

USAID/Senegal
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DAKAR

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ISN 62360

IRRIGATION AND WATER MANAGEMENT PROJECT

(685-0280)

PROJECT PAPER SUPPLEMENT

April 11, 1989

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ACTION MEMORANDUM FOR THE MISSION DIRECTOR, USAID/SENEGAL

FROM: Gilbert Haycock, IWM 

Subject: Irrigation and Water Management I (IWM I) Project (685-0280):
Project Authorization Amendment and Project Paper Supplement

- I. ACTION REQUESTED: To approve a Project Authorization Amendment, Amendment Two (Attachment A) and a Project Paper Supplement Face Sheet, Amendment Two, (Attachment B) to:
- (1) increase the life-of-project (LOP) funding from \$9 million to \$9.5 million;
 - (2) amend the project's inputs to increase the budget line items and levels of effort for the long term technical assistance and the design and construction elements of the project, to add funds for commodity procurement, to budget for audits for all project activities under Host Country contracts;
 - (3) extend the project assistance completion date (PACD) for two years, from September 30, 1990 to September 30, 1992.

The goal and purpose of the project remain unchanged.

II. DISCUSSION

A. Background and Project Description

The IWM I project was authorized on August 20, 1985 by the USAID/Senegal Mission Director. The original authorization was \$8.5 million. In May 1988, the original PP Project Authorization and PP Face Sheet were amended to bring the total LOP funding authorized to \$9 million. The \$500,000 increase was necessary due to a 25 percent drop in current value in the CFA-dollar exchange rate, from an assumed rate of CFA 400 to \$1.00, to an actual exchange rate of CFA 300 to \$1.00. The original Grant Agreement with the Government of Senegal (GOS) was signed on August 30, 1985 with an initial obligation of \$5 million. Amendments to the Grant Agreement in February 1986, January 1987, and June 1988 brought total obligations to \$9 million.

The project purpose is to expand and improve village-level irrigated farming in the Bakel area by involving greater private sector participation in a way that can be replicated throughout the Senegal River Basin and to strengthen the capacity of the Société Nationale d'Aménagement et d'Exploitation des Terres du Delta du Fleuve Sénégal et des Vallées de la Falémé et du Fleuve Sénégal (SAED) in development planning and in administration, supervision and evaluation of private contracting. The goal is to increase food production, employment and income in the Senegal River Basin. The project will do this through (a) planning, design and construction/expansion of irrigated perimeters; (b) long and short-term technical assistance; (c) studies; (d) short term training, seminars and observation tours; and (e) commodity procurement.

To date the project has funded technical assistance to the farmers and to the staff of the Société Nationale d'Aménagement des Terres du Delta et des Vallées de la Falémé et du Fleuve Sénégal (SAED) in the planning, design and construction of small irrigated perimeters. Assistance included training in pump operation and maintenance. The project also introduced adaptable technologies: rice transplanters, multiple hopper seeders and rice hull carbonizers. Housing and office construction for the TA team has been completed. Finally, after lengthy negotiations, the contract between SAED and the primary contractor, HARZA, has been signed and the contractor has assigned staff to the field.

With the T.A. team housing completed, the office facilities constructed and the contractor's staff on board, the project is now beginning full implementation. However, with a more than three year delay in implementation caused by complex GOS/USAID contracting regulations, protracted negotiations between SAED and HARZA, and problems in mobilizing the technical assistance team - it is clear that the objectives of the project cannot be met within the timeframe of the original September 30, 1990 PACD and the \$9 million budget. Section III of the attached PP Supplement provides details on the project's delays and the rationale for a revised LOP budget. Additional time and money are required to enable the project to achieve its stated purpose.

The attached PP Supplement increases the project's revised budget by \$500,000 and extends the project's original PACD by two years. The revised project will have a budget of \$9.5 million and a total life-of-project of seven years.

B. Financial Summary

A financial summary of the budget by category as of January 31, 1989 is found in Table 1, page 4 of the attached PP Supplement.

The project fiscal data shows:

- Total obligations:	\$9 million;
- Total earmarking:	\$6.116 million;
- Total expenditures:	\$2.177 million;
- Total pipeline:	\$6.823 million.

The Mission's current reappraisal of the project's inputs shows that supplemental funding of \$500,000 is required to achieve the project's objectives. The Mission has obligated the total \$9 million authorized to date. The Project Committee (PC) recommends, upon availability of funds, that the project authorization be increased from \$9 to \$9.5 million and the project obligation be increased from \$9 to 9.5 million in FY 89, using \$500,000 from FY 89 OYB funds.

The following table summarizes the Estimated Expenditures Plan for all project activities.

<u>ELEMENTS</u>	<u>THRU JAN 89</u> <u>(\$000)</u>	<u>FY 89</u> <u>(\$000)</u>	<u>FY 90</u> <u>(\$000)</u>	<u>FY 91</u> <u>(\$000)</u>	<u>FY 92</u> <u>(\$000)</u>	<u>TOTAL</u> <u>(\$000)</u>
Design & Construction	812	300	773	750	665	3,300
Tech. Assist*/AID PSC staff	1,147	1,308	1,100	1,000	495	5,050
Studies (Land Tenure feasibility)	27	397	106	--	--	530
Training (within HARZA contract)	--	--	--	--	--	--
Farm Operations, equipment (HARZA contract)	--	--	--	--	--	--
Office supplies/equipt./rent/ FAAS (HARZA contract)	--	--	--	--	--	--
Commodities (AID proc.)	191	230	59	--	--	480
Evaluations	--	--	30	--	30	60
Audits	--	--	30	25	25	80
TOTAL:	<u>2,177</u>	<u>2,235</u>	<u>2,098</u>	<u>1,775</u>	<u>1,215</u>	<u>9,500</u>

(Note: FY refers to year ending 9/30)

C. Socio-Economic, Technical and Environmental Description

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

The Environmental Analysis (EA) developed in Dakar 6995 and concurred in by the AFR Bureau Environmental Officer as per State 231463 remains valid. However, an amendment is necessary because of the substantial changes in the project's LOP costs and the PACD extension. The EA Amendment was concurred in by the AFR/Bureau Environmental Officer as per State 104114. A copy of the approved Amendment, cleared by the RLA in Senegal is attached as Annex 5 of the PP Supplement.

D. Conditions, Covenants, Implementation Plan and Implementation Agencies

All conditions precedent and covenants in the original project have been met. This Amendment does not require additional conditions or covenants, nor does it change the project implementation responsibility of SAED. A revised Implementation Plan is found as Annex 3 of the attached PP Supplement.

*Includes HARZA and HARZA sub-contractor's contracts. Also included are costs of demonstration farm activities, training, office supplies and equipment, rent and FAAS, and three studies -- water run-off management, soil erosion and market roads.

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E. Procurement and Waivers

An abbreviated Procurement Plan indicating future acquisitions by USAID is attached as Annex 4 of the PP Supplement. No additional waivers are anticipated under this Amendment. 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 are 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 the project. In AID/W, AFR/PD/SWAP will provide backstopping for the project, coordinating with other technical offices as required.

G. Evaluations/Audits

The revised schedule for project evaluations sets the new dates for Quarter One, 1990 and Quarter Two, 1992. This Amendment provides additional funds to cover three audits -- in 1990, 1991 and 1992 -- of the project's Host Country contracts for technical assistance, training and design and construction. Funds for audits were not included in the original 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 SAED.

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 OYB final tranche of \$500,000 will only be made following Mission's approval/authorization of the PP Supplement.

IV. AUTHORITY TO APPROVE AUTHORIZATION AMENDMENTS

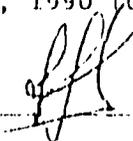
Africa Bureau Delegation of Authority No. 551, Revised, gives you the authority to approve authorization amendments for up to \$30 million in project costs for a cumulative LOP not to exceed 10 years when the amendments: (a) do not present significant policy issues; or (b) do not include waivers that 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.

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V. RECOMMENDATION

That you sign the attached Project Authorization Amendment, Amendment Two (Attachment A) and the PP Supplement Face Sheet, Amendment Two, (Attachment B) of the original IGH 1 project, thereby approving:

- (1) an additional \$500,000, bringing LOP funding to \$9.5 million;
- (2) amendment of the project inputs as proposed to reappropriation budget line items and/or levels of effort planned of the existing project; and
- (3) an extension of the PACD, from September 30, 1990 to September 30, 1992.

Approved 

Disapproved _____

Date 12 AVR. 1989

Drafted by: PDO:RKane  Date 3/31/89

Cleared by: PDO:THyers draft Date 4/06/89
IWE:BEgan draft Date 4/10/89
RLA:EDragon draft Date 4/10/89
PRH:RGilson draft Date 4/03/89
ABO:JBonner draft Date 4/06/89
CGHT:TJWalsh draft Date 4/10/89

PROJECT AUTHORIZATION AMENDMENT, AMENDMENT TWO

April 6, 1989

Country: Senegal

Project Title: Irrigation and Water Management I (IWM I)

Project Number: 685-0280

1. Pursuant to Section 121 of the Foreign Assistance Act of 1961, as amended, the Irrigation and Water Management Project was authorized on August 30, 1985 and amended on May 26, 1988.

That Project Authorization is further 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 Irrigation and Water Management Project for Senegal ("Cooperating Country"), involving planned obligations of not-to-exceed \$9.5 million in grant funds over a five year period from the date of authorization, subject to 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. In section 2, after the second sentence, add the following sentence:

"The project will also finance water run-off management, soil erosion and market roads studies to maximize the project impact".

- c. In section 3, paragraph (a) is revised to read as follows:

(a) 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 the Cooperating Country. Except for ocean shipping, the suppliers of commodities or services shall have the United States or the Cooperating Country 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, the Cooperating Country 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 Cooperating Country 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 cited above, as amended, remains in force except as amended hereby.

Sarah Jane Littlefield
Mission Director,
USAID/Senegal

Approved _____

Disapproved _____

Date 12 AVR. 1989

Drafted: PDO:MKane:amat MA date 03/31/89

Clearances: (As shown on Action Memorandum)

Best Available Document

PROJECT DATA SHEET		1. TRANSACTION CODE A Add C Change D Delete		Amendment Number Two		DOCUMENT CODE J	
COUNTRY TITLE General		3. PROJECT NUMBER 685-0280		5. PROJECT TITLE (maximum 90 characters) Irrigation and Water Management, I.			
COUNTRY CODE AFRICA		7. ESTIMATED DATE OF OBLIGATION (Under "B" below, enter 1, 2, 3, or 4) A. Total FY 85 B. Quarter 1 C. Final FY 89					
8. PROJECT AND SOURCE COMPLETION DATE (PACD) MM DD YY 03 30 92		R. COSTS (\$000 OR EQUIVALENT \$1000) FIRST FY 85		LIFE OF PROJECT			
A. FUNDING SOURCE		B. EX		C. I/C		D. Loan	
ADD Approved Total		2,800		2,200		5,000	
Deduct		(2,800)		(2,200)		(5,000)	
Total						5,100	
Deduct						4,400	
Total						9,500	
Deduct						4,400	
Total						1,725	
TOTAL A		2,800		2,200		5,000	
						5,100	
						6,125	
						11,225	
9. SCHEDULE OF AID FUNDING (\$000)		1. AMOUNT APPROVED THIS ACTION		1. LIFE OF PROJECT			
A. FISCAL YEAR		B. OBLIGATION TO DATE		1. Grant		2. Loan	
C. FISCAL YEAR		1. Grant		2. Loan		1. Grant	
D. FISCAL YEAR		2. Loan		1. Grant		2. Loan	
03 85		9,000		500		9,500	
03 86		9,000		500		9,500	
03 87							
03 88							
03 89							
TOTAL		18,000		1,000		19,000	
10. AGENCY TO BE USED (maximum 6 codes of 4 positions each) 006 071		11. SECONDARY PURPOSE CODE					
12. SPECIAL CONDITIONS CODES (maximum 2 codes of 4 positions each)		13. PROJECT PURPOSE (maximum 450 characters)					
		To expand and improve village-level irrigated farming in Bakel involving greater private sector participation that can be replicated throughout the River Basin.					
14. SCHEDULED DEDUCTIONS		15. SOURCE/ORIGIN OF GOODS AND SERVICES					
COST YR		MM YY		MM YY		1. Local 2. Other (Specify) 935	
01 90		1 1		05 92		1 935	
16. ADDITIONAL STATEMENT OF CHANGE PROPOSED (Use in page 1 of a 12 page PP Amendment)		This amendment increases the funding level, extends the PACD, reappropriates the budget line items and adds new studies to the inputs of the Irrigation and Water Management project to enable the Mission to achieve the objectives as outlined in the original project paper.					
Concurrence: CONT: T. Walsh		Date Signed: 4/12/89					
17. APPROVED BY Sarah Jane Wallfield Director, USAID/General		Date Signed: 4/12/89		MM DD YY		REDATE DOCUMENT RECEIVED BY AID/W, OR FOR AID/W HIGH PRIORITY, DATE OF DISTRIBUTION	

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

I. EXECUTIVE SUMMARY AND RECOMMENDATIONS

Purpose of PP Supplement

To amend the project's completion date and budget to enable attainment of the project's objectives as planned 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 \$9 million to \$9.5 million;
- amend the budget line items and inputs of the existing project; and
- extend the project assistance completion date (PACD) for two (2) years, from September 30, 1990 to September 30, 1992.

Delays in Host Country contracting, compounded by the contractor's difficulties in fielding an acceptable team, pushed back the start-up date of the technical assistance team by close to three years. As a result of the delays, the estimated costs of the project have gone up. The dollar is worth 25 percent less today than when the project was originally designed. Inflation has increased. Despite a readjustment in the budget and subsequent increase in May 1988 to bring the funding level to \$9 million, the decreased value of the dollar and inflation continue to increase costs of the technical assistance, design and construction and the commodity elements of the existing project. At the same time, preliminary work has identified the need for additional studies on water run-off management, soil erosion and market roads, not originally foreseen, but required to maximize the project's impact. USAID continues to need project management personnel to monitor the project's activities, and an AID/W requirement for project audits requires an additional budget line item.

Nevertheless, the original premise -- that small-scale irrigation projects using village labor and contracting with the private sector offer an important alternative to large, capital-intensive irrigation -- remains valid and deserves to be tested.

With the TA team in place, the project is now ready to do so. Given the time lost in project start up and the increase in estimated costs, additional funds and an extension of the PACD are required, however, to obtain the objectives set out in the original project paper.

The goal and purpose of the project remain unchanged.

Project Background: The Irrigation and Water Management I (IWM I) project (685-0280) is a \$9 million, five-year bilateral project, extending from August 20, 1985 to September 30, 1990.

It was designed to expand and improve village-level irrigated farming in the Bakel area by involving greater private sector participation in a way that can be replicated throughout the Senegal River Basin. The project also aims at strengthening the capacity of the staff of the Société Nationale d'Aménagement et d'Exploitation des Terres du Delta du Fleuve Sénégal et des Vallées de la Falémé et du Fleuve Sénégal (SAED) in development planning and in administration, supervision and evaluation of private contracting.

The project is to achieve this through (1) design, construction, expansion and rehabilitation of small irrigated perimeters; (2) long and short-term technical assistance (TA); (3) short-term training, workshops and observation tours; (4) studies; and (5) commodity procurement.

The project has provided on-site training to farmers and SAED staff in planning, design and construction of small irrigation perimeters, in pump operation and maintenance, and in keeping farm records. It has financed a land tenure research study by the Land Tenure Center (LTC) and has introduced adaptable technologies - - rice transplanters, multiple hopper seeders, and rice hull carbonizers.

The project has fallen well behind schedule because of delays from : (1) complex GOS/USAID contracting regulations; (2) protracted negotiations between SAED and HARZA - - the prime contractor for the project's major activities; and (3) long delays in mobilizing and settling the contractor's field staff.

Nevertheless, the major constraints on implementation have now been resolved. In April 1988, the SAED HARZA contract was signed. HARZA has provided and posted the required staff. TA housing has been rehabilitated, office construction completed and furniture provided. With TA in place, the project is ready to move forward. Additional time and money are required, reflecting the cost of the delays and increased future costs due to inflation.

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

- complete construction and rehabilitation of irrigation systems;
- complete the institutionalization process of contracting for private construction of irrigation systems;
- complete the proposed feasibility study of a medium-scale irrigation system;
- complete three additional studies; and
- complete the establishment of the demonstration farm and agricultural extension systems.

Recommendations

- That the life of-project (LOP) funding be increased by \$500,000 to \$9.5 million.
- That planned budget line-items and levels of effort in the existing project's elements be reapportioned to add funds for audits in line with AID requirements, to provide additional studies required to address erosion, run-off and market access issues, and to increase funds available to line items affected by inflationary cost increases.
- That the project assistance completion date (PACD) be extended for two (2) years, from September 30, 1990, to September 30, 1992.

II. PROJECT BACKGROUND AND ACCOMPLISHMENTS

A. Project Background

The Irrigation and Water Management I (IWM I) project was authorized for \$8.5 million on August 20, 1985 by the USAID/Senegal Mission Director. In May 1988, following a 25 percent drop in the CFA-dollar exchange rate from CFA 400 to CFA 300 to \$1, the Mission amended the project to readjust some budget line-items and to increase LOP funding by

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\$500,000 to \$9 million. The Grant Agreement with the Government of Senegal (GOS) was signed on August 30, 1985, with an initial obligation of \$5 million. Amendments to the Grant Agreement -- February 1986, January 1987, and June 1988 -- increased obligations to a total of \$9 million.

The project's purpose is to expand and improve village-level irrigated farming in the Bakel area through greater private sector participation by using an approach that can be replicated throughout the Senegal River Basin and to strengthen the capacity of SAED staff in development planning and in administration, supervision and evaluation of private contracting. The project's goal is to increase food production, employment and income in the Senegal River Basin.

The project was to provide: (1) 17 person-years of long-term and 30 person-months of short-term technical assistance; (2) design and construction; (3) short term training, workshops and observation tours; (4) studies; and (5) commodities. The levels of effort under the project will result in: training of 350 farmers and SAED staff in planning, design, construction and management of small, irrigated perimeters, pump operation and maintenance, and farm records keeping; construction of 800 hectares and rehabilitation of 400 hectares; three studies -- socioeconomic, land tenure and medium-scale system feasibility studies; introduction of adaptable technologies -- mainly animal traction and farm equipment. The project's financial situation through January 31, 1989 shows:

- Total obligations: \$9 million;
- Total earmarking: \$6.116 million;
- Total expenditures: \$2.177 million;
- Total pipeline: \$6.823 million.

TABLE 1: FINANCIAL DATA
(as of January 31, 1989)

<u>ELEMENTS</u>	<u>Total Obligated</u> ((\$000))	<u>Earmarked</u> ((\$000))	<u>Expended</u> ((\$000))	<u>Pipeline</u> ((\$000))
1. Design/Construction	3,000	1,145	787	2,213
2. Tech. Assistance (LT + ST including office supplies/equipt)	5,000	4,446	1,363	3,637
3. Studies	550	525	27	523
4. Training	155	-	-	155
5. Commodities	150	-	-	150
6. Evaluation	60	-	-	60
7. Inflation/Contingency	85	-	-	85
<u>TOTAL</u>	<u>\$9,000</u>	<u>\$6,116</u>	<u>\$2,177</u>	<u>\$6,823</u>

B. Project Accomplishments

The project has trained 80 farmers in pump operation and maintenance, 60 in irrigation layout construction as well as in keeping farm records. The project has constructed or rehabilitated 198 hectares of perimeters and another 141 are being constructed. It has also introduced adaptable technologies -- rice transplanters, multiple hopper seeders and rice hull carbonizers. Construction of project office facilities has been completed and TA housing renovated. The Land Tenure Center (LTC) has conducted a land tenure study, and the final report is due by June 1989. HARZA -- the project's major contractor -- posted its full five person team of long-term TA.

III JUSTIFICATION FOR PROJECT EXTENSION AND ADDITIONAL FUNDS

A. Justification For Extension Of PACD

1. Implementation Delays

Full implementation of the project has been delayed by nearly three years by three major factors: (1) complex AID/GOS contracting regulations for Host Country contracts; (2) long negotiations between SAED and HARZA; and (3) problems in mobilizing and settling the prime contractor's TA team, including turnover among the contractor's staff at post.

- AID/GOS Contracting Regulations Delayed Issuance of RFTP for Project Prime Contractor:

At the outset, project implementation stumbled because of Host Country contracting procedures. SAED and USAID were slow in completing the request for technical proposal (RFTP) for the prime contractor because of the necessity to incorporate both parties' legal requirements into one comprehensive package for the Host Country contract, which required the use of a "two-envelope system" -- technical and cost proposals submitted simultaneously. This process alone took over eight months to complete.

- Protracted Negotiations Between SAED and HARZA: SAED and HARZA began contract negotiations in April 1987; they signed the contract in April 1988.

- Contractor Difficulties in Mobilizing and Retaining Field Staff: HARZA had difficulties in pulling its TA team together. It encountered personnel problems. The original TA Chief of Party/engineer had to be replaced and the operations engineer dismissed. Field staff living and working conditions were difficult because the construction of office facilities and the rehabilitation of housing for the TA team in Bakel were not completed on time.

Despite these start-up problems, the project is now well underway. The workplan and schedule have been approved by SAED and by USAID. In addition, the Project Committee has streamlined processes that will facilitate implementation:

- monthly meetings between SAED St-Louis and USAID to discuss program and problems and make recommendations for potential solutions;
- regular dialogue with the appropriate SAED representatives concerning USAID/SAED financial and project interests and responsibilities. This dialogue has been facilitated by the opening of a SAED office in Dakar;

- improved communications with SAED St-Louis through the use of telex facilities at SAED St-Louis headquarters.

The project is currently being audited by the Regional Inspector General (RIG) Office in Senegal, and the Project Committee will incorporate appropriate recommendations into its implementation plan.

2. The Premises of the Project Are Still Valid

The project aims at expanding and improving village-level irrigated perimeter construction in Bakel, using an approach which involves greater private sector participation and can be replicated along the Senegal River Basin and at assisting SAED in development planning and in administration, supervision and evaluation of private contracting.

The project objectives -- to help Bakel farmers increase production and productivity through efficient water management practices and to encourage private sector involvement in delivery of goods and services to the farmers -- remain important GOS/USAID priorities.

The project will provide a pilot test of the potential for efficient small-scale irrigation schemes using village and private contractor participation as distinct from more traditional, large, high-cost irrigation schemes. Experience gained from the project will be useful not only in the Senegal River Basin during the post-dam era, but may have validity elsewhere where village and private contractor participation is being solicited for development projects.

B. Justification For Additional Funding

Delays in host country contracting compounded by difficulties the contractor had in fielding an acceptable team, pushed back the start-up date of the technical assistance team by almost three years. As a result of the delays, the estimated costs of the project have gone up. The dollar is worth 25 percent less today than when the project was originally designed. Inflation has increased. The combination of the drop in dollar and inflation has reduced the project's buying power for technical assistance, design and construction, and commodities despite an adjustment in the original project's budget line-items and an increase of project's LOP funding by \$500,000 in May 1988. At the same time, preliminary work has identified the need for additional studies on water run-off management, soil erosion and market roads, not originally foreseen but required to maximize the project's impact. USAID continues to need project management personnel to monitor the project's activities, and an AID requirement for project audits requires an additional budget line-item.

The reappraisal of project costs over the next three years calls for a reapportionment of existing project budget line-items and supplemental funds to bring the total LOP budget to \$9.5 million. Consequently, an additional \$500,000 is required to supplement a total of \$410,000 which can be reprogrammed from the existing line items as follows: \$85,000 from inflation and contingency, \$155,000 from training, \$150,000 from farm operations and commodities, and \$20,000 from studies. This total of \$910,000 will be used to finance: (1) technical assistance, mainly the HARZA contract, including studies of water run-off management, soil erosion and market roads, farm demonstration

activities; and personnel necessary to coordinate project activities for the USAID/Senegal Mission; (2) commodity procurement; (3) design and construction costs; and (4) audits of the Host Country contracts.

Table 2 below shows the additional costs by category in this second amendment of the project.

TABLE 2: PLANNED ADDITIONAL COSTS OF PROJECT ELEMENTS
(\$000)

<u>Project elements</u>	<u>Anticipated Additional costs</u>
1. Design/Construction	300
2. Technical assistance	50
3. Commodity Procurement	480
4. Audits	80
<u>Total</u>	<u>910</u>

IV. REVISED PROJECT DESCRIPTION

A. Goal and Purpose

The project's goal and purpose remain unchanged. The project will continue to focus on introduction of new techniques in the design, construction and rehabilitation of small irrigation perimeters and improved water management practices involving farmers and the private sector to increase food production, employment and income in the Bakel area which can be replicated in the entire Senegal River Basin.

The End-of-Project Status (EOPS) of the original project paper has been refined to clearly show the project's focus on transfer of technologies and management skills and on dissemination of information. The revised End-of-Project Status will be:

- (a) Profitable and efficient practice of irrigated farming systems on 2,000 hectares of rehabilitated, expanded or newly constructed perimeters;
- (b) Cultivated land maintained and operated at a minimum cropping intensity of 1.5; 70% of small village-level irrigation systems are operating on a self-sustaining basis;
- (c) Private sector providing 80% of agricultural inputs and commercializing 50% of crop surpluses;
- (d) Private sector successfully designed and constructed new small irrigation perimeters covering 100 hectares;
- (e) Feasibility study for medium scale perimeters completed.
- (f) Adaptable technologies in farm equipment and operation introduced in agriculture through demonstration farm operations and management.
- (g) New management skills and practices in irrigation, water use and natural resource management passed on to public and private sector technicians and farmers through training, workshops, observation tours and technical assistance; approximately 350 farms and SAED staff trained

- (h) Appropriate policy and technical decisions taken based on studies;
- (i) Project's relevant technologies and results disseminated to actual and potential land users and to decision-makers.

B. Outputs

The planned outputs for the revised project will be the same as in the original design with only the addition of three new studies -- water run-off management, soil erosion and market roads.

- (a) 400 hectares of existing irrigation systems rehabilitated; 800 hectares of land are added or newly constructed;
- (b) Studies on medium-scale perimeter feasibility in the middle (Hataa) or upper (Bakel) valleys, land tenure, agricultural infrastructure, water run-off management, soil erosion, market roads and socio-economics completed and results disseminated;
- (c) Farmers and private individuals trained in irrigation methods and water management practices, pump operation and maintenance, farm records keeping and use of animal traction; SAED staff trained in monitoring and evaluating contracts with the private sector.
- (d) Private sector involved in design and construction of small irrigated perimeters and in delivery of goods and services related to agricultural production and productivity as well as processing of agricultural produce.

C. Inputs

This PP Supplement reapportions the elements and costs of the existing project and adds \$500,000 to increase the total LOP budget to \$9.5 million as described in Table 3. Table 3 also compares the budgets between the existing and the revised projects.

TABLE 3: REVISED PROJECT INPUTS AND ESTIMATED COSTS
(\$000)

<u>Project Elements</u>	<u>Existing Budget*</u>	<u>Revised Budget</u>	<u>Increase Required</u>	<u>Funds To Be Used To Meet Differenc</u>
A. <u>Design and Const.</u>	<u>3,000</u>	<u>3,300</u>	<u>300</u>	
- Perimeters		2,508		
- Bakel office		103		
- House renovation		58		
- Motor pumps/access.		631		
B. <u>Tech. Assistance</u>	<u>5,000</u>	<u>5,050</u>	<u>50</u>	
- HARZA Contract				
. Personnel		1,526		
. Sub- contractors				
ARS		789		
DEVRES		479		
ACDI		50		
Blue Nile		50		

<u>Project Elements</u>	<u>Existing Budget*</u>	<u>Revised Budget</u>	<u>Increase Required</u>	<u>Funds To Be Used To Meet Difference</u>
. Farm-commod.operat.		210		
. Training		100		
. Office + equipment supp./rent/FAAS		506		
. Studies (3)		<u>150</u>		
Sub Total		3,860		
-- AID Contracts				
. Field staff (3 PSCs) + housing facilities		854		
. U.S./PSC (1)		218		
. FSN/PSC (1)		<u>118</u>		
Sub Total		1,190		
C. <u>Studies</u>	<u>550</u>	<u>530</u>		<u>20</u>
-- HARZA feasibility report		236		
-- LTC land tenure		291		
-- Study-related costs		3		
D. <u>Training</u>	<u>155</u>	(HARZA) 0		<u>155</u>
E. <u>Farm./Commod.</u>	<u>150</u>	(HARZA) 0		<u>150</u>
F. <u>Commodit. AID Proc.</u>	0	480	480	
-- Vehicles + support		333		
-- Household furniture (TA)		147		
G. <u>Evaluation/audit</u>	<u>60</u>	<u>140</u>		<u>80</u>
-- Evaluation (2)	60	60		
-- Audit (3)	0	80		
<u>Sub-Total</u>	<u>8,915</u>	<u>9,500</u>	<u>910</u>	
H. <u>Inflation/Contingency**</u>	<u>85</u>		0	<u>85</u>
-- Inflation	15	-		
-- Contingency	70	-		
Sub-Total A thru H	<u>9,000</u>	<u>9,500</u>	<u>910</u>	<u>410</u>
I. <u>ADDITIONAL FUNDS REQUESTED</u>	--	--		<u>500</u>
PROJECT GRAND TOTALS	<u>9,000</u>	<u>9,500</u>		

* Because existing project budget does not provide a systematic breakdown as in the revised budget, it has not been possible to give detailed items and costs to existing project items.

** Contingency/Inflation costs are factored in each line item of the revised budget.

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V. FINANCIAL ANALYSIS

The expenditures under the project are \$2.177 million as of January 31, 1989. The original LOP amount of \$8.5 million was amended to bring the total LOP funding authorized to \$9 million. The Mission has obligated the entire amount.

The total LOP budget under this PP Supplement is \$9.5 million. The Mission plans -- subject to availability of funds -- to fully fund the project with an additional \$500,000 using its FY 89 OYB funds.

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

TABLE 4: REVISED ESTIMATED EXPENDITURES PLAN
((\$000))

	<u>THRU JAN 89</u>	<u>FY 89</u>	<u>FY 90</u>	<u>FY 91</u>	<u>FY 92</u>	<u>Total</u>
1. Design & Construction (AID/SAED/Private Sector)	812	300	773	750	665	<u>3,300</u>
2. Tech. Assist.	-	-	-	-	-	
HARZA total, including:	365	1,000	1,000	1,000	495	<u>3,860</u>
. Training	-	-	-	-	-	100
. Staff	-	-	-	-	-	1,526
. Sub-contracts	-	-	-	-	-	1,368
. Farm operations commodities	-	-	-	-	-	210
. Office sup & equip./ rent/FAAS	-	-	-	-	-	506
. Studies (3)	-	-	-	-	-	150
3. AID staff including:	782	308	100	-	-	<u>1,190</u>
. PSC field staff (3)	-	-	-	-	-	854
. FSN/PSC (1)	-	-	-	-	-	118
. U.S./PSC (1)	-	-	-	-	-	218
4. Studies, including:	27	397	106	-	-	<u>530</u>
. LTC land tenure study						291
. HARZA feasibility study						236
. Studies-related costs						3
5. Commodities AID procured	191	230	59	-	-	<u>480</u>
. 12 vehicles + support	-	-	-	-	-	333
. Household furniture	-	-	-	-	-	147
6. Evaluation	-	-	30	-	30	<u>60</u>
7. Audit	-	-	30	25	25	<u>80</u>
TOTAL	<u>2,177</u>	<u>2,235</u>	<u>2,098</u>	<u>1,775</u>	<u>1,215</u>	<u>9,500</u>

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A. 121(d) Certification

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

B. Methods of Implementation and Financing

Table 5 below sets 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, Letter of Commitment (L/Com), or Letter of Credit (LOC). Project financial management procedures will conform to all AID regulations.

TABLE 5: PROJECT IMPLEMENTATION METHODS AND FINANCING

<u>Type of Activity</u>	<u>Implementation Method</u>	<u>Method of Payment</u>	<u>Amount (\$000)</u>
<u>1. Design Construction</u>			<u>3,300</u>
. Perimeters	FAR	Direct Payment	2,508
. Bakel office	HCC (EHCSL)	Direct Payment	103
. TA house renov.	AID contract	Direct Payment	58
. Moto pumps/access.	AID contract	Direct Payment	631
<u>2. Technical Assistance</u>			
-- <u>HARZA contract</u>	HCC (HARZA)	Direct L/Com	<u>3,860</u>
. HARZA staff			1,526
. Farm activities			210
. Training			100
. Office sup/equip/rent/FAAS			506
. Studies (3 studies)			150
. Sub contractors			
- ARD			789
- DEVRES			479
- ACDI			50
- Blue Nile			50
-- <u>AID Contracts</u>			<u>1,190</u>
. PSC field st. (3)	AID Contract	Direct Payment	854
. FSH/PSC Coord.	AID Contract	Direct Payment	118
. U.S./PSC Coord.	AID Contract	Direct Payment	218
<u>3. Studies</u>			<u>530</u>
. HARZA feas. study	HCC (HARZA)	Direct L/Com	236
. Land tenure study	AID Contract	Federal LOC	291
. Study-related costs	AID Contract	Direct Payment	3

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<u>Type of Activity</u>	<u>Implementation Method</u>	<u>Method of Payment</u>	<u>Amount (\$000)</u>
4. <u>Commodities</u>			<u>480</u>
. 12 veh; sp. parts insurance;	AID Contract	Direct Payment	333
. Household furniture	AID Contract	Direct Payment	147
5. <u>Evaluation/Audit</u>			<u>140</u>
. Evaluation (2)	AID Contract	Direct Payment	60
. Audit (3)	AID Contract	Direct Payment	80
REVISED PROJECT GRAND TOTAL			<u>9,500</u>

Direct Letters of Commitments (L/Com's) are used under Host Country contracts because SAED does not have the financial resources to make prompt payments request frequent reimbursement.

C. SAED Capability Statement

SAED is familiar with AID contracting procedures and has successfully implemented a Host Country contract under the SAED Training Project. It has also had extensive experience in contracting with firms for construction and services under the World Bank and other donor-financed projects. With this experience, the contracting and monitoring for Bakel office construction and the recently signed contract with HARZA, SAED has demonstrated its ability to negotiate and monitor Host Country contracts. This will further be consolidated with short-term technical assistance to be provided under this project. All payments are made under the Host Country contracts directly by USAID after detailed review by USAID of certified financial reports and supporting documentations.

D. Audit Coverage

This PP Supplement adds funds to the existing project budget to cover three audits by private firms of the project's Host Country contracts for technical assistance and all the project activities under it, and for the project's design and construction component.

VI. IMPLEMENTATION

A. Responsibilities

1. USAID

The Office of Irrigation, Water Management and Engineering (IWME) will be the Mission's responsible office for the management and coordination of the project. A U.S-Direct-Hire Project Officer assisted by a U.S contractor and a Foreign Service National (FSN) contractor both under personal services contracts will carry out the project monitoring activities, including coordination with SAED and HARZA.

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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 staff for technical matters.

2. SAED

The project will continue to be under SAED's implementation responsibility, with the Head of the SAED Bakel Delegation having the primary role in the day-to day project implementation coordination with the HARZA Chief of Party.

B. Implementation Procedures

The Mission will use Project Implementation Orders for Technical Services (PIO/Ts) as internal documents and contracts to earmark and commit respectively funds and Project Implementation Letters (PIILs) 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 contractor 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), 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 3 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

HARZA will be responsible for the procurement of office supplies and equipment, farm equipment and inputs. The USAID/Senegal Supply Management Office (SHO) will procure household furniture for TA staff, project vehicles and accessories, and pumps and accessories. An abbreviated Procurement Plan for future purchases by USAID is found as Annex 4 of this PP Supplement.

F. Socio Economic, Technical Environmental Considerations

The socio-economic and technical analyses and conclusions contained in the original project paper remain valid. Only the project's Environmental Analysis (EA) developed in Dakar 6995 and concurred in by the AFR Bureau Environmental Officer as per State 231463 will require an amendment because of the substantial changes in the existing project's LOP costs and PACD extension. The EA Amendment was concurred in by the AFR Bureau Environmental Officer as per State 104114. A copy of the approved Amendment cleared by the Regional Legal Advisor (RLA) at post is attached as Annex 5 of the PP Supplement.

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G. Evaluation Plan

The initial IWM I design proposed two evaluations, one during year three, and one in year five of the project. This Amendment does not change the original concept of the evaluations, but sets the schedule at Quarter One, 1990, and Quarter Two, 1992, - year five and year seven of the amended project. This Amendment also changes the method of implementation and financing for the evaluations from Host Country contracting to AID direct contracts and payment.

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REVISED LOGICAL - FRAMEWORK - IRRIGATION I (685-280)

Annex 1

SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p>A 1 GOAL</p> <p>To increase food production, employment and income in Senegal River Basin.</p>	<p>A 2 Measurement of Goal Achievement</p> <ol style="list-style-type: none"> (1) Ag. production in Bakel increased 25% (2) Timely and adequate provision of Ag. inputs. (3) More land cultivated approximately 1,200 hectares. (4) Yield increased by 40% (5) Post harvest loss reduced by 30% (6) Business activities increased by 20% as a result of increased purchasing power of farmers. 	<p>A 3</p> <ol style="list-style-type: none"> 1. Ministry of Rural Development statistics. 2. USAID agricultural studies and surveys. 3. Contractor's socio economic reports. 4. SAED reports. 	<p>A 4 As related to goal</p> <ol style="list-style-type: none"> 1. GOS implements the NAP 2. Suitable socio-cultural environment prevails. 3. Sufficient labor available 4. Other donors make necessary contributions.
<p>B 1 Purpose</p> <p>To expand and improve village-level irrigated farming in Bakel, involving greater private sector participation that can be replicated throughout the River Basin and to strengthen the capacity of SAED in development and in administration, supervision and evaluation of private contracting.</p>	<p>B 2 End of Project Status</p> <ol style="list-style-type: none"> (1) Irrigated farming is practiced on rehabilitated, expanded and new systems (2,000 ha). (2) Cropping intensity of at least 1.5 on that land cultivated. 70% of small village systems are operating on a self-sustaining basis. (3) 80% of Agricultural inputs are provided by private sector 50% of crop surpluses are sold through private market channels. (4) Private sector successfully designs and constructs 100 hectares of perimeters. (5) Adaptable technologies introduced in agriculture and natural resource management. (6) New management skills and practices in irrigation, water use, farm management and natural environment passed to farmers, public and private sector technician, through training, workshop, observation tours and technical assistance (7) Project's relevant technologies and findings disseminated to actual and potential users. 	<p>B 3</p> <p>Reports of GOS and SAED, Contractors report, Project Officer's site visits, implementation reports, evaluations.</p>	<p>B 4 As related to purpose</p> <ol style="list-style-type: none"> 1. Sufficient land and labor exist to expand village systems. 2. Necessary people factors exist <ol style="list-style-type: none"> a. Sufficient village leadership and agricultural facilities exist: b. Farmers are willing to double-crop and sell crop surpluses. c. SAED improves extension services and training programs at farm level. d. Farmers contribute their labor for aspects of land preparation and perimeter construction work. 3. Private sector invest in agriculture infrastructure. 4. Capable private firms exist and are attracted to Bakel.

SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<u>C1 Outputs</u>	<u>C2 Outputs indicators</u>	<u>C3</u>	<u>C4 As related to output</u>
<p>1. Existing systems rehabilitated Land added to existing systems or constructed new systems.</p> <p>2. Studies</p> <p>3. Training programs: - Pump operators - Farm records - Irrigation methods - Animal traction</p> <p>4. Private sector involvement in delivery of commodity and service to farmers.</p> <p>5. Information systems to disseminate technologies and results of project in place.</p>	<p>(1) (a) 400 ha of systems rehabilitated. (b) 800 ha of land added to existing systems through life of project.</p> <p>(2) Following studies completed: (a) Feasibility study of medium-scale perimeter study (b) Land tenure study (c) studies of inputs and markets (d) water run-off management (e) soils erosion (f) market roads</p> <p>(3) 100 pump operator trainees 50 trainees in farm records 100 trainees in irrigation 100 trainees in animal traction</p> <p>(4) (a) Ag. inputs available on time and farmers reimburse at least 90% of their debts. (b) Private sector design and construct irrigation perimeters.</p> <p>(5) Mechanisms and structures for information dissemination are set up and functioning (seminars, roundtables, publications etc.).</p>	<p>- Reports of SAED - Contractor reports - Project Officer site visits - Implementation reports - Evaluations - Farmer survey and special studies.</p>	<p>(1) a) Design successfully carried out by local contractors. b) Local construction contractors willing and able to do construction.</p> <p>(2) Timely availability of staff and adequate data for feasibility study.</p> <p>(3) Farmers willing to use animals from their own herds for animal traction purpose.</p> <p>(4) Private Sector expands agriculture services in zone.</p> <p>(5) Actual and potential users are informed of, and involved early enough in, project development.</p>
<u>D 1 Inputs</u>	<u>D 2 Input indicator</u>	<u>D 3</u>	<u>D 4 As related to Input</u>
<p><u>USAID</u></p> <p>- TA - Design & construction - Commodities - Procurement - Studies - Evaluation - Audit - Personnel</p>	<p><u>USAID:</u></p> <p>A. \$9.5 million to finance: (1) Host Country Contract \$3,860,000 - Personnel (17 p./year/LI+Training - 12 p./mo ST+10 workshops) - Farm equip, Supp. + operations - 3 studies - Subcontractors (30 p./m/ST) - Off. equip/rent/FAAS</p> <p>(2) Studies \$530,000 - medium-scale feasibility - Land tenure - Study-related costs</p>	<p>Annual and occasional reports of SAED, contractor reports, Project Officer site visits, implementation reports farmer surveys and project audits/evaluations.</p>	<p>(1) Timely availability of contractor</p> <p>(2) Funds availability and village selection criteria permit planned construction schedule.</p> <p>(3) SAED and village groups identify individuals for training.</p> <p>(4) Commodities ordered with sufficient lead-time.</p> <p>(5) GOS budgets provide adequate support to SAED.</p>
<p><u>WPI</u></p> <p>- Personnel - Infrastructure</p>			

SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p><u>Farmers</u></p> <ul style="list-style-type: none"> - Labor - in kind 	<p>(3) Commodity procurement \$480,000</p> <ul style="list-style-type: none"> - 12 Vehicles + support - Household furniture <p>(4) AID contracts \$1,190,000</p> <ul style="list-style-type: none"> - TCN, field staff (3) - U.S/PSC (1) - FSN/PSC (1) <p>(5) Design & Construction \$3,300,000</p> <ul style="list-style-type: none"> - Perimeters (1,200 ha added/rehabilitated) - House renovation - TA Office - Moto pumps/access <p>(6) Evaluation/audit \$140,000</p> <ul style="list-style-type: none"> - evaluations (2) - audit (3) 	<p>(6) Farmers continue to cooperate in irrigation development at current levels of participation or better.</p>	
	<p><u>B. Personnel</u></p> <ul style="list-style-type: none"> - AID DH project officer + backstopping from other USAID technical offices <p>GOS CFA 190 million to finance personnel, infrastructure + operating costs.</p> <p>Farmer contribution CFA 40 million in labor + in kind.</p>		

MTS/AG

Annex 2

REPUBLIQUE DU SENEGAL

N° 0534

S.A.E.D. / D.T.C.

Ministère du Développement Rural

Saint-Louis, le 9 FEV. 1989

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Société Nationale d'Aménagement et d'Exploitation des Terres du Delta du Fleuve Sénégal et des vallées du Fleuve Sénégal et de la Falémé

Le Président Directeur Général

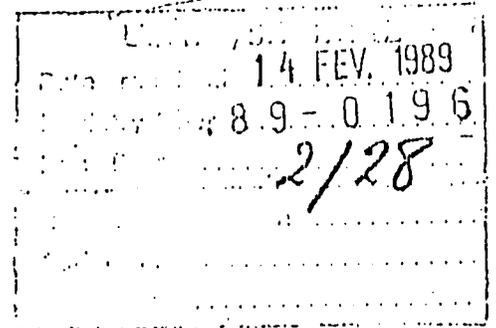
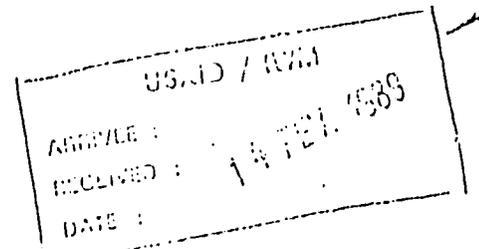
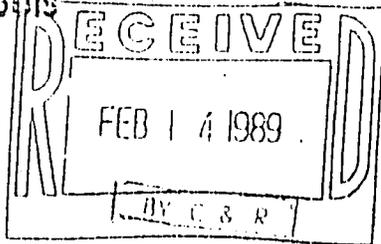
Tél : 61 - 15 - 33

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BP. 49

DAKAR -



Référence :

Objet : Projet Irrigation et Gestion de l'Eau I (N° 685-0280) Requête pour augmentation de crédits et prolongation délais d'exécution

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- Vertical list of administrative codes: DGR, DDIR, ENO, PRM, LCU, FVM, Reg. Cor, RLA, ADO, STDO, FPP, HPHO, PDD, SMO, AIG, CTRON, etc.

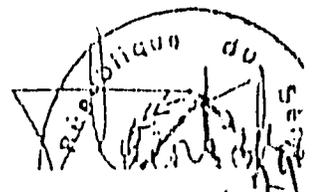
Mademoiselle le Directeur,

Le retard sur la mise en place de l'assistance technique et l'exécution du projet ont entraîné un important déphasage dans les programmes initialement arrêtés.

Compte tenu des impératifs de calendriers culturaux et des dates obligées de démarrage des travaux d'aménagement qu'imposent les conditions climatiques et la particularité des sites du projet, ce retard provoquera, assurément, un manque à gagner aussi bien du point de vue temps que financier.

Afin de pouvoir résorber tout ce déficit, la présente lettre a pour objet conformément aux dispositions du procès-verbal de réunion du 19/01/89 entre SAED et USAID, de requérir votre agrément pour une augmentation des crédits de l'accord d'un montant supplémentaire de 500 000 Dollars US, (CINQ CENT MILLE DOLLARS US) et une prorogation du délai d'exécution de deux années supplémentaires (jusqu'en 1992).

Veuillez agréer, Mademoiselle le Directeur, l'expression de ma considération distinguée.



PROJECT IMPLEMENTATION SCHEDULE-TWII

	FY86	FY87	FY88	FY89	FY90	FY91	FY92
Contract for PSG'S	x-----x						
IA contract			x-----x				
LIC contract	x-----x						
Construction design	x---SAED-----			x-----	PRIVATE-----		X
Construction	x---SAED-----			x-----	PRIVATE-----		X
Socio-econ study			x---IA-----				X
Feasibility study			xIA/SAED----				X
Demo. farm operations			x---IA---x---SAED-----				
Demo. farm commodities			x---IA---x				
Training	x-----x						
Commodities vehicles	x--x		x--x		x--x		x-x
household			x--x				
office			x--x	x--x			
puaps/access.	x---x	x--x		x---x			x--x
Evaluations					X		X
Audits					X	X	X

3/3/89-ghh

ANNEX 4

ABBREVIATED PROCUREMENT PLAN- FUTURE PURCHASES BY USAID/SMO*

I. COMMODITIES

<u>Description</u>	<u>Quantity</u>	<u>Appr. Price</u>	<u>Source/Origin</u>	<u>Delivery Date</u>
	<u>\$</u>			
- Vehicles + insurance + spare parts	4	140,000	935	Starting June 89
- Pumps + accessories	10	220,000	000	Starting June 89
Total	-	360,000	-	-

II. AUTHORIZED DOCUMENTS

Use of P10/Cs

III. WAIVERS

No new waivers are anticipated. However, should the need arise, implementing staff in USAID, SAED and HARZA will ensure that procurement regulations under the Sahel Development Program (SDP) and the Development Fund For Africa (DFA) are strictly followed.

* Note:

- (1) Previous purchases by USAID included 8 vehicles; 18 pumps and household furniture for a total of \$751,000.
- (2) Purchases by HARZA include farm supplies and equipment for farm demonstration; training material; office supplies and equipment. HARZA will submit a procurement plan for future purchases, for review and approval by USAID and SAED.

Title: Initial Environmental Examination or Categorical Exclusion, Amendment One.

Project Country: Senegal
Project Title: Irrigation and Water Management I (685-0280)
Funding: FY (s) 85-92: Dols 9.5 Million.
Environment Analysis Prepared by: Gilbert Haycock, IWME, USAID/Senegal
Environmental Action Recommended: Categorical Exclusion (Additional Activities Only)

Project Description: The Irrigation and Water Management I Project supports accelerated development of the village or community irrigation system. Initial introduction of village irrigation systems demonstrated technical and economic benefits for irrigated agriculture with rice yields of more than 4.5 tons per hectare - the highest productivity for the Senegal River Valley . Recent policy changes, price increases and proposed system improvements offer potential for additional significant improvements in the irrigation system. The project will develop about 50 percent of the irrigation potential in the zone and refine the performance characteristics of a prototype for extensive application in other zones of the River Valley.

The project will provide for development and improvement of approximately 1,200 hectares of village irrigated lands. Technical Assistance and participant training will improve the capacity of the regional development agency and the private sector in techniques of planning, design, construction and operation of village irrigation systems. In addition the project will assist in land tenure, water run-off management, soil erosion, market roads and socio-economic studies, limited agriculture infrastructure studies and selected monitoring as basic analytical work for improving the understanding of the potentials for irrigation expansion in the Senegal River Valley.

The goal of the project is to increase food production, employment and income in the Senegal River Valley.

The project purpose is to expand and improve village irrigation systems in Bakel and farmer and rural enterprise participation in irrigated agriculture as a prototype for replication throughout the River Basin and to strengthen the capacity of SAED in development planning and in administration, supervision and evaluation of private contracting.

An Initial Environmental Examination was prepared and approved in connection with the approval of the project. This Amendment relates to the additional activities to be financed under the project.

The Project Paper Supplement proposes an increase in the life-of-project funding in the amount of Dols. 500,000 and an extension of the PACD from September 30, 1990 to September 30, 1992. The activities originally authorized, and as examined in the IEE will continue, except that three studies will be added. These studies relate to (1) water run-off management, (2) soil erosion, and (3) market roads.

A Categorical Exclusion for the additional activities and this Amendment is recommended on the following basis:

A.I.D. Regulation 16, Section 216(2)(c)(2)(iii) which excludes programs of analyses, studies or workshops.

Concurrence: AFR/BEO Ref State 104114

Clearance: RLA, E.A. Dragon.

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