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USAID/Senegal
B.P. 49
DAKAR

SRB PLANNING AND POLICY DEVELOPMENT PROJECT

(625-0621)

PROJECT PAPER SUPPLEMENT

February 21, 1989

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4072-0

ACTION MEMORANDUM FOR THE MISSION DIRECTOR, USAID/SENEGAL

DATE: February 22, 1989

FROM: Gilbert Haycock, IWMP

SUBJECT: Senegal River Basin (SRB) Planning and Policy Development (PPD) Project (625-0621): Project Authorization Amendment and Project Paper Supplement

I. ACTIONS REQUESTED: To approve a Project Authorization Amendment (Attachment A) and a Project Paper Supplement Face Sheet (Attachment B) to:

(1) increase the life-of-project (LOP) funding from $6 million to $6.5 million;

(2) amend the project's inputs to reapportion budget line-items and/or levels of effort planned in the original project elements; and

(3) extend the project assistance completion date (PACD) for three years, from June 30, 1989 to June 30, 1992.

The goal and purpose of the project remain unchanged.

II. DISCUSSION

A. Background and Project Description

The PPD project was authorized on July 1, 1985 by the USAID/Senegal Mission Director. The Grant Agreement with the Organisation pour la Mise en Valeur du Fleuve Sénégal (OMVS) was signed on July 19, 1985, with an initial obligation of $2 million. Subsequent amendments to the Grant Agreement in March 1986 and June 1988 brought total obligations to $5.5 million. The original authorization was $6 million.

The project purpose is to strengthen OMVS' capacity to plan, coordinate and monitor investments in agricultural production and to attract new investments in agriculture and related activities in the Senegal River Basin. The goal is to increase agricultural production, employment and income in the River Basin. Project elements include: (a) long and short-term technical assistance; (b) long and short-term training, seminars and workshops; (c) studies; and (d) commodity procurement.

The Project has financed one study to shape OMVS into an efficient organization and to refine its roles and responsibilities for the development process of the post-dam construction era. The study produced tangible results: it produced critical decisions at the OMVS Council of Ministers' July 1988 meeting in Nouakchott and a positive new direction for the organization. It also set the stage for meeting the project's CPs.

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OMVS has selected, through competition among six prequalified firms, Dames and Moore to conduct the key Upper Valley Master Plan and the Fiscal Allocation studies and expects to sign the contract in February 1989.

With satisfaction of the CPs and Dames and Moore expected to start operations in February, major hurdles will have been overcome and the project will be set for full implementation. However, because design flaws, overly optimistic schedule for meeting CPs, erroneous interpretation of CPs and management problems within OMVS and USAID caused nearly three years of implementation delays, the objectives of the project cannot be met within the timeframe of the original June 30, 1989 PACD and original budget of $6 million. Section III of the attached PP Supplement provides detailed discussion of the project's delays and their cost implications. Additional time and money are required to enable the project to achieve its stated purpose.

The attached PP Supplement increases the original project's budget by $500,000 and extends its PACD by three years. This additional funding will be about eight percent of the original funding LOP. The revised project is, therefore, a $6.5 million, seven-year regional project.

B. Financial Summary

A financial summary of the budget obligations by category as of December 31, 1988 is found in Table 1, see page 4 of the attached PP Supplement. The project fiscal data shows:

- Total obligations: $5.5 million;
- Total earmarking: $217,000;
- Total accrued expenditures: $196,000;
- Total pipeline: $5.304 million.

Current analysis of actual costs and projections for the next three years show that supplemental funding of $500,000 is required to ensure achievement of the project's objectives. The Mission has obligated $5.5 million of the $6 million authorized to date. The Project Committee (PC) recommends -- upon availability of funds -- that the project's authorization be increased from $6 to $6.5 million and the project's obligation be increased from $5.5 million to $6.5 million in FY 89, using $500,000 from the FY 89 OYB and another $500,000 from FY 89 deobligations.

The following table gives an illustrative summary of the Revised Financial Plan - Estimated Expenditures for all project activities as presented in this Supplement. Annex 3 provides a comparative chart of the budgets of the original and revised project.

ELEMENTS	THRU FY 88 ($000)	FY 89 ($000)	FY 90 ($000)	FY 91 ($000)	FY 92 ($000)	TOTAL ($000)
Tech. Assist.	86	364	480	324	56	1,310
Studies	110	2,224	1,865	227	24	4,450
Training	-	102	185	133	100	520
Commodities	-	80	-	-	-	80
Evaluations	-	-	50	-	50	100
Audits	-	-		-	40	40
TOTAL	196	2,770	2,580	684	270	6,500

C. Socio-Economic, Technical and Environmental Description

The Project Committee has reviewed this PP Supplement and has concluded that the project remains technically sound. There are no significant social or religious constraints, nor sexual discrimination which would affect participation in this project. No human rights implications exist.

An Initial Environmental Examination (IEE) Categorical Exclusion is necessary because of the substantial changes in the project's LOP costs and the PACD extension, and also because the original project did not request an IEE Categorical Exclusion. Environmental procedures developed for the Integrated Development Project (IDP) and agreed upon during the AID/W project review in July 1984 were extended to PPD. State 029841 delegated authority to approve the IEE Amendment to the USAID/Senegal Mission Director. The requested IEE Categorical Exclusion as approved by the Director, and cleared by the RLA, is attached as Annex 6 of the PP Supplement.

D. Conditions, Covenants, Implementation Plan and Implementation Agencies

The conditions and covenants on TA to the OMVS, training and commodity procurement presented in the original project paper are being met. The Mission is awaiting official notification of changes required to meet the CPs. This Amendment does not require additional conditions and covenants, nor does it change the OMVS Evaluation and Planning Unit's responsibility in project implementation. A revised Implementation Plan is found as Annex 4 of the attached PP Supplement.

E. Procurement and Waivers

Annex 5 of the PP Supplement includes a revised Procurement Plan. No additional waivers are anticipated under this revised project. However, if new waivers are required, the project staff will ensure that rules under Sahel Development Program (SDP) and Development Fund for Africa (DFA) regarding procurement be followed, depending on the source of the funds being used.

F. Responsible Mission Offices

The Office of Irrigation, Water Management and Engineering (IWME) has overall coordination and monitoring responsibility for project activities. In AID/W, AFR/PD/SWAP will provide backstopping for the project, coordinating with other technical offices as required.

G. Evaluations/Audit

The revised schedule for project evaluations sets the new dates for 2nd Quarter FY 90 and 2nd Quarter 92. The focus of the evaluations remains the same as in the original project paper. This amendment provides additional funds to cover one audit, in 1992, of the project's Host Country contracts for technical assistance and training. Funds for audit were not included in the original project budget.

H. 121(d) Certification

A negative 121(d) certification will be issued by the USAID Controller's Office in the Mission certification status reports, since neither funds from the Sahel Development Program (SDP) nor those from the Development Fund for Africa (DFA) will be made available to the implementing agency, OMVS.

III. JUSTIFICATION TO THE CONGRESS

An advice of program change is being finalized in AID/W for submission to Congress. Mission will be informed as soon as the waiting period expires. Obligation of the FY 89 final tranche of $1 million will only be made following Mission's approval/authorization of the PP Supplement.

IV. AUTHORITY TO APPROVE AUTHORIZATION AMENDMENTS

Africa Bureau Delegation of Authority No. 551, Revised, gives you the authority to approve authorization amendments for up to $30 million in project costs for a cumulative LOP not to exceed 10 years when the amendments (a) do not present significant policy issues; or (b) do not include waivers that can only be approved by the AA/AFR or A/AID. This request is within this authority. The USAID/Senegal Project Committee members reviewed the attached PP Supplement and recommended approval.

V. RECOMMENDATION

That you sign the attached Project Authorization Amendment (Attachment A) and the PP Supplement Face Sheet (Attachment B) thereby approving:

(1) an additional $500,000 for a new LOP funding of $6.5 million;
(2) amendment of the project inputs to reapportion budget line-items and/or levels of effort planned in the original project elements; and
(3) an extension of the PACD, from June 30, 1989 to June 30, 1992.

Approved _____

Disapproved _____

Date 24 FEV. 1989

Drafted by: PDO:MKane:mak _____ date 02/7/89
Cleared by: PDO:TMyers (draft) date 02/13/89
IWME:WEgan (draft) date 02/13/89
RLA:EDragon (draft) date 02/16/89
PRM:RGilson (draft) date 02/09/89
ADO:JBonner (draft) date 02/21/89
CONT:TWalsh (draft) date 02/16/89

PROJECT AUTHORIZATION AMENDMENT, AMENDMENT ONE

Country: OMVS (Senegal River Basin Development Organization)

Project Title: SRB Planning and Policy Development Project

Project Number: 625-0621

1. Pursuant to Section 121 of the Foreign Assistance Act of 1961, as amended, the SRB Planning and Policy Development Project was authorized on July 1, 1985.

That Project Authorization is amended as follows:

a. To amend the planned obligation amount, the period of obligations and the life-of-project, section 1 is revised to read as follows:

"1. Pursuant to Section 121 of the Foreign Assistance Act of 1961, as amended, and the Foreign Operations, Export, Financing and Related Programs Appropriation Act, 1989, (Pub. L.100-461), I hereby authorize the SRB Planning and Policy Development Project for the "Organisation pour la Mise en Valeur du Fleuve Sénégal" (OMVS), involving planned obligations of not to exceed $6,500,000 in grant funds over a five year period from the date of authorization, subject to the availability of funds, in accordance with the A.I.D. OYB/allotment process to help in financing foreign exchange and local currency costs for the project. The planned life-of-project is seven years from the date of initial obligation."

b. Section 3.a. is revised to read as follows:

2. Source and Origin of Commodities; Nationality of Services

(1) Except as A.I.D. may agree otherwise in writing, for all commodities and services acquired with funds obligated from the Sahel Development Program authority only:

(a) Commodities financed by A.I.D. under the project shall have their source and origin in the United States or in member countries of the OMVS. Except for ocean shipping, the suppliers of commodities or services shall have the United States or member countries of the OMVS as their place of nationality.

(b) Ocean shipping financed by A.I.D. under the Project shall be financed only on flag vessels of the United States.

(2) Except as A.I.D. may agree otherwise in writing, for all commodities and services acquired under the Project with funds obligated from the Development Fund for Africa (DFA) authority:

(a) Commodities financed by A.I.D. shall have their source and origin in the United States, in member countries of the OMVS, or in countries included in Geographic Code 935.

(b) The suppliers of commodities and services financed by A.I.D. shall have the United States, the member countries of the OMVS, or countries included in Geographic Code 935 as their place of nationality.

(c) The procurement policies established by AA/AFR for the Development Fund for Africa shall be applied to the procurement of goods and services financed by A.I.D.

2. The authorization, as amended, cited above, remains in force except as amended hereby.

Date: 24 FEV. 1989

Sarah Jane Littlefield
Mission Director,
USAID/Senegal

Drafter:PDO:MKane:bd date 1/03/89

Clearances: (As shown on Action Memorandum)

4096-0

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1. TRANSACTION CODE: C (A = Add, C = Change, D = Delete)

Amendment Number: ONE

DOCUMENT CODE: 3

2. COUNTRY/ENTITY: OMVS

3. PROJECT NUMBER: 625-0621

4. BUREAU/OFFICE: AFR 06

5. PROJECT TITLE (maximum 40 characters): SRB Planning and Policy Development

6. PROJECT ASSISTANCE COMPLETION DATE (PACD): MM 06 DD 30 YY 92

7. ESTIMATED DATE OF OBLIGATION (Under 'B.' below, enter 1, 2, 3, or 4)

A. Initial FY 85 B. Quarter C. Final FY 89

8. COSTS ($000 OR EQUIVALENT $1 =)

A. FUNDING SOURCE	FIRST FY B. FX	C. L/C	D. Total	LIFE OF PROJECT E. FX	F. L/C	G. Total
AID Appropriated Total	1,600	400	2,000	5,160	1,340	6,500
(Grant)	(1,600)	(400)	(2,000)	(5,160)	(1,340)	(6,500)
(Loan)	( )	( )	( )	( )	( )	( )
Other U.S. 1.						
Other U.S. 2.						
Host Country						
Other Donor(s)						
TOTALS	1,600	400	2,000	5,160	1,340	6,500

9. SCHEDULE OF AID FUNDING ($000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE 1. Grant	2. Loan	D. OBLIGATIONS TO DATE 1. Grant	2. Loan	E. AMOUNT APPROVED THIS ACTION 1. Grant	2. Loan	F. LIFE OF PROJECT 1. Grant	2. Loan
(1)	5,200	230		5,500	0	1,000	0	6,500	0
(2)									
(3)									
(4)									
TOTALS				5,500	0	1,000	0	6,500	0

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each): 070 | 050 | 030 | 040 | 060 | 540

11. SECONDARY PURPOSE CODE: 280

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code	BS	INTR	PART	TNG	TECH		
B. Amount							

13. PROJECT PURPOSE (maximum 480 characters)

Strengthen the institutional capability of OMVS to plan, coordinate, and monitor investments in agricultural production, including activities that support agricultural production. Attract investments in agriculture and agriculture-related development activities in the Senegal River Basin.

14. SCHEDULED EVALUATIONS

Interim MM 03 YY 90 | MM YY | Final MM 03 YY 92

15. SOURCE/ORIGIN OF GOODS AND SERVICES

☒ 000 ☐ 941 ☒ Local ☐ Other (Specify) 935*

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a ____ page PP Amendment.)

This amendment increases the funding level, extends the PACD and reapportions the inputs of the Planning and Policy Development (PPD) project to enable the Mission to capitalize on the new positive direction for OMVS in order to achieve the objectives as outlined in the original project paper.

Concurrence: Controller: TJWalsh

17. APPROVED BY

Signature

Title: Sarah Jane Littlefield
Director, USAID/Senegal

Date Signed MM DD YY: 24 FEV. 1989

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION MM DD YY

* Code 935 applicable to DFA funds obligated in FY 88 and after.

I. EXECUTIVE SUMMARY AND RECOMMENDATIONS

1. Executive Summary

Purpose of PP Supplement

To amend the project's completion date and budget to permit completion of planned outputs and achieve the end-of-project-status as outlined in the original project paper.

Problem: Action is requested to:

- increase the Life-of-Project (LOP) funding by $500,000 bringing the total level of funding from $6 million to $6.5 million.
- reapportion line-items within the budget and/or levels of effort in the original project inputs; and
- extend the project assistance completion date (PACD) for three (3) years, from June 30, 1989 to June 30, 1992; and

Project Background: The Planning and Policy Development (PPD) project (625-0621) is an authorized $6 million, four-year, regional project, extending from July 1, 1985 to June 30, 1989. It was designed to strengthen the institutional capacity of the "Organisation pour la Mise en Valeur du Fleuve Sénégal" (OMVS) to plan, coordinate and monitor investments in agricultural production, and to attract investments in agriculture and agriculture-related activities in the Senegal River Basin (SRB).

The project hoped to achieve this through: (1) long and short-term technical assistance; (2) long and short-term training, including seminars and workshops; (3) studies; (4) commodities; and (5) consultancies.

The project has experienced long delays due to three major factors: (1) difficulty of meeting project's conditions precedent (CPs); (2) erroneous blanket extension of the CPs to all project elements; and (3) project management difficulties within OMVS and USAID. These are detailed in section III of this Supplement.

The last few months have seen real progress in overcoming major obstacles, and the project is finally ready for full implementation. The OMVS reorganization study funded by the project was instrumental in bringing about the decisions made at the July 1988 meeting of the Council of Ministers to create a common works management agency to operate and administer the Diama and Manantali dams and to streamline OMVS's staff. Twenty-four positions have already been eliminated. The conditions precedent required for the project's technical assistance to OMVS, commodities and training are being met, and the Mission is awaiting official notification.

In addition, the OMVS has selected a U.S. contractor for the Upper Valley Master Plan and the Fiscal Allocation studies. The contract is expected to be signed in February 1989.

Clearly, the project is at a critical juncture. More time and money are required, however, to ensure that the project's outputs are achieved.

This PP Supplement amends the project to increase its LOP funding by $500,000 and to extend its PACD for three years in order to:

- provide critical information necessary for appropriate policy and technical decisions to attract investments in agriculture and agriculture-related activities to the Senegal River Basin;
- increase the capacity of the OMVS's staff and staff from selected national ministries and technical services in the three member states to plan and monitor the operations of the Manantali and Diama dams and to attract investments;
- complete the Health Master Plan for the Senegal River Basin.

2. Recommendations

- That the life-of-project (LOP) funding be increased by $500,000 to bring the LOP total costs from $6 million to $6.5 million.
- That the planned budget line-items and levels of effort in the original project elements be reapportioned to meet project's objectives.
- That the project's assistance completion date (PACD) be extended for three (3) years, from June 30, 1989 to June 30, 1992, bringing the total lifetime of the project to seven years.

II. PROJECT BACKGROUND AND ACCOMPLISHMENTS

1. Project Background

The Senegal River Basin (SRB) Planning and Policy Development (PPD) Project was authorized on July 1, 1985 by the USAID/Senegal Mission Director. The Grant Agreement with the OMVS High Commission was signed on July 19, 1985, with an initial obligation of $2 million. The Grant Agreement was subsequently amended in March 1986 and in June 1988, bringing increases in obligation to a total of $5.5 million. The PPD project had a four-year LOP to June 30, 1989.

The original project cost was estimated at $6 million. The project's purpose is to strengthen OMVS capacity to plan, coordinate and monitor investments in agricultural production and to attract new investments in agriculture and related activities in the Senegal River Basin. The stated goal is to increase agricultural production, employment and income in the Senegal River Basin.

The project was to provide: (1) one River Basin Planner for two years; (2) fifty-person-months of short-term technical assistance; (3) long-term training for four people -- two years each; short-term (42 P/M) training and six regional seminars and workshops; (4) commodities -- one vehicle, two PC computers, one terminal, and miscellaneous office equipment; and (5) three major studies: the Upper Valley Master Plan, the Fiscal Allocation Study and the Public Health Master Plan for the entire basin. The project's financial situation through December 31, 1988 shows:

- Total obligations: $5.5 million;
- Total earmarking: $217,000;
- Total accrued expenditures: $196,000;
- Total pipeline $5.304 million.

Table 1 below shows the current status of the project budget by category.

TABLE 1: PPD FINANCIAL DATA

(as of Dec. 1988)

Elements	Total Obligated ($000)	Earmarked ($000)	Accrued Exp. ($000)	Pipeline ($000)
Tech. Assist.	1,350	97	86	1,264
Studies	2,800	120	110	2,690.
Training	400	-	-	400.
Commodities	80	-	-	80.
Evaluations	120	-	-	120.
Infl.& cont.	750	-	-	750.
Total	5,500	217	196	5,304

2. Project Accomplishments

To date the project has financed one study for the restructuring and reorganization of OMVS conducted by Development Assistance Cooperation (DAC). The objective of the study was to enable OMVS and the member states to redefine their roles and create a common works management agency to administer the Diama and Manantali dams and to coordinate the development process of the post-dam construction era.

OMVS has selected a U.S. contractor -- Dames and Moore -- from six prequalified firms to conduct the Upper Valley Master Plan and the Fiscal Allocation studies, and we expect the contract to be signed by February 1989.

The impact of the Project's accomplishments is described in section III, Justification, hereunder.

III. JUSTIFICATION FOR PROJECT EXTENSION AND ADDITIONAL FUNDING

A. Justification for Project Extension

1. Project Experienced Delays

Three major factors account for the long delays experienced by project: (1) difficulties in meeting conditions precedent; (2) inadequate management within USAID; and (3) erroneous interpretation of the CP enforcement.

Compliance with Project's CPs

The initial design estimated meeting CPs within a few months of signing of the Grant Agreement. Clearly the design team underestimated the confused and politically sensitive context in which the project, involving the governments of three countries, was to operate. Regional projects are often complicated and time-consuming and require more diplomacy than bilateral projects. Meeting CPs for PPD was difficult because the roles and responsibilities of the OMVS and the various national institutions had yet to be defined; the member states were not ready to relinquish national prerogatives to a regional organization; and the member states did not share the same understanding of the role of OMVS.

USAID Management

Frequent changes in project staff -- the project changed project officers three times in three years -- and staff-shortages have meant that the project has not received the internal USAID attention required for resolution of major obstacles to project implementation.

Extension of CPs to All Project Activities

The USAID project officer who held the longest tenure to date inaccurately applied CPs to all project elements, thereby bringing project implementation to a standstill. In fact, the CPs only governed long and short-term technical assistance to OMVS to upgrade the capacity of its staff to plan, coordinate and monitor development activities in the Senegal River Basin, training and commodity procurement. They did not concern technical assistance for the project studies element.

2. Project Has Overcome Major Implementation Obstacles

Recently, however, the project has made substantial progress. The reorganization recommendations from the project-funded study influenced decisions made at the July 1988 meeting of the Council of Ministers in Nouakchott to:

(1) create a common works management agency to operate and administer the Diama and Manantali dams;

(2) adopt a new OMVS organization chart, reducing the number of departments and introducing changes in internal organization more consistent with availability of skilled people and resources; and

(3) streamline OMVS' staff to a sizeable and efficient work force with the elimination of 24 positions as a start.

The OMVS Council of Ministers' meeting set a positive new direction to the organization which satisfies the project's conditions precedent for technical assistance, commodities and training. The Mission is awaiting official notification of these changes. Furthermore, action was taken in 1987 which corrected erroneous CP application which enabled the Mission to finance the

OMVS reorganization study. This has permitted OMVS to proceed, in 1988, with implementation of the project's two major elements -- the Upper Valley Master Plan and the Fiscal Allocation studies.

With the two major bottlenecks -- meeting of the CPs and selection of technical assistance contractors -- out of the way, the project is now ready for full implementation.

3. Project Objectives Are Still Valid and Essential

The original project paper viewed the PPD as a critical tool to complete master planning for the Senegal River Basin and to improve regional planning and coordination by OMVS.

The project objectives remain valid. The OMVS has been successful in ensuring the construction of the Diama and Manantali dams and now has entered the post-dam era. The OMVS and its member states must plan for the maximizing of the River Basin's agriculture, energy and mining resources, development of industry, commerce, transport and health services. OMVS does not yet possess the information required for sound technical planning and the political decisions needed to attract and maximize investments. Thus, strengthening of OMVS' capacity for planning and coordination remains a high priority.

B. Justification For Additional Funding

The preparation of the Request For Technical Proposals (RFTP) in December 1987 for the OMVS Reorganization Study showed that the original cost estimates were insufficient to fund all the proposed studies. Consequently, Amendment Two of the Grant Agreement was issued to (1) eliminate the Health Master Plan -- based on an assumption, which has proved incorrect, that this element would be financed by other donors; (2) reduce the budgets for short-term technical assistance, long and short-term training, seminars and workshops; and (3) increase the evaluation budget.

Reanalysis of project costs and projection over the next three years show that all elements of the original project can be implemented if the original budget is reapportioned and supplemental grant funds are added to the budget to bring the total LOP to $6.5 million. Consequently, an additional $500,000 is requested to supplement $850,000 reprogrammed from the contingency and inflation line-item and $20,000 reprogrammed from the training line-item in order to fund certain elements of the project. The $1,370 million will be used to fund all or parts of: (1) the Health Master Plan; (2) the Fiscal Allocation Study; (3) the Upper Valley Master Plan; (4) technical assistance needed to monitor the contracts for these three activities, (5) commodity procurement; and (6) evaluations and audit.

Table 2 below shows the anticipated additional costs by category of the project.

TABLE 2: PLANNED COSTS OF EXTENSION

($000)

Project Element	Anticipated costs of Extension
1. Studies	1150
2. Technical Assistance	110
3. Evaluations/Audit	80
4. Commodities	30
TOTAL	$1,370

IV. REVISED PROJECT DESCRIPTION

A. Goal and Purpose

The project's goal and purpose remain the same as in the original project paper. The project will continue to focus on increased productivity and efficient delivery of services in the area of agriculture, transportation, industry and commerce, mining, natural resource management and health.

The End-of-Project Status will be:

(1) The OMVS Fiscal Allocation and Management Model (FAMM) updated, refined and expanded to address the issues of water user fees and the debt management in the Senegal River Basin.
(2) An approved Upper Valley Master Plan with emphasis on agriculture and agriculturally-related activities.
(3) An approved Health Master Plan for the Senegal River Basin.
(4) New management and technical skills and practices adopted by the OMVS, OMVS member states' public and private managers, technicians and decision-makers through training, seminars, observation tours, workshops, on-the-job-training and technical assistance.

(5) OMVS making appropriate policy and technical decisions based on the studies and evaluations undertaken by its Evaluation and Planning Unit.

B. Outputs

The planned outputs for the revised project will be the same as in the initial design with only one additional output -- item (g) below:

(a) More and better trained staff in EPU.
(b) Fiscal allocation model updated and a water user cost recovery system prepared.
(c) OMVS and member states' staff trained in planning, design, analysis, management and decision making.
(d) Policy studies and evaluation completed by the EPU.
(e) Master Plan for Upper Valley with focus on agriculture.
(f) Health Master Plan for the entire Senegal River Basin.
(g) Mapping/cartography of the Upper Valley area at scales of 1/5000, 1/20000, 1/50000, 1/200000 and 1/500000.

C. Inputs

This Supplement reapportions the project elements and costs of the original project paper and adds $500,000 to bring total LOP budget from $6 million to $6.5 million to finance the inputs described in Table 3 hereunder. These inputs are necessary to produce the planned outputs required to achieve the project's purpose.

TABLE 3: REVISED PROJECT INPUTS AND ESTIMATED COSTS

($000)

Project Elements		Total Est. Costs
1. Technical Assistance		1,310
- Long-term: River Basin Planner	410	
- LT OMVS/USAID Asst. Coord.	380	
- Short-term: 29 person-months	520	
2. Studies		4,450
- OMVS Reorganization Study	110	
- Upper Valley Master Plan	3,300	
- SRB Health Master Plan	640	
- Fiscal Allocation Study	300	
- Local Studies by EPU	100	

3. Training		520
- Four persons for Long-term training	210	
- 26 person-months, S.T training	210	
- Six regional workshops/seminars	100	
4. Commodities (EPU operations only)		80
- One vehicle (fuel; spare parts; insur. repair)	32	
- 2 PC computers; 1 terminal 2 printers; software; GIS	31	
- Miscellaneous office equipment	17	
5. Evaluations/Audits		
- Evaluations (2)		100
- Audit		40
TOTAL		6,500

Annex 3 shows a comparative chart of the budgets of the original and the revised project.

V. FINANCIAL ANALYSIS

The estimated accrued expenditures under the project are $196,000 as of December 31, 1988. The original LOP amount authorized for the PPD is $6 million. The Mission has obligated $5.5 million of this amount.

The total LOP budget under this PP Supplement is $6.5 million. The Mission plans to fully fund the project with $1 million in FY 1989 using $500,000 from its FY 89 OYB and another $500,000 from FY 89 deobligations.

Table 4 gives an illustrative summary of the Revised Financial Plan - Estimated Expenditures for the project activities as presented in this Supplement.

TABLE 4: SUMMARY FINANCIAL PLAN

(ESTIMATED EXPENDITURES)

($000)

ELEMENTS	THRU FY 88	FY 89	FY 90	FY 91	FY 92	TOTAL
Tech. Assist.	86	364	480	324	56	1,310
Studies	110	2,224	1,865	227	24	4,450
Training	-	102	185	133	100	520
Commodities	-	80	-	-	-	80
Evaluations	-	-	50	-	50	100
Audit	-	-		-	40	40
TOTAL	196	2,770	2,580	684	270	6,500

121 (d) Certification

No funds have been made available to the OMVS, the project implementing agency. None will be made available under this PP Supplement. The negative 121(d) certification granted to the original project paper therefore remains valid and applies to the new obligated funds requested as evidenced by the Controller's Office reports on Mission's 121(d) certification status.

Methods of Implementation and Financing

The chart below sets forth the methods of implementation and financing for the revised project. Host country contracts and AID direct contracts will be used for the methods of implementation. Methods of payment include AID direct payment or L/Com for reimbursement. Project financial management procedures will conform to all AID requirements.

Chart

Type of Assistance	Implementation Method	Method of Payment	App. Amount ($000)
1. Technical Assistance			
U.S. Firm	(Host Country Contract) (OMVS)	Direct L/com	930
Contract Monitor	Personal Services Contract	Direct Payment	380
2. Planning Studies			
(U.S. Contractor)	HCC (OMVS)	Direct L/com.	4,240
U.S. firm	AID contract	Direct payment	110
3. Training			
a. Participant			
(U.S. Firm)	HC contract (OMVS)	Direct L/com.	420
b. Seminars, Workshops (U.S. Firm)	HC. contract (OMVS)	Direct L/com.	100
4. Commodities	AID Procurement	Direct payment	80
5. Local Studies	HC contracts	Direct L/com.	100
6. Evaluations/Audit	AID contract	Direct payment	140
TOTAL			$6,500

With the contracting for the Upper Valley Master Plan and the Fiscal Allocation Study with Dames and Moore for a value of $3.52 million and the earlier contracting for the SRB piezometer installation with the Mauritanian firm Société Africaine de Forage (SAFOR) for $2.26 million under the Groundwater Monitoring Project (625-0958), OMVS has demonstrated its ability to negotiate and monitor Host Country contracts.

Direct Letters of Commitments (L/com's) are used because OMVS does not have the financial resources to make prompt payments and request frequent reimbursement.

Audit Coverage

Funds are budgeted under Evaluations/Audit to cover an audit of the project's Host Country Contracts for technical assistance and training.

VI. IMPLEMENTATION

A. Responsibilities

1. USAID

Management responsibility of the project in the Mission is with the Office of Irrigation, Water Management and Engineering (IWME) which replaced the former River Basin Development Office (RBDO).

An AID Direct-Hire Project Officer assisted by a Third Country National Rural Development Engineer under a personal services contract will be responsible for the project implementation and monitoring activities including coordination with the USAIDs in Mali and Mauritania.

The IWME project staff will receive support from the Mission's Project Committee (PC) for implementation policies and matters requiring Mission Director's action and from other Mission technical offices.

2. OMVS

The Evaluation and Planning Unit (EPU) within the OMVS Department of Development and Coordination (DDC) will continue to be the OMVS implementing arm for this revised project. The management and coordination role and responsibility of the chief of EPU will be as defined in the original project paper.

B. Implementation Procedures

The Mission will use Project Implementation Orders for Technical Services (PIO/Ts) as internal documents to earmark/commit funds and Project Implementation Letters (PILs) as protocols of agreement to delineate specific implementation roles and responsibilities of various parties. Project Implementation Orders for Commodities (PIO/Cs) and purchase orders will be issued for the acquisition of equipment and materials. Non-funded Project Implementation Orders for Participant Training (PIO/Ps) will be prepared by the TA and approved by the Mission in accordance with Handbook 10 to procure participant training services.

C. Contracting Arrangements

Various forms of contracting arrangements will be used as appropriate. They will include Personal Services Contracts (PSCs), Nonpersonal Services Contracts (NPSCs), Indefinite Quantity Contracts (IQCs), as well as use of 8(a) firms and Title XII Universities selected through usual AID procedures.

D. Implementation and Monitoring Plans

A revised Implementation Plan is attached as Annex 4 of this Supplement. This Amendment does not change the substance of the monitoring plan in the original project paper, especially with regard to Monitoring Responsibilities and Implementation Monitoring sections of the plan.

E. Procurement Plan For Commodities

The USAID Supply Management Office (SMO) will continue to be responsible for acquiring commodities under this revised project. A detailed Procurement Plan under this PPD Supplement is attached as Annex 5.

F. Socio-Economic, Technical and Envrironmental Considerations

The socio-economic analyses and conclusions contained in the original project paper need no further documentation to ensure amended project acceptability. However, an Initial Environmental Examination's (IEE) Categorical Exclusion will be required because of the substantial changes in the original project's LOP costs and PACD extension. The environmental procedures developed for the OMVS Integrated Development Project (IDP) and agreed upon during the AID/W project review in July 1984 were extended to PPD. State 029841 delegated authority to approve the IEE Amendment to the USAID/Senegal Mission Director. The requested IEE Categorical Exclusion as approved by the Director, and cleared by the RLA, is attached as Annex 6 of the PP Supplement.

G. Evaluation Plan

The initial PPD design proposed two evaluations, one during year two, and one in year four of the project. The first evaluation would be conducted by a five-person-team: an AID evaluation officer, an OMVS representative, a river basin planner, a natural resources/environment specialist and an economist. The objective would be to evaluate the overall performance of the project as well as the progress of each element. The second evaluation would focus on each of the project's elements, the established program and the Senegal River Basin production outputs. A major output of this second evaluation would be recommendations to the USAID on the next phase.

This Amendment does not change the focus of the evaluations as summarized above. Given the delay in implementation, however, the new evaluation schedule is set at Quarter Two, 1990 and Quarter Two, 1992 -- year five and year seven of the project.

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Annex 1

Annex 1

REVISED LOGFRAME INPUTS

INPUTS	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
(a) Technical Assistance			
- LT-TA	a-1. River Basin Planner (2 years) a-2. OMVS/USAID Assist. Coordinator (3 years).	(a) USAID records	- USAID has staff to implement project. - EPU and ministries have qualified staff assigned to project.
- ST TA	a-3. 29 p/m ST TA.	(b) Contractors' reports + project officer's files + OMVS' records.	- EPU and ministries can release staff with educational requirement for training. - selected firms assign assign qualified TAs to the projects.
(b) Training	b-1. Four LT trainees b-2. 26 p/m ST training b-3. Six regional workshops/seminars		
(c) Commodities	c-1. One vehicle + support c-2. Two PC computers + one terminal c-3. Miscellaneous office equipment.	(c) USAID records	
(d) Studies	d-1. OMVS Reorganization Study. d-2. Upper Valley Master Plan. d-3. Fiscal Allocation Study. d-4. Health Master Plan.	(d) Contractor's and OMVS records	
OMVS:			
- Office space for TAs - Staff for EPU		Project Officer's reports.	

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ANNEX 2

MISE EN VALEUR DU FLEUVE SENEGAL

N° 000141 / ER / H.C.

DAKAR, le 16 FEV. 1989

IWTVE

3 pages

PROG: 6/30/89 6/30/92

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... au
... pour a la planification du
Développement OMVS/USAID (625-0621)

Bureau Général
Date reçu 17 FEV. 1989
Dossier 89-0227
3/3

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A L'ATTENTION DE M. GILBERT HAYCOCK, RESPONSABLE IMME.

ACTION
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Annex 3

COMPARATIVE BUDGETS - ORIGINAL AND REVISED PROJECT
($000)

Project Elements	Original Budget	Revised Budget	Difference In Budgets	Funds To Be Used to Meet Difference
A. Techn. assistance	1,200	1,310	110	
- LT River Basin Planner	450	410		
- LT OMVS/USAID Asst. Coordinator	-	380		
- ST Consultancies	750	520		
B. Studies	3,300	4,450	1,150	
-OMVS Reorg. Study		110		
- Upper Valley M. Plan	2,500	3,300		
- Health Master Plan	500	640		
- Fisc. Alloc. Study	200	300		
- Local Studies	100	100		
C. Training	540	520	(- 20)	20
- LT Training	180	210		
- ST Training	160	210		
- Workshops/Seminars	200	100		
D. Commodities EPU operations only)	50	80	30	
- Vehicle + support	25	32		
- 2 PC computers + 1 Terminal + 2 printers + software + GIS	4	31		
- Misc. Office Supply/Equip.	21	17		
E. Evaluations/Audits	60	140	80	
- Evaluations (2)	60	100		
- Audit	0	40		
Sub-Total	5,150	6,500	1,370	

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Annex 3

F. Inflation/Contingency		850	-	(- 850)	850
- Inflation	425		-		
- Contingency	425		-		
Sub-Total A thru F		6,000	6,500	1,370	870
G. ADDITIONAL FUNDS REQUESTED		-	-	-	500
PROJECT GRAND TOTALS.		6,000	6,500		

NOTE

(1) Amount in ( ) are no-adds.
(2) Contingency/Inflation costs are factored in the revised budget.

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Annex 4

SRB PLANNING AND POLICY DEVELOPMENT PROJECT
(625-0621)
SCHEDULE OF PROJECT IMPLEMENTATION
(Updated 30 Dec. 1988)
L.O.P. July 1, 1985 - June 30, 1992

	1985/86	1986/87	1987/88	1988/89	1989/90	1990/91	1991/92
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
PROJECT AGREEMENT EXECUTED	X			orig. PACD	30/6/89	PACD	extended to 30 June 1992
Project agreement signed on 19 July 1985							
CONDITIONS PRECEDENT MET	X--------	----------	----------	------X			
1. Technical Assistant							
A. Request for Proposals				X			
B. Contract Negotiations					X		
C. River Basin Planner in OMVS					X--------	----------	----------X
D. Short-Term					X--------	----------	----------X
2. Three Studies - 2 Contracts							
A. Request for Proposals			X-X				
B. Contractor Ranking				X			
C. Contractor Negotiations				X------X			
Upper Valley Master Plan							
D. Stage I completed				X-----	X		
E. Stage II completed				X	X------X		
F. OMVS and State reviews					X		
G. Final Report					X	X	
Water Use & Debt Mgt. Study							
H. Plan Preparation - phase 1				X-----	X		
I. OMVS and State reviews phase - 2					X------X		
J. Final Report					X		
3. Health Master Plan							
A. Request for Proposals				X-	-X		
B. Contractor Selection/Negotiations					X----X		
C. Plan Preparation					X--	------X	
D. OMVS and State reviews						X	
E. Final Report							X
4. Commodity Procurement							
A. Contract for PSA					X---X		
B. PIO/C Prepared					X		
C. U.S. Commodity Procurement					X-	----X	
5. Participant Training							
A. Long-Term						X--------	----------X
B. Short-Term					X	X X	X X X

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Annex 5

REVISED PROCUREMENT PLAN

I COMMODITIES

Description	Qty	App. Price $	Source/ Origin	Required Delivery Date	Responsible Officer
1. Vehicles					
- 4WD-Vehicle	1	22,000	935*	Sept. 89	USAID/SMO
- Sp. parts + fuel + repair + insurance		10,000	935*	Sept. 89	"
2. Computer System					
- AT class IBM compatible	2	5,000	000/935	Sept. 89	USAID/SMO
- 5.1/4 inch disk drive	1	600	000/935	Sept. 89	"
- Printer	2	1,700	000/935	Sept. 89	"
- Terminal	1	1,700	000/935	Sept. 89	"
- Software		8,000	000/935	Sept. 89	"
- Geogr. Info Syst.		14,000	000/935		
3. Other Office Equip/Support					
- Office desk + 2 chairs	1	1,500	000/935	Sept. 89	"
- Computer desk, chairs + covers	2	1,500	000/935	Sept. 89	"
- Large filing cabinets	2	4,000	000/935	Sept. 89	"
- Office supplies		10,000	000/935	Sept. 89	
TOTAL		80,000			

II. AUTHORIZATION DOCUMENTS

PIO/Cs.

III. WAIVERS

* Procurement from DFA source can be made from code 935 countries without source/origin waivers. Procurement from SDP funds will be code 000 U.S. Procurement from other sources will require waivers.

Annex 6

INITIAL ENVIRONMENTAL EXAMINATION OR CATEGORICAL EXCLUSION, AMENDMENT ONE.

Project Country:	OMVS, Senegal River Basin Development Organization;
Project Title:	Planning and Policy Development Project (625-0621);
Funding:	FY (S) 85-92: Dols. 6.5 million;
IEE Amendment prepared by:	Gilbert Haycock, USAID/Senegal;
Environmental Action Recommended:	Categorical Exclusion.

Categorical Exclusion:

This activity meets the criteria for categorical exclusion in accordance with section 216.2(c)(2) and is excluded from further review because:

Section 216.2(c) of AID Regulation 16 provides that certain classes of action are not subject to the procedures set forth in Section 216.3. Among the excluded classes of actions are the following:

A. Section 216.2(c)(2) (i) excludes programs in education, technical assistance or training.

B. Section 216.2(c)(2) (iii) excludes programs of analyses, studies or workshops.

C. Section 216.2(3)(xiv) excludes studies, projects or programs intended to develop the capability of recipient countries to engage in development planning.

The activities financed under the project, as extended, will be within the scopes of these excluded classes.

The project purpose is to strengthen the institutional capacity of the Organization pour la Mise en Valeur du Fleuve Sénégal (OMVS) to plan, coordinate and monitor investments in agricultural production, and to attract investments in agriculture and related activities in the Senegal River Basin (SRB). The project activities consist of technical assistance; studies; training, seminars and workshops; commodities; and consultancies.

Approved _____

Disapproved _____

Date 2/6/89

Cleared by: RLA:EDragon EAD Date 2/3/89