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reports: WCAfrica

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Date Prepared : April 1, 1983
For Quarter Ending : March 31, 1983

IVORY COAST
LOW-INCOME URBAN SHELTER PROGRAM
PROJECT N° 681-HG-004

QUARTERLY REPORT

A. Basic Information

Include following changes:

- 9 . Date of Loan Agreement (Projected): April 26, 1983
- 9 . Amount Contracted: US\$ 20 million
12. Satisfaction of Conditions
Precedent to First Disbursement
(Projected):
 - a) Legal opinion on host country
guaranty:
 - b) Updated general Project Delivery
Plan: To be completed
during May, 1983
 - c) Subproject Delivery Plans: To be completed during
May, 1983 for those neighborhood upgrading,
activities, i.e. infrastructure and community
facilities construction, to be initiated under
first disbursement financing.
 - d) Implementation Subagreements: MOF/SETU/MCU Sub-
agreement on respective management roles and
renumerations for upgrading and sites and services
development to be finalized and signed during
April-May, 1983.
 - e) Request for Disbursement and Certificate: To be
prepared during May, 1983.
13. Disbursement during Quarter: Budget disbursement
into escrow of
US\$20 M by June 7,
1983

B. Status Summary

1. Upgrading and Sites and Services

- a) Final Report on socio-economic data and measurement of median income level of beneficiaries in the 13 project cities received and approved by RHUDO.
- b) Preliminary project designs have been concluded in two additional cities, Oumé and Odiénné, for a total of eleven of the thirteen cities.
- c) The final version of the first construction bidding portfolio (Vavoua) has been reviewed and will be recommended for approval by RHUDO and MCU. Additional draft bid portfolios have been received for Sassandra and Bouna.
- d) Because the development of an amendment to the required technical studies will have to go through the lengthy administrative approval circuit, RHUDO and MCU have decided to finance any unforeseen physical design and socio-economic studies from the 15% contingencies line item under each individual city construction budget. Additional costs are not expected to exceed 1% of any sub-project budget.
- e) RHUDO has received verbal approvals from both the MCU and MOF on use of interest funds on the escrow account of 681-HG-003B to finance the proposal for cost recovery for upgrading works which require: the upgrading of cadastral surveys in at least two beneficiary cities in order to permit uniform city-wide application of property taxes.

2. Small Home Improvement and Business Loans

- a) RHUDO has prepared a report outlining the objectives and eligibility criteria under the loan program. The report is to be circulated by the MCU to several institutions potentially interested or who have already expressed interest in the financial management of the program as part of a request for services.

3. General

- a) RHUDO has had two meetings during the quarter with a Ministry of Interior Committee to assist in the monitoring and coordination of local authorities for implementation of certain components of the project. These meetings will be held on a regular basis in the future.
- b) Ivory Coast committed itself during the quarter to a \$US 20 million borrowing from Paine Webber, Morgan Guaranty at 11.75% over 30 years with 10 years grace on principal, with agreements to be signed prior to April 26.

C. Problems and/or Delays

1. Upgrading and Sites and Services

- a) Project design proposal has been prepared and is under discussion with local officials in Bodo-Offa; however, because of local political problems, final agreement continues to be delayed.

D. Major Activities expected during Next Quarter

1. Upgrading and Sites and Services

- a) Preliminary design proposal will be prepared for Sérébou and discussed with local authorities during April, 1983.
- b) RHUDO and MCU are expected to approve construction bid portfolios for Vavoua, Sassandra, Bouna and Lakota. The Vavoua, Sassandra and Bouna portfolios will go out for bids after approval and submission of updated subproject delivery plans.
- c) RHUDO expects to receive formal written approval from MCU/MOF on the cost recovery proposal for 681-HG-004. Terms of Reference have prepared for technical assistance required in the design of a fully detailed cost recovery mechanism for 681-HG-00R and the elaboration of a schedule for property betterment tax collection under 681-HG-003B. The terms have been presented to the MCU for approval and RHUDO hopes to engage consultants locally to undertake the assignment during next quarter.

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d. RHUDO will prepare preliminary guidelines for attribution of serviced sites including criteria for beneficiary eligibility and final selection.

2. Small Home Improvement and Business Loans

RHUDO and MCU to review offers of services to manage the loan program from financial institutions and select one or more cooperating institutions. Technical assistance needs for the design of an appropriate lending and documentation system and staff development needs of the institution(s) will be assessed mutually and specific terms of reference will be drawn up.

3. General

Loan contracting and a bullet disbursement of \$20 million into escrow are expected during the next quarter.