new PMCU and guaranteed the ownership of the project by the same. In addition, aware of the high fiduciary workload especially at the beginning of project implementation, in order to speed up the recruitment of an assistant accountant, the team added a legal covenant on having the position filled. Similarly, since the procurement specialist of the existing PMCU had to be replaced, the condition of effectiveness was the recruitment of a procurement specialist approved by the Bank.

53. On the other hand, no Terms of Reference (ToR) for the main activities were prepared during preparation, *de facto* delaying their launch: ToRs for the contracts related to Component 1 (technical assistance to the NBA for the analysis of sustainable financing mechanisms and the finalization of Annex 2 of the Water Charter) and for the modeling of the NID took particularly long time to be finalized. The TORs for Component 1's TA were approved in November 2018, two and a half year after effectiveness, and the contract was only signed in May 2019. The TORs for the modeling of the





NID were approved in June 2017, one year after effectiveness. The contract was then signed in December 2018, 18 months after the TORs approval<sup>10</sup>. If TORs had been at least partly prepared during preparation, or before effectiveness, these delays may have been shortened, if not avoided.

## B. KEY FACTORS DURING IMPLEMENTATION

54. The Project has been characterized by a slow implementation pace. The first significant disbursement (US\$ 1.5 million) occurred at the end of Q3 CY2017 – about 18 months after effectiveness. However, the ISR of December 2018 shows that the pace of implementation starts to pick up only around September 2018, especially after the meeting between the AFR-RI Director and the new NBA Executive Secretary in Abuja in October 2018, which stressed the importance of the project exiting from the problem status for the NBA to be eligible to future Bank financing. Most of the activities were carried out in 2019, the final year of project's implementation.

### *Factors subject to the control of NBA*

55. **The weak governance of NBA caused significant delays, such as:**
- a. **Non-renewal of the contracts of the seven members of the PMCU for the on-going Bank-supported projects (WRD-SEM program, P093806, and PGBFN) while the unit was on track and their work was in line with the PGBFN financing agreement.** At appraisal, it had been decided that the PGBFN would maintain the same PMCU of another ongoing World Bank regional project (WRD-SEM program, P093806), as it was well versed in Bank operations. However, in May 2016 NBA Executive Secretary refused to renew the PMCU's contracts on the resources of the project and effectively dismissed them in September 2016 – when their original contract ended. This dismissal and the unilateral appointment of some of its own staff members, without the adequate competences for implementing the project (hence, not approved by the Bank), with the ensuing institutional dispute between the Bank and the NBA, led to a de facto 18 month pause in project implementation. After several exchanges between the Bank (from Task Team to Upper Management) and NBA (from the Executive Secretary to the Head of the CoM), the project's implementation resumed around November<sup>11</sup> 2017, once the PMCU staff showed to be sufficiently competent for the task. The first major disbursement of 1.5M occurred then. Until then, nearly 18 months from effectiveness, only US\$ 350,000 had been disbursed (5 percent).
  - b. **Long internal administrative procedure for approval of the procurement process related to key contracts including the long time necessary to carry out the consultation process around the ToRs.** The slow progress in the validation of all ToRs was an important factor for the slow implementation pace. The two main contracts on the sustainable financing mechanism and the finalization of Annex 2 of the Water Charter (contract 1<sup>12</sup>) and on the modeling of the NID (contract 4) were signed in April and January 2019, respectively. This means that most project activities were carried out in 2019, after three years of procurement.
56. In addition to project delays, the **initial lack of institutional, financial and managerial capacity in the PMCU hindered the support it could provide to the Guinean government to carry out high quality studies for the Fomi dam.** Indeed, the project was conceived to bring technical assistance to the studies on the Fomi dam in Guinea, which started in 2016 financed by the WRD-SEM APL1 (P093806), and finance complementary studies. The idea of maintaining the

<sup>10</sup> This slow pace was partly due to the fact that in 2018, the project was restructured, and it became necessary to resize / downsize the contract duration, activities, budget, which made the negotiations last a long time.

<sup>11</sup> NBA ICR mentions August

<sup>12</sup> Which initially included only the hydropower financing feasibility study





same PMCU was supposed to speed up the recruitment of this technical assistance and of the consultant for the complementary studies. However, with the changes in the PMCU, the TA was only recruited in November 2017 and was able most of all to facilitate the decision-making process once the studies had been completed (roundtable that took place in December 2017). The complementary studies, not ready by December 2017, lost their relevance due to the change of Fomi site, outcome of the December 2017 workshop discussed above. The delayed implementation of these complementary studies is one of the reasons that led to Guinea unilaterally deciding to carry out the Fomi studies (funded by P093806) until it came back to the NBA in late 2017.

57. **Change in the Executive Secretary of NBA in March 2018 and substantial improvement of financial and project management at the end of 2018**, and a final boost in the implementation of project activities in the second half of 2019, led to the achievement of nearly all revised project indicators in December 2019, with one partially achieved. In 2019 project management became satisfactory because the PMCU set realistic and ambitious targets (indicators, contract signing, timing of the activities and deliverables, setting milestones such as CoM) and achieved them. The PMCU prepared very clear bi-weekly progress reports that allowed the Bank team to confirm progress and make recommendations as needed. The PMCU made a smart use of a Technical Assistance hired by the Project and technical consultants hired by the Bank for quality control of deliverables as well as helping evaluation of technical proposals. This considerably helped speed up the implementation.

***Factors subject to the World Bank's control***

58. Due to governance issues within NBA, **the Bank de facto suspended the implementation of the Niger River Basin Management Project (PGBFN) for 18 months**, from May 2016 to November 2017. In August 2016, based on the provisions of the Grant agreement, the Bank had given a conditional no objection on the draft contracts for the PMCU staff members in place, however, the NBA unilaterally stopped that process and, around mid-September, appointed regular staff members. The absence of a Bank-approved PMCU led to the *de facto* suspension of the Project. This also generated an institutional dispute between the Bank and the NBA, which involved a letter by the AFRVP to the Chairman of the CoM of the NBA on November 2, 2016. On December 15, 2016, the Bank attempted to normalize the situation through a second letter from the Coordinating Director for West Africa RI to the Ministers governing the NBA (see ISR January 2017). As a result of a high-level meeting with NBA, NBA Chairman of CoM, and the Coordinating Director for West Africa RI held in January 2017, the Bank resumed dialogue with NBA and toward the end of 2017 disbursements had re-started. The recruitment of the new Executive Secretary in March 2018 also helped smoothen the implementation of the PGBFN for the remaining 18 months, though most of the activities were nonetheless carried out in 2019.

59. **Timely management support.** As described above, the Regional Integration unit, the Africa VP, and the Water GP directors stepped in to help solve bottlenecks at the institutional level, for instance to help solve the tensions around the recruitment of the PMCU, which resolved the key implementation bottleneck and put the project back to implementation but it took several months nevertheless.

60. **Simplification of contracts to speed up procurement processes.** In an attempt to solve the slow procurement process, the task team suggested NBA to split the more complicated contracts. This was the case for instance of a contract that initially was supposed to include both the Fomi dam's Technical Assistance and its complementary studies. By splitting it, NBA was able to recruit three individual consultants for the TA in November 2017. The modeling of the NID was only signed in early 2019.



### ***Factor outside NBA's and World Bank's control***

61. **In light of results of the feasibility study and ESIA and the evidence-based decision making process, a consensual decision was made to abandon the original Fomi site for an alternative solution**, hence the Fomi-related activities lost relevance as they need to wait for the completion of the new studies (see above paragraph 27 and 28). Since the site was dropped because of high calculated social and environmental risks, in a decision-making process facilitated by the project, this should be counted as a positive outcome of the project.

62. **Despite best efforts exerted by the PMCU and NBA, the endorsements (or not) of project outputs at the political level was beyond their scope of influence.** In one case (Annex 2), Member States endorsed the document in a legally binding manner, in another case (financing mechanism), they only partially endorsed it. (see paragraph 30)

## **IV. BANK PERFORMANCE, COMPLIANCE ISSUES, AND RISK TO DEVELOPMENT OUTCOME**

### **A. QUALITY OF MONITORING AND EVALUATION (M&E)**

#### **M&E Design**

63. **Overall, the design of the RF and associated M&E system was sufficiently adequate to monitor and evaluate components' outputs and results. However, PDO indicators and targets could have been phrased more clearly so to avoid ambiguities** particularly related to who exactly had to endorse specific deliverables, for the achievement of the indicator (i.e. complementary financing mechanism and evidence-based decision making for transboundary infrastructure projects). Moreover, some indicators were too ambitious and difficult to achieve with project's support given the Bank's ongoing relationship with NBA and several delays in the ongoing projects. Though the PDO indicators were all to be achieved at the end of the project, in year 5, intermediate indicators were reasonably distributed along project implementation, with achievements expected from Year 2.

#### **M&E Implementation**

64. **The M&E framework was not always adequately implemented.** A full-time M&E specialist worked closely with the PMCU Technical Team. The PMCU prepared and submitted semi-annual progress reports to the Bank and to the Executive Secretariat of NBA. Between January 2017 and June 2019 M&E was rated Moderately Satisfactory because of low progress in implementation – so for issues beyond the monitoring of project progress. In June 2019, when a schedule to achieve all indicators was prepared by the PMCU, which clearly identified the steps to achieve them and associated dates, the M&E ratings were raised. However, not all indicators in the Results Framework were measured and reported in the ISRs.

65. **Some indicators were revised during restructuring** in order to ensure that (i) their achievement laid within the project's revised scope and duration; (ii) their description was more closely linked to the project's activities (see above section I B for details on the restructuring). **However, their weaknesses were not fully fixed:** even the post restructuring M&E framework shows some over ambitiousness, inconsistencies, overlapping intermediate and PDO levels of endorsement, and is not always clear. In one case, the final ISR reports an indicator as achieved (on the financing mechanism), when in reality it was not achieved.



## M&E Utilization

66. **The M&E framework was initially used to restructure the project.** Lack of progress on the intermediate indicators and the realization that some of the original indicators were too broad and ambitious, led to the decision to restructure the project in June 2018. Subsequently, the M&E expert and the technical teams developed a plan to ensure the achievement of the targets by project's closure, identifying necessary steps and roles and responsibilities. Because the Project and all activities were suspended for almost a year, the revised RF was used more intensively in the last two years of the Project (2018-2019).

67. **The M&E data findings are informing another operation (the Kandadji Project, P128336),** which will continue to support NBA until 2026.

**Justification of Overall Rating of Quality of M&E: MODEST.** Based on the above, the design, implementation, and utilization of the M&E is rated MODEST as there are significant weaknesses, making it difficult to assess the achievement of all stated objectives.

## B. ENVIRONMENTAL, SOCIAL, AND FIDUCIARY COMPLIANCE

68. **Environmental and social compliance.** The rating for management of safeguards process by NBA is overall *Satisfactory*. The project did not have direct environmental and social safeguards implications as it entails capacity building and TA type of activities. Environmental and social risks have been classified as low to moderate in all ISRs and compliance was rated moderate to satisfactory. There were some initial concerns about the capacity of the NBA to assist Guinea in conducting social and environmental impact assessment studies for the Fomi. However, as NBA management and capacity improved because of changing management, procuring external support, and particularly after the restructuring of the project consisting in dropping activities related to the Fomi dam, compliance has been rated satisfactory. Moreover, by implementing an evidence-based decision-making process for Fomi, it avoided a highly detrimental variant from an environmental and social perspective.

69. **Fiduciary compliance.** The ratings for the management of fiduciary processes by NBA is *Moderately Satisfactory*. In the initial stages of the project, NBA's capacity in dealing with fiduciary matters was low and related to slow progress in the recruitment of PMCU's fiduciary team and low capability in handling expenses of the WRD-SEM APL project.

Financial management rating of the project was Moderately Satisfactory until April 2017, then lowered to Moderately Unsatisfactory due to the absence of an accountant acceptable to the Bank in the PMCU. It remained Moderately Unsatisfactory until December 2017, when the Bank provided the no-objection to the ToR for the recruitment of the regional accountant and his assistant in September 2017; and a request for withdrawal of funds was consequently submitted in November 2017. FM remained Moderately Satisfactory until the end of the project, even though two legal covenants remained overdue (the recruitment of an assistant accountant and the installation of a computerized accounting system). Indeed, in 2016, the Task Team had agreed that the PMCU could use a spreadsheet instead of a computerized accounting system due to the limited volume of financial transactions of the project. For the same reason, in December 2017, it was agreed during a supervision mission that one accountant was sufficient. Once the regional accountant was hired in June 2018, these two shortcomings did not prevent the timely and reliable provision of information required to manage and monitor the implementation of the Project. NBA complied with the timely submission of the Intermediate Financial Reports and annual financial audit reports. The last Financial Management Rating from latest archived PRIMA Assessment dates 21-May-2019. Audit reports and IFRs were submitted on time and of good quality and that there is no overdue report. The last



financial audit (period January 1st - December 31st, 2019), before the final audit, is expected to be submitted by the PMCU before June 30th, 2020.

Procurement management rating was lowered to Moderately Unsatisfactory in December 2016 because no progress was made by then in the procurement of the two main contracts, despite the appointment of a procurement specialist. The rating was raised to Moderately Satisfactory in December 2017 and it remained so until the end of the project, because procurement processes remained lengthier than necessary. No Procurement Assessment under SPN Phase was completed in PRAMS. The introduction of STEP lengthened further the procurement process, from both the client and the Bank side. This was proactively solved by the TT with an ad-hoc training to both TTLs and the PMCU.

### C. BANK PERFORMANCE

#### Quality at Entry: MODERATELY SATISFACTORY

70. **The project design responded well to the challenges identified during preparation** and targeted some of the key (institutional) priorities highlighted in the 2007 SDAP for the Niger Basin and the operationalization of NBA's mandate. Countries had indeed identified that in order to be able to take on its role of regional coordinator of transboundary water management, NBA needed to become a more robust institution, with a more autonomous and sustainable financial resources base and an improved basin-wide legal framework for enhanced coordination in the exploitation of transboundary infrastructure.

71. **Implementation arrangements were appropriately kept as simple as possible**, with NBA being the grant recipient and the project using the existing project management structure that was already in place for the implementation of the Niger Basin WRD-SEM Program.

72. **However, the Governance risk should have been higher (it was rated as Moderate in the PAD), as it was indeed the key reason for the project's extremely slow onset.** The ICR of the WRM-SEM project does mention a high governance risk, mainly because of weak governance at regional and country levels institutions (hence, including NBA). Although the ICR was not yet completed when the PGBFN was being prepared, other Bank colleagues were aware of the risk. Therefore, the task team should perhaps have been less optimistic on the transparency and accountability of NBA in those years. It is to note that the FM residual risk however was deemed Substantial, particularly due to weak internal controls. Therefore, the team had planned measures to reduce this risk, such as the recruitment of an additional accountant to relieve the workload of the current accountant and the recruitment of a qualified and experienced procurement specialist. One of the covenants was indeed to improve the financial systems.

73. **The RF and M&E could have been more specific in defining activities and level of endorsement so to align more clearly the results indicators with the PDO.** The project team's assessment of the risks that exceeded the project's scope and control could have been reflected better in the results indicators. For instance the RF could have been more critical on the likelihood of the adoption of a new financing mechanism by the Member States during the project's life, considering the complex political economy behind such a decision. Yet such decisions are also hard to predict ahead of time and the Project aimed at higher ambition for higher impact. Moreover, ambiguity in the wording related to the level of endorsement of few indicators lead to controversial assessment as to whether the indicators had been achieved or not. See paragraphs 44 and 45 for detailed explanation.

74. **Readiness was mixed.** See paragraphs 46 and 47 for detailed explanation.



75. **The choice of the lending instrument was sound.** At the time, other lending instruments were also explored. One was additional financing through the existing regional IDA WRM-SEM Adaptable Program Lending instrument, which was eventually rejected, for two reasons. On the one hand, the APL's first phase was due to close in 2014 an extension would have been possible only for the national Guinean part of the loan, which was not appropriate vehicle to support inherently regional activities designed to be facilitated by NBA. On the other, the scope of the second phase (APL2A) was much narrower, focusing on the implementation and supervision of the Kandaji dam in Niger. Whilst the scope of Component 1 could have been compatible with APL2A, the activities on Fomi dam exceeded its scope. The Project being fully aligned with the objective of the CIWA-MDTF, CIWA funding was a justified option.

#### **Quality of Supervision: SATISFACTORY**

76. **The Bank team provided strong supervision throughout Project implementation, regularly providing guidance on implementation constraints and helping to design appropriate solutions.** Since the effectiveness of the project in May 2016 to December 2019, the World Bank team has closely provided implementation support to the project, with regular missions and frequent virtual supervision sessions (more than 10 in 3 and a half years). Due to the very low progress and governance issues during the first 2 years, from 2017 the Bank team intensified monitoring, supervision, and support in the course of 2018 and throughout 2019 to make sure the project would achieve all its targets before the original closing date of December 31, 2019. Exchanges between the Bank team and the PMCU intensified to a bi-weekly basis to check progress on disbursements, contracts, and achievement of project targets as well as to have set deadlines they overall committed to. With intense supervision the TT supported the client to achieve most of their goals within the last intense year of implementation.

77. **Project supervision missions' agreements were always clearly recorded in Aide-memoires signed by the NBA Executive Secretary and the Bank.** The processing of Aide Memoires and Project administrative documents was carried out following World Bank standard processes. The supervision team of the Bank included multidisciplinary specialists whose profiles were complemented for specific tasks through international experts hired with Trust Funds, for example on the topics of modeling and institutional assessments. However, the procurement specialist was not always involved in the missions.

78. **The Bank team also provided support to the PMCU on fiduciary aspects, providing regular recommendations, not limited to the usual supervision missions on procurement and financial management aspects.** For instance, the introduction of the procurement monitoring tool STEP created some delays in procurement clearances from the Task Team, which were resolved in late 2018 with the Team Leaders taking a dedicated STEP training. A similar training was also given to the PMCU. As a result, the pace of STEP-related processes improved. The Bank team designed a practical tool for the NBA to report on both procurement and disbursements and supplemented the efforts on the institutional capacity building through a Bank executed activity.

79. **The TT did a timely restructuring** that, beside reflecting changes in some activities, clarified several indicators. However, the team remained still too ambitious with some indicators (e.g. implementation of priority actions identified by the strategic institutional audit), should have defined more clearly the level of endorsement of certain deliverables (see par. 53). Though possibly dictated by the need to have PDO indicators that could realistically be achieved by the end of the project, this revision also meant that the new wording merely differentiates between an output and outcome, in terms of endorsement. Moreover, the team should also have revised legal covenants on the installation of a computerized accounting system and hiring of an accountant assistant, which were overdue and was deemed no longer valid (see FM section).



80. **Though beyond the project's supervision per se, the TTL revived and led the political dialogue between the development partners (AfDB, French, Germany, EU) and the CoM and the NBA.** The involvement of the development partners at all CoM and the expression of an interest in the reform process in turn enhanced the commitment of the Ministers to strengthening cooperation under NBA.

81. **TTL turnover.** Three TTLs managed the project. According to NBA and the TT, it does not seem that this turnover influenced negatively the project – mostly because of two reasons: (i) the second TTL was in the project' team during preparation, and (ii) the TTL who implemented the Project (who arrived at effectiveness) already knew the context and NBA, as he was also the TTL of another Project with NBA. He was therefore familiar with the Project even before becoming its TTL.

82. **During the PGBFN implementation, the World Bank changed several times its vision for engagement with the Niger Basin, and with NBA in particular.** The PGBFN is one of several Bank-financed activities in the Niger Basin and via NBA, over 16 years of collaboration. However, since 2015 the Bank has swung from reaffirming a long-term engagement to a disengagement process, and vice versa. In one instance, the Bank was giving opposing messages at once: on the one hand it had put the PGBFN on hold and told NBA that they should resolve their governance issues before resuming implementation – and any future collaboration with the Bank. Whilst on the other hand, the World Bank (AFRVP and President) announced its support to climate resilience in the Niger Basin and financed the preparation of the Climate Resilience Investment Plan (CRIP), which was eventually presented at COP21 in Paris with full World Bank support. Moreover, the Bank discussed in several occasions the preparation of a new large investment program (WRD-SEM APL2B, or PDRECC<sup>13</sup>, P161262), due to which the NBA prepared different proposals and worked with the Task Team on its preparation, that each time were rejected on a different basis, including the final cancellation of the project without a timely communication strategy. Even if they do not say it openly, the NBA and other development partners to the NBA reckon that the Bank changes direction too frequently. Although the Bank surely had valid reasons, not least the mixed performance of NBA, this is not positive for the Bank's reputation and credibility. The Task Team raised this issue in several occasions, including with a letter on October 11, 2017.

#### **Justification of Overall Rating of Bank Performance**

83. The overall assessment of the Bank's performance has been rated Moderately Satisfactory, reflecting the justifications presented above for Bank Performance in Ensuring Quality at Entry (Moderately Satisfactory) and for the Quality of Supervision (Satisfactory).

#### **D. RISK TO DEVELOPMENT OUTCOME**

84. Project's development outcome, which is the enhanced institutional framework for regional cooperation of water resources in the Niger River Basin, is measured via three indicators – with varying likelihood that changes may occur which are detrimental to the maintenance of their achievement and degree of impact if these changes materialize.

- **Institutional enhancements for coordination of development and management of shared waters endorsed by Member States.** The adoption of Annex 2 of the Water Charter by NBA's CoM is a key achievement in regional cooperation and coordination for the development and management of the Niger River Basin. It is a legally

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<sup>13</sup> *Projet de Développement de la Résilience Aux Changements Climatiques dans le Bassin du Fleuve Niger / Building Climate Change Resilience in the Niger Basin*





binding document to which all Member States committed to comply with. Provisions of Annex 2 take precedence over national legislation. Associated with the computerized tool based on the simulation model already mastered by the NBA, this legal instrument will allow the release of current and future dams to be managed according to interests that go beyond national borders. The NBA, assisted by the "permanent technical committee" in which all countries are represented, will be in a position to effectively carry out this function. Risks that this outcome will not hold on a long-term basis are connected to the possibility of breaching the commitment by one or more Member States, which is possible after a period of 5 years as per provisions in Annex 2. Moreover, the question remains as to how the NBA will be able to enforce decisions related to Annex 2 on coordinated management of dams, now that Member States have approved the Annex and agreed to make it legally binding. The risk that Annex 2 will not be implemented is considered low although difficult to predict. The risk that the NBA will not fully embark on a reorganization that follows the recommendations of the audit is moderate: it is difficult to predict if the priority actions which require more structural, deeper organization changes will be actually implemented, though the continuing support to their implementation via the Kandadji Project raises its likelihood .

- **Sustainable financing mechanism endorsed by the Technical Committee.** The decision to proceed with the adoption of the proposed mechanism was only partly taken by the TC in charge, during the November 26, 2019. The Committee<sup>14</sup> decided to combine the revised version of this mechanism with the operationalization of the Regional Fund for Adaptation to Climate Change (FRACC) and the Payments for Environmental Services (PES) mechanism in the Niger Basin (study financed by the African Development Bank). The NBA still needs to articulate a concrete and persuasive offer of services, as consistently recommended by development partners in recent years. The risk that the proposed financing mechanism won't be endorsed by Member States is high, at least in the near future. In the longer term, the adoption by Ministers of the "process approach" to manage the organization (as opposed to a hierarchical approach) sets favorable conditions. Two important arguments can be advanced in the future: (a) the benefits derived from hydrological forecasting by Nigerian dams in order to optimize hydropower generation, (b) the possibility of making better use of flood-related uses by application of the NID model.
- **Evidence-based decision-making process for transboundary infrastructure projects designed and endorsed by the Technical Committee.** There would be a high risk of NBA losing support and mandate for this decision-making process if there were no shared regional projects that can benefit from the process, such as the development and management of transboundary river infrastructures. Given the current context of water mobilization in the Basin (i.e., the Kandadji, Taoussa, and Fomi dams, the implementation of other investments identified by the Climate Resilience Action Plan currently being financed by the African Development Bank and other partners, etc), expectations are that NBA can continue to provide its coordinating role, both for transboundary initiatives and initiatives considered national but which however impact the flows in the rest of the basin. However, whether they will use the process detailed with Project financing will depend on two aspects. On the one hand, NBA staff will have to use it in real-life decision-making processes. Given NBA's ownership of this activity, the risk that they will not use it is *low*. On the other hand, it will be up to its Member States to ensure that the Authority is empowered to carry out this role and that they call on its support both for Projects clearly of transboundary nature and for those national-seeming projects which however may impact the basin's flows. The risk that countries will proceed with some investments alone or on a bilateral basis – as they currently do in some cases, like for some of the investments identified in the Climate Resilience Investment Plan - remains Substantial.

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<sup>14</sup> composed of representatives of the nine countries, of the managers of the existing dams and those under implementation, the representative of the basin's users, and the Executive Secretariat of NBA.



85. Overall, the risk to the development outcome is therefore **Substantial**. Nevertheless, it is also important to note that NBA continues to be supported under the Kandadji Project (P128336) which has now been extended to 2026, which supports NBA strengthening and will ensure follow up on some of the processes started under this project such as i) the implementation of Priority Actions for institutional strengthening endorsed by Member States in October 2019, ii) the organization of regional workshop with decision-makers (CoM), safeguard experts, and dam managers to validate and train on the decision-making methodology for transboundary water infrastructures, iii) support to the NBA in implementing Annex 2 and its wide dissemination-training, iv) support to the validation and operationalization of the hydroelectric levy v) further training on the NIB model. It takes many years to reach institutional change and this project is one piece of the process, but a longer and continuous engagement is needed to bring real change. Additional support is planned through a CIWA TA to NBA. This raises the likelihood that indicators which were partially achieved at project's closing will be achieved, and that NBA maintains momentum on those that have been achieved.

## V. LESSONS AND RECOMMENDATIONS

86. **Transparent communication is key for sound decision making.** The decision-making process around the Fomi dam facilitated by the project showed that extensive, technical, and evidence-based (i.e. high quality environmental and social impact assessment) dialogue with the client and practitioners, whose operations would be directly influenced by the decisions, is crucial to achieve the most rational and reasonable decisions at the political level. This dialogue was fundamental to make decision-makers understand the technical details of what was at stake so that they could make the most informed decision. Today, decision-makers within NBA endorsed a set of legal and technical tools to organize sound water management in the basin, especially on dams. The recommendation for future projects is that enough budget and time is earmarked for evidence-based technical dialogue and the development of supporting tools.

87. **An autonomous financial mechanism for an RBO has higher chances of being approved if it concerns all the Member States and if all Member States perceive tangible benefits.** The case of the hydropower levy and the concerns raised by Guinea and Nigeria about potential negative impacts on the business environment and electricity bills suggest that the likelihood of MS endorsement of a sustainable financing mechanism for an RBO is increased if respective contributions and benefits are equal. Moreover, Member States' regular financing contribution depends to a large extent on RBO's capacity to provide them with tangible benefits, such as mobilizing financing for investments (such as, for the Niger River Basin, the CRIP and the Basin Master Plan); a RBO carrying out of its "regulatory" functions alone is insufficient.

88. **Transboundary programs need to be cognizant and realistic about the complex political economy of the transboundary space and ensuing challenges of achieving political buy-in, which, in turn, shall inform the boundaries of a Bank engagement in terms of its role and realistic outcomes.** Long-term engagement is necessary to achieve results in transboundary river basin interventions. Transboundary processes are complex and yield results after long time frames because several countries must collaborate, and it takes a long time to reach consensus. They require project duration that is commensurate with the basin structure and project complexity, this includes being more open to project extensions when feasible.

89. **Clearly linking nonstructural activities like legal, technical, and decision-making tools to concrete regional integration programs and transboundary infrastructure investments increases the chances of their adoption at the high political level and ensuing utilization.** Regional programs and structural interventions (such as the upcoming dams Kandadji, Fomi, and Taoussa) are crucial to strengthen transboundary stressors and water interdependency among riparian states which, in turn, increase Member States' interest and willingness to cooperate. In turn, legally binding





agreements on the concerted development and management of water would tend to have more impact on and shall be better supported in cases of water infrastructures that have clear downstream effects on other countries.

90. **Projects, particularly those including activities intending institutional change in the transboundary space, must be seen as pieces of a broader Bank programmatic engagement in transboundary waters in the Sahel, be better linked one to another, and be in advanced preparation stage at the start of implementation.** In light of paragraph 82, it is suggested that individual projects must be better enchainned to capitalize on previous experience and achievements, and that project designs should always consider adding a specific analytical component for the preparation of a sequel or at least next steps of Bank or other donor engagement (some already do). This would save time and make sure the momentum (and information acquired) is not lost. In addition, to ensure readiness, the Bank should work with the client to ensure that project sites, design and implementation of feasibility studies, and key resources (such as specialists and budget for feasibility studies) are identified during the preparation phase.

91. **A clear and coherent World Bank engagement strategy with an RBO builds trust with the client and facilitates projects' implementation, including raising chances of their successful completion.** For the sake of this, it is important that Bank management gives a consistent signal of support once it has engaged and that it provides a consistent set of priorities to Bank teams working with the same RBO, and prompt and transparent communication in case changes are necessary. Likewise, Bank management engagement is crucial in unlocking governance challenges that may emerge with the client. Ambiguity about engagement directions can hamper project implementation and undermine trust in the Bank.

92. **It is instrumental for RBOs to have strong organizational and institutional capacity, to be able to carry out their mandate and structural interventions in a timely and effective manner. A strong PMCU with competent and motivated staff is key for project success.** Relying on an administratively autonomous PMCU that has experience in managing WB funding and an established relation with the Bank is a key ingredient for project success. Moreover, although small RE TA are no longer possible in the current Bank environment, regional programs involving RBOs must include a strong component on continuous learning and capacity building, capitalizing on previous training programs, and targeted at long-term staff. Important achievements such as the successful application of evidence-based decision-making around Fomi shall not remain confined one-off exercises but evidence-based, multicriteria decision making has to become embedded in NBOs modus operandi. The Bank shall support NBA in this process to avoid missed opportunities after so much has been done.

93. **Resources for securing best international experience can increase project impact.** It is useful to have a BE-TF aligned with ongoing RE projects (in this case, BE-CIWA Niger Basin Support Program (P148889)). A BE ASA can support technical oversight and due diligence related to the RE-activities and help ensure that global best practice for reducing the impacts of large-scale transboundary infrastructure for instance on wetland systems (which are often not a priority for Member States) and riparian populations is incorporated in RE activities. As an example, having a dedicated BE TF allowed to devote more resources to the development of the institutional audit whose main recommendations were approved by the CoM in October 2019 – in this case, the joint financing ensure on the one hand NBA ownership whilst on the other allowed the TT to more closely monitor its progress and provide frequent feedback.

- **A results framework should balance the potential of a project of making an impact (for instance, Head of States endorsement of new legal tools) with what is realistically accomplishable within a project's frame.** Specifying what should be the composition of a TC, for instance, helps maintain an appropriate level of ambition even when the project is coming to an end and it is urgent to meet the indicator. Moreover, while it is important to keep the level of ambition



high for high impact, it is important to be realistic about the fact that institutional change takes time, particularly when there are many countries involved and poor governance is a concrete risk. .



**ANNEX 1. RESULTS FRAMEWORK AND KEY OUTPUTS**

**A. RESULTS INDICATORS**

**A.1 PDO Indicators**

**Objective/Outcome:** Institutional framework for regional cooperation in water resources in the Niger Basin strengthened

| Indicator Name  | Unit of Measure | Baseline         | Original Target  | Formally Revised Target | Actual Achieved at Completion |
|---|-----------------|------------------|------------------|-------------------------|-------------------------------|
| A sustainable financing mechanism is designed and endorsed by a regional NBA workshop | Yes/No          | N<br>14-Nov-2014 | Y<br>31-Dec-2019 |                         | N<br>31-Dec-2019              |

**Comments (achievements against targets):**

The RP, AMs, and NBA ICR measure a slightly different indicator: A sustainable financing mechanism is endorsed by a Technical Committee.

The financing mechanism has not been endorsed by member states yet, but a technical committee representing NBA Executive Secretariat (appointed by Member States) partly approved it and the dialogue continues . According to the minutes of the meeting, the Technical Committee endorsed the proposed operational and financial frameworks, but not the legal one which would have made the mechanism legally binding.



The last ISR and the NBA ICR mark this indicator as achieved.

**Objective/Outcome:** Institutional framework for regional cooperation in water resources in the Niger Basin strengthened

| Indicator Name   | Unit of Measure | Baseline         | Original Target  | Formally Revised Target | Actual Achieved at Completion |
|--|-----------------|------------------|------------------|-------------------------|-------------------------------|
| Evidence-based decision-making process for transboundary infrastructure projects designed and presented to decision makers | Yes/No          | N<br>14-Nov-2014 | Y<br>31-Dec-2019 |                         | Y<br>31-Dec-2019              |

**Comments (achievements against targets):**

Three experts were hired by the NBA to assist in the development of a methodological note on decision-making around transboundary infrastructures in the Niger River Basin. In essence, the methodological note provides guidance on how to (i) identify main decisions to be made in the planning of transboundary infrastructure projects, their preparation, implementation and operation, as well as the role of the main actors concerned; and (ii) critically review current and past practices on a few key projects (Fomi, Kandadji, Taoussa, Kainji[1] and Sélingué[2] in particular); (iii) propose guidance for improvement based on the feedback; and (iv) highlight the benefits for the member countries generated by joint basin-level decisions and consolidate the role of the NBA in decision-making. The final note was presented on November 5 and 7, 2019 in Niamey to the NBA Executive Secretariat. The Technical Committee which participated to the workshop (representing the Executive Secretariat) validated the note and recommended its appropriation by member countries through the holding of a regional workshop, and its possible adoption by the CoM. A final version integrating feedback from the workshop was produced on November 15.



NBA did not manage to organise the workshop with decision makers before the end of 2019, but they had already this workshop in March 2020, which was then postponed because of COVID19. This activity is included in the 2020 budget and workplan of the Kandadji project (which includes institutional strengthening of NBA). The achievement of this indicator does not require political endorsement and the decision making methodology in question is not a controversial issue, therefore the risk it will not be presented in the next regional workshop with decision makers, hence not achieved, is low.

Therefore, the ICR rates it as Partially Achieved but Highly likely to be achieved this calendar year, COVID allowing.

The RP, AM, and NBA ICR measure "Evidence-based decision-making process for transboundary infrastructure projects is endorsed by the Technical Committee " and they mark it as achieved, since it was endorsed by a TC in November 2019.

**Objective/Outcome:** Institutional framework for regional cooperation in water resources in the Niger Basin strengthened

| Indicator Name  | Unit of Measure | Baseline         | Original Target  | Formally Revised Target | Actual Achieved at Completion |
|---|-----------------|------------------|------------------|-------------------------|-------------------------------|
| Institutional enhancements for coordination of development and management of shared water resources endorsed by member states | Yes/No          | N<br>14-Nov-2014 | Y<br>31-Dec-2019 |                         | Y<br>31-Dec-2019              |



**Comments (achievements against targets):**

The updated Annex 2 has been endorsed by member States, and so have the Priority Actions of the Institutional Study. Some Priority actions have been implemented and the implementation of the others is planned under the Kadadji project.

**A.2 Intermediate Results Indicators**

**Component:** Strengthening the Niger Basin Authority for Sustainably Delivering its Mandate

| Indicator Name   | Unit of Measure | Baseline         | Original Target  | Formally Revised Target | Actual Achieved at Completion |
|--|-----------------|------------------|------------------|-------------------------|-------------------------------|
| Feasibility study and road map for financing mechanism based on a hydropower levy is endorsed by the Technical Committee | Yes/No          | N<br>14-Nov-2014 | Y<br>31-Dec-2019 |                         | Y<br>29-Nov-2019              |

**Comments (achievements against targets):**

The feasibility study and road map were presented and endorsed by the Technical Committee on November 26. 2019.

| Indicator Name       | Unit of Measure | Baseline | Original Target | Formally Revised Target | Actual Achieved at Completion |
|----------------------|-----------------|----------|-----------------|-------------------------|-------------------------------|
| Annex 2 to the Water | Yes/No          | N        | Y               |                         | Y                             |



|   |  |             |             |  |             |
|---|--|-------------|-------------|--|-------------|
| Charter on coordinated management of water infrastructure and its implementation modalities is endorsed by the NBA Council of Ministers |  | 14-Nov-2014 | 31-Dec-2019 |  | 27-Nov-2019 |
|---|--|-------------|-------------|--|-------------|

**Comments (achievements against targets):**  
 The Annex 2 was endorsed by the NBA Council of Ministers on November 26, 2019 - making it legally binding.

**Component:** Facilitating evidence-based decision-making for large transboundary infrastructure in the Basin

| Indicator Name   | Unit of Measure | Baseline         | Original Target  | Formally Revised Target | Actual Achieved at Completion |
|--|-----------------|------------------|------------------|-------------------------|-------------------------------|
| Evidence based decision-making process for transboundary infrastructure tested | Yes/No          | N<br>14-Nov-2014 | Y<br>31-Dec-2019 |                         | Y<br>18-Oct-2019              |

**Comments (achievements against targets):**  
 The decision-making methodology funded by the project has been successfully tested in the analysis and discussion of updated ESIA and feasibility studies of the Fomi dam in December 2017.



| Indicator Name   | Unit of Measure | Baseline         | Original Target  | Formally Revised Target | Actual Achieved at Completion |
|--|-----------------|------------------|------------------|-------------------------|-------------------------------|
| Modelling report generated from the operation of the Niger Inner-Delta model published   | Yes/No          | N<br>14-Nov-2014 | Y<br>31-Dec-2019 |                         | Y<br>31-Dec-2019              |
| <b>Comments (achievements against targets):</b><br>Modeling reports generated from the operation of the Niger Inner Delta model were published on the NBA website in December 2019 |                 |                  |                  |                         |                               |





## B. KEY OUTPUTS BY COMPONENT (POST-RESTRUCTURING)

|  |   |
|--|---|
| <b>Objective/Outcome 1</b> Sustainable financing mechanism endorsed  |   |
| Outcome Indicators   | 1. A sustainable financing mechanism is designed and endorsed by a Technical Committee/ regional NBA workshop   |
| Intermediate Results Indicators  | 1. Feasibility study and road map for financing mechanism based on a hydropower levy is endorsed by the Technical Committee   |
| Key Outputs by Component<br>(linked to the achievement of the Objective/Outcome 1)                         | 1. Business case for the hydroelectricity levy, including its institutional and technical justification and a feasibility analysis; and an action plan for implementation   |
| <b>Objective/Outcome 2</b> - Improved decision making for transboundary infrastructure projects            |   |
| Outcome Indicators   | 1. Evidence-based decision-making process for transboundary infrastructure projects designed and presented to decision makers   |
| Intermediate Results Indicators  | 1. Evidence based decision-making process for transboundary infrastructure tested (and presented to decision makers in November 2019)<br>2. Modeling report generated from the operation of the Niger Inner-Delta model published   |
| Key Outputs by Component<br>(linked to the achievement of the Objective/Outcome 2)                         | 1. Methodological note on decision-making and the underlying factors in the Niger Basin<br>2. Advanced model of ecosystem services in the Inner Niger Delta, and the associated report.   |
| <b>Objective/Outcome 3</b> - Improved coordination of development and management of shared water resources |   |
| Outcome Indicators   | 1. Institutional enhancements for coordination of development and management of shared water resources endorsed by member states  |
| Intermediate Results Indicators  | 1. Annex 2 to the Water Charter on coordinated management of water infrastructure and its implementation modalities is endorsed by the NBA Council of Ministers<br>2. Priority Actions to improve the organizational performance of the NBA are approved by the Summit of Heads of States and implemented |
| Key Outputs by Component<br>(linked to the achievement of the Objective/Outcome 2)                         | 1. Annex 2 of the Niger Basin Water Charter, on coordinated management of dams endorsed by the Heads of States.<br>2. Initial set of measures to improve the NBA performance identified by institutional assessment.  |



**ANNEX 2. BANK LENDING AND IMPLEMENTATION SUPPORT/SUPERVISION**

**A. TASK TEAM MEMBERS**

| Name                                 | Role                            |
|--------------------------------------|---------------------------------|
| <b>Preparation</b>                   |                                 |
| Catherine Signe Tovey, Christina Leb | Task Team Leader(s)             |
| Ibrah Rahamane Sanoussi              | Procurement Specialist(s)       |
| Josue Akre                           | Financial Management Specialist |
| Mari H. Clarke                       | Social Specialist               |
| Marie-Adele Tchakounte Sitchet       | Team Member                     |
| Lucson Pierre-Charles                | Team Member                     |
| Aissatou Diallo                      | Team Member                     |
| Medou Lo                             | Social Specialist               |
| Maya Abi Karam                       | Counsel                         |
| Paivi Koskinen-Lewis                 | Social Specialist               |
| <b>Supervision/ICR</b>               |                                 |
| Pierrick Fraval, Mohamed Nanzoul     | Task Team Leaders               |
| Aissata Z. Zerbo                     | Procurement Specialist          |
| Josue Akre                           | Financial Management Specialist |
| Hadidia Diallo Djimba                | Procurement Team                |
| Prosper Nindorera                    | Procurement Team                |
| Demba Balde                          | Social Specialist               |
| Nyaneba E. Nkrumah                   | Environmental Specialist        |
| Emeran Serge M. Menang Evouna        | Environmental Specialist        |
| Jacqueline Marie Tront               | Team Member                     |
| Salimata Bessin Dera                 | Procurement Team                |
| Luciano Canale                       | Team Member                     |



**B. STAFF TIME AND COST**

| Stage of Project Cycle | Staff Time and Cost |  |
|------------------------|---------------------|--|
|                        | No. of staff weeks  | US\$ (including travel and consultant costs) |
| <b>Preparation</b>     |                     |  |
| FY14                   | 4.725               | 79,383.73                                    |
| FY15                   | 22.181              | 133,461.13                                   |
| FY16                   | 11.310              | 39,532.42                                    |
| FY17                   | 20.604              | 81,399.63                                    |
| FY18                   | 0                   | 5,317.27                                     |
| FY19                   | 2.438               | 12,941.61                                    |
| FY20                   | 3.025               | 6,705.86                                     |
| <b>Total</b>           | <b>64.28</b>        | <b>358,741.65</b>                            |
| <b>Supervision/ICR</b> |                     |  |
| FY16                   | .050                | 362.22                                       |
| FY18                   | 10.822              | 78,887.75                                    |
| FY19                   | 1.775               | 22,037.04                                    |
| FY20                   | 9.850               | 85,069.87                                    |
| <b>Total</b>           | <b>22.50</b>        | <b>186,356.88</b>                            |



**ANNEX 3. PROJECT COST BY COMPONENT**

| <b>Components</b>  | <b>Amount at Approval<br/>(US\$M)</b> | <b>Actual at Project<br/>Closing (US\$M)</b> | <b>Percentage of Approval<br/>(%)</b> |
|--|---------------------------------------|--|---------------------------------------|
| Component 1: Strengthening the Niger Basin Authority for Sustainably Delivering its Mandate                        | 3.75                                  | 2.40   | 64%                                   |
| Component 2: Facilitating evidence-based decision-making for large transboundary infrastructure in the Niger Basin | 3.75                                  | 1.80   | 48%                                   |
| <b>Total</b>   | <b>7.5</b>                            | <b>4.20</b>                                  | <b>56%</b>                            |



## ANNEX 4. DETAILED EFFICACY ASSESSMENT

### Pre-restructuring

1. The three PDO indicators in the appraisal document were:

a. Institutional enhancements for coordination of development and management of shared water resources endorsed by member states (Yes/No). PARTIALLY ACHIEVED. This indicator originally captured results on the (i) clarification of responsibilities related to Annex 2 of the Niger Basin Water Charter (under sub-component 1.2) and (ii) clarification of the institutional frameworks for FMP (under sub-component 2.2) and (iii) the strengthening of NBA's institutional and organizational systems, via the implementation of selected priority recommendations from an ongoing audit (under sub-component 1.3)

(i) Under sub-component 1.2, the project financed the development of a legal tool on how to regulate the coordinated management of dams in the basin (Annex 2 of the Water Charter), associated with a computerized tool for its implementation. Not only did the TC validate the proposed annex, but on November 26, 2019, the CoM endorsed it, making it legally binding. This legal instrument will allow the releases of current and future dams to be managed according to interests that go beyond national borders. This is a significant accomplishment that boosts integration of countries through the concerted management of water resources. *It is also one of the rare cases in Africa where coordinated dam operation is legally-binding*. Trainings on the associated tool, also financed by the project, took place in December 2019.

(ii) Under component 1.3, the project contributed to the preparation of a revised institutional audit (since the audit mentioned in the PAD, financed by the Kandadji Project, was not satisfactory). Priority measures were endorsed by Member States in October 2019 and are being implemented.

(iii) Under sub-component 2.2, the institutional frameworks for FMP was not clarified, as it lost relevance during implementation. However, this was not due to faults in project's preparation or implementation, but because the sound evidence-based decision-making process financed by the project led to the consensual decision among Member States to abandon the Fomi site due to the calculated high social and economic risks. Thus, the fact that these activities and related indicators were not achieved could in fact be a positive outcome of the project.

The original intermediate indicator linked to this activity, "Coordination mandates for regulating infrastructure clarified (Yes/No)", which in essence monitored the revision of Annex 2 (i) and the clarification of the institutional framework for FMP (iii) has been PARTIALLY ACHIEVED.

b. Joint Decision-Making process for multipurpose project approved by Fomi Interministerial Committee and followed (Yes/No). ACHIEVED. This decision-making process was tested at the December 2017 Regional Workshop: Updated Feasibility Study and Environmental and Social Impact Assessment for the Fomi Multipurpose Dam Project. This process was tacitly approved by the Fomi Interministerial Committee (FIC) which agreed to apply it in this workshop. Guided by this methodology, the NBA



moderated evidence-based discussions and associated decision making on Fomi. A major outcome of the joint decision-making process was the decision of halting the project because studies revealed major constraints associated with the original site as well as knowledge gaps for a possible alternative site (the Moussako site, upstream of Fomi). Participants made the major decision to abandon the original Fomi site and pursue additional technical, economic, environmental and social assessments for the new site (Moussako), including additional design options (Moussako at 402m or at 388.5m or at 396m) and an exhaustive review of the cumulative impacts of Fomi/Moussako, Taoussa and Kandadji on the interests of downstream countries. This is a remarkable achievement of the project, as the decision was not contested by political decision makers, who frequently decide based on other reasons than the evidence from facts. Politicians, who were in strong favor of the original site, could not argue against a clearly-presented and transparent technical evidence. It is yet to be seen whether it will apply the process also to the next round of validation of the new studies, but that lays beyond the scope of the project. Hence the indicator can be considered as ACHIEVED.

The three original intermediate indicators linked to this PDO indicator were: (i) Investment forum for Fomi dam held, (ii) Roadmap for DM designed and discussed among Member States and (iii) Complementary assessment of ESI completed and discussed by Member States.

Expected results under (iii) included an “advanced modeling of ecosystem services in the Niger Inner Delta available under different flow regimes and operational conditions of the proposed Fomi dam” and “additional complementary studies defined in response to needs identified in the decision-making process supported under sub-component 2.1”. The NID model and the associated report were delivered in full and validated on December 14, 2019. The model allows simulations of evolutions of water flows and water heights in relation to the construction of potential future upstream dams along the river and consequently allows to predict changes in ecosystem services that benefit riverine communities. The NBA published a first simulation on its website in December 2019. The NBA has proactively used the model to simulate water releases from the alternative site to Fomi (the Moussako site), thereby being in the position to enforce Annex 2 of the Water Charter (other result from the project) using data from this model of the NID. This intermediate indicator is thus PARTIALLY ACHIEVED.

The other two Fomi-related intermediate indicators (i) and (ii) lost relevance after the decision to drop the Fomi site and carry out studies for the new site, hence they feature as NOT ACHIEVED. However, it is important to note that they were not achieved not because of fault’s in project’s preparation or implementation, but because of the results of an evidence-base decision making process financed by the project, which led to a consensual decision due to the calculated high social and environmental risks of the original site. Thus, the fact that the indicators were not achieved could in fact be a positive outcome of the project.

- c. A complementary financing mechanism endorsed by member states (Yes/No). NOT ACHIEVED. The financing mechanism has not been endorsed by Member States yet, but a TC representing NBA Executive Secretariat (appointed by Member States) validated its operational and financial components and the dialogue continues (see paragraph 93b for more details). Moreover, the related



intermediate indicator “New mechanism for financial sustainability developed and discussed” has been achieved, with the latest discussion in November 2019 during a Head of States meeting.

**Post-restructuring**

2. “Post-restructuring” achievement of the PDO is measured against the following three PDO-level outcome indicator targets, one of which remained unchanged from appraisal (indicator a) while (b) and (c) were changed during restructuring.

a. Institutional enhancements for coordination of development and management of shared water resources endorsed by member states (Yes/No). ACHIEVED (Yes).

As described above (paragraph 92a), one of the two related intermediate indicators, “Annex 2 to the Water Charter on coordinated management of water infrastructure and its implementation modalities is endorsed by the NBA CoM (Yes/No)”, revised at restructuring though in essence measuring the same outputs, was ACHIEVED.

The second intermediate indicator “Priority Actions to improve the organizational performance of the NBA are approved by the Summit of Heads of States and implemented” has been PARTIALLY ACHIEVED, since six priority actions have been approved on October 11, 2019 by a Council of Ministers, two have been implemented, and the implementation of the others is ongoing. The Council of Ministers (CoM) meeting held on October 11, 2019, endorsed six important measures contained in the strategic institutional analysis<sup>15</sup>. According to the PMCU, the NBA ES, and the Bank’s team, the most urgent steps amongst the 6 retained actions, which are necessary to then achieve the remaining actions, is to revise the organizational chart and then fill in the remaining vacancies with competent personnel. Hence, four new staff recommended by an international recruiting firm were hired, to be Head of the Niger Basin Observatory, Legal Adviser, Financial Controller, and Procurement Expert. Because of the recruitment of a Financial Controller and a Procurement Expert, Priority Action 3 “Separate payment authorization function from cash management function by creating an accounting department separate from Directorate of Administration and Finance” has been achieved. The inventory of NBA fixed assets (Action 2) has also been completed. Moreover, a draft organizational chart<sup>16</sup> was developed and was to be submitted to the extraordinary preparatory session for the 12th SUMMIT of the Heads of State/Heads of NBA scheduled from March 25 to 28, 2020. Yet, it has been postponed to a later date due to COVID19. Most other priority actions depend on the final revision of the organizational chart and the recruitment of the needed staff. Although this intermediate indicator was not fully achieved,

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<sup>15</sup> From the meeting minutes, the full list of Priority Actions: “1. Bring NBA’s financial management up to standards (Financial Regulatory guidelines), in particular by having a higher body scrutinize Executive Secretariat’s accounts; 2. Make an inventory of all NBA fixed assets, including materials acquired within projects; 3. Separate payment authorization function from cash management function by creating an accounting department separate from Directorate of Administration and Finance; 4. Adopt process-based management approach as the operational modality for all departments of Executive Secretariat; 5. Have the Council of Ministers and the Executive Secretary agree on a contract of goals that defines (i) objectives to be achieved by the ES during his term, (ii) ES proposed roadmap to reach set objectives, (iii) commitments of the Council of Ministers to support ES. 6. to engage dialogue between the NBAIES and TFPs to deepen reflection on the feasibility of the implementation of recommendations that were not listed above, excepting the one on ES’ unlimited tenure ».

<sup>16</sup> which clearly defines and separates functions as well as proposes a new accounting department





credit should be given to NBA for moving swiftly on their implementation, which was only approved in October 2019. This indicator, added in the datasheet at restructuring, does not feature in the restructuring paper, in the post restructuring ISRs, in the AMs, and in NBA ICR. Moreover, follow up on implementation of priority actions is also supported by the Kandadji Project, which raises the likelihood that they will be achieved.

Given all this and the crucial importance of Annex 2 and the larger budget spent to make sure it was revised, of good quality, and adopted by Member States – we believe that overall, Indicator 1 has been achieved.

- b. A sustainable financing mechanism is designed and endorsed by a Technical Committee / by a regional NBA workshop (Yes/No). REVISED AT RESTRUCTURING. NOT ACHIEVED. In 2010, the Heads of State Summit had instructed the Ministers to operationalize a mechanism based on a hydropower levy, which was then studied during the project. The feasibility report for the financial mechanism confirmed the adequacy of the hydroelectricity levy to generate enough resources for the NBA to carry out its missions of general interest related to IWRM while having a negligible impact on the hydropower sector. It also proposed a roadmap for its validation and implementation. The proposal was presented to a Regional Workshop on October 23, 2019 and to a TC<sup>17</sup> during an extraordinary meeting of the CoM on November 26, 2019. During the meeting, the report's conclusions that the proposal should not impact the hydropower sector and final electricity purchasers were repeatedly stressed<sup>18</sup> particularly by Guinea and Nigeria. Guinea and Nigeria maintain their stand which is the rejection of this hydropower royalty. Though neither the Regional Workshop nor TC fully endorsed the new financing mechanism, they did endorse the feasibility study and the proposed operational and financial frameworks and agreed on a roadmap for its implementation (Intermediate Indicator, ACHIEVED). They did not endorse the legal one (changes in the NBA convention's Article 10), which would have made it binding for Member Countries, because Guinea and Nigeria objected<sup>19</sup>. The TC agreed on a clear road map to continue the process, including that the consultant would revise the proposed mechanism taking into account the comments of the regional validation workshop held in Niamey 23-25 October, 2019 and then share the revised version with the TC for its finalization and implementation. The CoM validated the TC's recommendations. Though short of the achievement of the indicator, the decision of the TC is a significant step forward in the adoption of a sustainable financing mechanism. It is hard to predict if it will be eventually adopted as it is a delicate political process.

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<sup>17</sup> In attendance were: The following Member Country representatives: Republic of Benin; Burkina Faso; Republic of Cameroon; Republic of Côte d'Ivoire; Republic of Guinea; Republic of Mali; Republic of Niger; Federal Republic of Nigeria; Republic of Chad. The Chairman of the Regional Coordinating Unit of Users of Niger Basin's Natural Resources (RCU); The Chairman of the National Coordinating Unit of Users of Niger Basin's Natural Resources (NCU) of Nigeria; The representative of the World Bank; The following Managers of the: - Kandadji Dam Agency; - Fomi Multipurpose Dam Project Agency; - Kainji Dam; - Jebba Dam; - Shiroro Power Station. Executives of the NBA Executive Secretariat.

<sup>18</sup> From the meeting minutes: "l'impact de la redevance ne devrait pas avoir pour effet, ni de créer une surcharge sur les producteurs, ni sur les tarifs de l'électricité"// The impact of the royalty should not have the effect of putting an additional burden neither on producers nor on electricity tariffs. p.5

<sup>19</sup> There was a consensus on the fact that the mechanism for collecting the royalty, which should be done in accordance with national procedures in force in line with the Water Charter and its annexes



- c. Evidence-based decision-making process for transboundary infrastructure projects is endorsed by the Technical Committee // designed and presented to decision makers (No/Yes). ADDED AT RESTRUCTURING. The former wording has been ACHIEVED (Yes) and the latter has been PARTIALLY ACHIEVED BUT HIGHLY LIKELY TO BE ACHIEVED this calendar year (Yes). Three experts were hired by the NBA to assist in the development of a methodological note on decision-making around transboundary infrastructures in the Niger River Basin. In essence, the methodological note provides guidance on how to (i) identify main decisions to be made in the planning of transboundary infrastructure projects, their preparation, implementation and operation, as well as the role of the main actors concerned; and (ii) critically review current and past practices on a few key projects (Fomi, Kandadji, Taoussa, Kainji<sup>20</sup> and Sélingué<sup>21</sup> in particular); (iii) propose guidance for improvement based on the feedback; and (iv) highlight the benefits for the member countries generated by joint basin-level decisions and consolidate the role of the NBA in decision-making. The final note was presented on November 5 and 7, 2019 in Niamey to the NBA Executive Secretariat. The TC which participated to the workshop (representing the Executive Secretariat) validated the note and recommended its appropriation by member countries through the holding of a regional workshop, and its possible adoption by the CoM. A final version integrating feedback from the workshop was produced on November 15. The two related intermediate indicators, “Evidence-based decision- making process for transboundary infrastructure tested (Yes/No)” and “Modeling report generated from the operation of the Niger Inner-Delta model published (Yes/No)” were achieved (see Table 5).

The indicator which ends with “endorsed by the Technical Committee” has thus been Achieved. The indicator which ends with “designed and presented to decision makers” has been Partially Achieved with high likelihood of achievement<sup>22</sup> within this calendar year on the grounds that:

(i) NBA had already organized a regional workshop to validate the methodological note with the representatives of the countries (who usually study whatever is presented to and recommend to the Council of Ministers whether they should endorse, in this case it will be dam experts), the managers of the existing and planned dams in the basin, and representatives of the Ministries in charge of environmental and social safeguards. This workshop could not take place before December, but was planned in March 2020. NBA’s intention was to send to the countries the final version of the methodology together with a proposed action plan to lead to its application. Moreover, NBA planned to submit the methodological note for approval by the June 2020 CoM. COVID 19 prevented this scenario from happening. Things are being postponed but still likely taking place this calendar year, COVID allowing.

(ii) this activity is reflected in the Kandadji Project’s 2020 budget and work program: organize a workshop with the representatives of the countries (who usually study whatever is presented to and recommend to the Council of Ministers whether they should endorse), the managers of the

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<sup>20</sup> located in Nigeria

<sup>21</sup> located in Mali

<sup>22</sup> The ICR guidelines explicitly mention high likelihood of achievement as a justification for the ratings (p.14 of the guidelines: “Substantial: The operation almost fully achieved its objectives (intended outcomes) *or is likely to do so*”)



existing planned dams in the basin, and representatives of the Ministries in charge of environmental and social safeguards.

(iii) the achievement of this indicator does not require political endorsement and the decision-making methodology in question is not a controversial issue, therefore the risk it will not be presented in the next regional workshop with decision makers, hence not achieved, is low. In fact, the core of what the note proposes was already validated in the December 2017 Fomi dam workshop with decision makers.



## ANNEX 5. EFFICIENCY ANALYSIS

### The PAD Economic and Financial Analyses

1. **Benefits.** The project has multi-faceted knowledge, institutional, and process related benefits that are difficult to quantify through an economic and financial analysis. The ultimate achievement of the benefits of the processes informed through this project depend on decision-making beyond the project's sphere of influence; such as the establishment of a sustainable income stream for the NBA independent from country membership contributions, which will enhance the NBA's ability to implement its mandate; and the coordinated management of regulating infrastructure in the basin for transboundary benefits. The remainder of the economic analysis provided for this project focuses on evaluating opportunity cost of the delays in advancement of the Fomi multipurpose project, which is recognized to be only a sub-set of the benefits provided through this project.
2. **Project Costs** were estimated at US\$7.5 million.
3. **The financial and economic analyses** conducted for the PAD focused on a cost-benefit analysis of the interventions around Fomi Dam. The analyses compared project activities to the business as usual scenarios of 2, 5, 10, and 15 years, and sought to answer the question; what would happen to the Fomi dam if this technical assistance project were not implemented. The viability of productive investments was verified through computing net present values (NPVs) using a discount rate of 10 percent. Several other project benefits were not quantified because of lack of usable data and the nature of the benefits. Many of the benefits of the project are systemic and process oriented which poses quantification problems. Results of this partial analysis indicate that the proposed operation was economically viable at the regional level, with a positive NPV of about US\$114.4 based on a 15-year delay in project planning and implementation which was deemed highly likely if there is no intervention or assistance.

### Restructuring of the Project

4. The project was restructured in June 2018. Restructuring changes are described in Section I.B.

### ICR Economic and Financial Analyses

5. Given that the main elements used to quantify the economic analysis (i.e., the implementation time of Fomi dam due to this technical assistance) was abandoned at restructuring, a direct quantitative comparison of PAD and ICR economic analysis is not feasible.
6. An alternative approach was considered. The alternative approach seeks to quantify the benefits of transboundary coordination within the Niger Basin by comparing the impact of selecting an alternate site to the Fomi dam. The result is a significant reduction in individuals needing to be resettled (from 60 000 to 12 000, an 80 percent reduction) which creates a large avoided cost.
7. Moreover, the PAD's economic analysis does not quantify the benefits of improved transboundary cooperation, which is one of the main successes of this project. With the endorsement of Annex 2 of the Water Charter and the development of tools to enforce it, NBA is now better placed to guarantee the interests of the riparian countries. As several studies show<sup>23</sup>, transboundary cooperation catalyzes economic growth

<sup>23</sup> World Bank, 2017. Climate Resilience in Africa : The Role of Cooperation around Transboundary Waters; Leb et al, 2018. Promoting Development in Shared River Basins : Tools for Enhancing Transboundary Basin Management



through optimally developing water resources; it does so by enabling the most appropriate options, by efficiently allocating water resources and potentially leveraging comparative advantage between countries and sectors, as well as by reducing the economic impacts of climate disasters between and within countries. Transboundary information, institutional, and infrastructure cooperation also results in improved ecosystems and livelihood security for communities within transboundary basins, both of which can build the resilience of those groups that are typically most vulnerable to climate change. This improved resilience enables households and communities to accumulate local resources despite the shocks and stresses of climate variability, which in turn enables them to auto-adapt to a changing climate

8. Though it is too soon to quantify the benefits of enhanced cooperation in the Niger Basin due to this Project, examples from other basins can be used as a benchmark. An example of a basin where countries have achieved significant mutual economic benefits through cooperation is the Columbia Basin in North America. The cooperative regime set up by the two countries, based on the 1961 Columbia River Treaty (CRT), resulted in significant economic benefits. In terms of prevented flood damage, it is estimated that the flow regulation provided by new upstream dams during 1972, 1974, 1996, and 1997 prevented damage of US\$260 million, US\$306 million, US\$227 million, and US\$379 million, respectively. Average annual flood damage prevented in the United States that can be attributed to the Treaty is estimated at US\$75 million. Flood risk control has also allowed additional investments in irrigation and port facilities in the lower basin. Similarly, In the La Plata Basin, cooperation on hydropower generation development on the shared river stretches of the Paraná River have equally generated significant benefits from electricity production. The Itaipu Dam, jointly developed by Brazil and Paraguay and managed by an entity co-owned by their respective power companies, Eletrobrás and the Administración Nacional de Electricidad (Ande), provides almost 75 percent of the electricity consumed in Paraguay and about 15 percent of electricity consumption in Brazil. Because Paraguay only uses about 5–10 percent of the electricity produced at Itaipu, its sells the remainder of its share to Brazil and receives an annual compensation payment of about US\$360 million from Brazil for the use of Paraguay’s share of the hydraulic resource. The development of the hydropower potential that the country shares on its border rivers with Brazil and Argentina (with which it has developed the Yacyretá Dam) has provided Paraguay with significant export revenues and linkages to the markets of its larger neighbors.

9. Though administrative efficiency is Substantial, with more than 99.5% of funds being disbursed, implementation delays were significant and most of the major activities (including annex 2 of the Water Charter) were completed during the last months before the closing date.

10. Efficiency is therefore rated **Modest** overall.



**ANNEX 6. BORROWER, CO-FINANCIER AND OTHER PARTNER/STAKEHOLDER COMMENTS**

NBA sent the following comments on May 25, 2020:

| <i>Page / reference</i>  | <i>Comments</i>  |
|--|--|
| 41 – comments on the “Indicator : Sustainable financing mechanism endorsed”  | Despite the fact that the consultant’s legal framework wasn’t endorsed, it has been agreed with Member States that the legal framework for collecting the fee is Articles 134 and 135 of the 1 <sup>st</sup> Annex No.1 to the Water Charter NBA   |
| 42 – comments on the “Indicator: Evidence-based decision-making process for transboundary infrastructure projects designed and presented to decision makers” | It’s planned to upscale this achievement by (i) organizing two (2) workshop aiming at making ownership of the final methodological note on Evidence-based decision-making process for transboundary infrastructure projects by the NBA-ES officers and the representatives of Member States, (ii) validating an Action Plan to be submitted to the approval of the CoM |

Few other specifications were also suggested directly in the text of the ICR and they have all been integrated.



## **ANNEX 7. SUMMARY CLIENT'S ICR**

**Chapters I-II** describe the Context and Justification of the Project, present the various Components of the Project, the Result Framework (including changes introduced by the Restructuring) Implementation modalities, and Monitoring and Evaluation.

**Chapter III** presents the Attained Results: key dates, deliverables (Contract 1 and 4), environmental and social compliance, risks incurred (i.e. the dismissal of PMCU and consequent Project's halt for 18 months), financial and procurement results.

Chapters I- III coincide largely with this ICR and do not need to be summarized in more detail.

### **Chapter IV. Main impacts of the project**

NBA highlights following main impacts:

(i) improvement of financial and procurement management

(ii) increased awareness and knowledge on: sustainable financing options for NBA based on hydropower levy, coordinated management of dams, hydrodynamics and ecosystem services of the Niger Inner Delta, evidence-based decision-making related to large infrastructure projects in the basin

Moreover, it envisages that the recent adoption of Annex No. 2 to the Water Charter be an instrument of both improved communication and consultation between NBA member countries around major infrastructures and coordination of water uses in the Niger basin through the Permanent TC and the Niger Basin Observatory of the NBA.

### **Chapter V. Overall Performance**

#### **Project's performance**

##### **a. Relevance**

The Project fits perfectly into the SDAP and its IP (2008-2027), contributes to the implementation of the Water Charter of the Niger Basin, and responds to the needs of NBA in terms of both legal and organizational tools for coordinating the management of water resources in the Niger Basin and strengthening its mandate. Moreover, it aligns with the Bank's RIAS for SSA and the ARS and contributes to the overall objective and results of the CIWA-MDTF. Hence, the objectives achieved by the project match perfectly the needs of the NBA, the World Bank and CIWA.

##### **b. Efficacy**

In the light of the achievement of all the results indicated in Chapter III NBA judges that the implementation of the activities of the Project has been effective.

##### **c. Efficiency**

In view of the results achieved and the means deployed (relatively short execution time, reduced PMCU and reduced financial resources), the NBA judges the execution of the Project efficient.

##### **d. Sustainability**



At the end of the various workshops and Councils of Ministers organized by the NBA, recommendations were made and resolutions were adopted so that the NBA could continue to implement the attained results. The NBA plans to ensure the sustainability of the Project's results by:

- appropriating and internalizing the activities and tools resulting from the studies
- developing a Procedure Manual for the coordinated management of dams
- broad communication and dissemination of Annex 2
- harmonizing the results of the feasibility study on the financing mechanism of the NBA with the initiatives of the Regional Climate Change Adaptation Fund (RCCAF) / Payments for Environmental Services (PSE)

In conclusion, the NBA remarks that the overall satisfactory performance of the project was facilitated by a good working atmosphere, permanent proactivity, programming and close monitoring of activities and the use of adapted tools (Smartsheet) by the project team, the hierarchy, and the World Bank.

### **Performance of Project's partners**

The NBA delivered satisfactory financial and procurement management in the implementation of the project. It regularly monitored and evaluated the progress of the Project and reported on these to the Bank, in accordance with the stipulations of the financing agreement.

The World Bank, has honored all of its commitments to the satisfaction of the NBA by carrying out several supervisory missions, including the co-organization of periodic technical and financial monitoring meetings, and by processing payment requests. The Bank also addressed needs and issued raised by NBA.

## **Chapter VI. Lessons learnt**

### **Project implementation**

- Need to include all stakeholders in the implementation of all activities (WB, NBA, NFS, administrative structures of the Ministries, administrative and customary authorities, users of the natural resources of the basin, etc.)
  - Need to respect Project's original timeframe
  - Compliance with financial management and procurement procedures in accordance with the project financing agreement

### **Institutional Set-up**

- Institutional set-up of the project is generally satisfactory

## **Chapter VII. Difficulties/constraints encountered**

- The delay in signing the grant agreement, only on February 18, 2016 with an implementation period of 3.9 years instead of five (5) years
- The delay in recruiting the Assistant to the Regional Accountant, which was an effectiveness condition
- The "suspension" of the project in September 2016 due to the departure of the former team
- The delay in the first disbursement of the project which was not effective in the commercial account of the project until December 27, 2017





### **Chapter VIII. Conclusions/Recommendations**

- The objectives of the PGBFN as of December 31, 2019, the project's closing date, have been achieved to the great satisfaction of the NBA and its partners.
- The financial achievements of the project as of December 31, 2019 amounted to 1,316,503,062 FCFA, representing a rate of 62.66 percent of the amount disbursed.
- At the end of the implementation of the PGBFN, US\$ 3,297,533.41 was disbursed as of December 31, 2019, representing a disbursement rate of 78.51 percent. As of March 4, 2020, the disbursement rate of the PGBFN financing agreement is 93.15 percent and will reach 100 percent at the end of the grace period (April 30, 2020).
- In the light of the results achieved, the performance of the project and of all the partners is satisfactory.
- In order to allow the implementation of certain results achieved by the project, resolutions were taken by the Council of Ministers of the NBA in an extraordinary session held in Abuja on November 26, 2019. To this end, the following resolutions have been adopted:

The NBA commits to:

- Transferring the results of the study on the sustainable financing mechanism of NBA to the ad hoc committee responsible for operationalizing the RCCAF/PES to harmonize the various initiatives on sustainable and autonomous financing
- Developing the Procedure Manual;
- Ensuring, in conjunction with Member States, a wide communication and dissemination of Annex 2.

Finally, because time constraints made it impossible to carry out certain activities, it is necessary that actions to consolidate the achievements of the PGBFN, agreed during the closing mission of the World Bank, can be carried out as soon as possible.



## **ANNEX 8. SUPPORTING DOCUMENTS**

1. Project Appraisal Document on a Proposed Grant from the Multi-Donor Trust Fund Cooperation in International Waters in Africa (CIWA) to the Niger Basin Authority for the Niger River Basin Management Project December 3, 2014
2. Restructuring Paper on a Proposed Project Restructuring of Niger River Basin Management Project - Report No: RES29745, June 2018
3. PGBFN ISRs December 2015 - December 2019
4. PGBFN AMs Décembre 2015-Décembre 2019
5. Report Regional Workshop: Updated Feasibility Study and Environmental and Social Impact Assessment for the Fomi Multipurpose Dam Project, Conakry, December 13-15, 2017
6. Resolutions of the Extraordinary Session of the Council of Ministers, Preparatory to the 12<sup>th</sup> Summit of Heads of States and Government of the Niger Basin Authority, Conakry, October 11, 2019
7. Resolutions of the Extraordinary Session of the Council of Ministers, Abuja, November 26, 2019
8. Annex No. 2 to the Niger Basin Water Charter Relating to the Water Regulations for the Coordinated Management of the Structuring Dams
9. Rapport Final Assistance technique à l’Autorité du Bassin du Niger (NBA) pour l’élaboration d’une Note Méthodologique d’aide à la prise de décision fondée sur des données probantes en faveur des grandes infrastructures transfrontalières du bassin du Niger, Novembre 15, 2019
10. Draft final report (FM4F) Feasibility of the autonomous financing mechanism linked to the hydroelectricity fee, November, 2019
11. Version provisoire Note méthodologique d’aide à la prise de décision fondée sur des données probantes, Octobre 10, 2019
12. Report Regional Workshop to validate the feasibility of the hydropower financing mechanism and the draft Water Regulations for the coordinated management of dams, Niamey, October 23-25, 2019
13. World Bank, 2018. SUPPORTING AFRICA’S TRANSFORMATION: REGIONAL INTEGRATION AND COOPERATION ASSISTANCE STRATEGY FOR THE PERIOD FY18-FY23. May 7, 2018 (Report No. 121912 – AFR)
14. Etat de Mise en Œuvre des indicateurs des Résultats du Cadre Logique au 30 Novembre 2019, Autorité du Bassin du Niger, Secrétariat Exécutif
15. Fraval, 2017. CONSIDERATIONS AND PROPOSALS ON THE WORLD BANK’S ENGAGEMENT IN THE NIGER BASIN, October 2017.