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**AFRICAN DEVELOPMENT
BANK GROUP**

**WATER RESOURCES MOBILIZATION AND
DEVELOPMENT PROJECT (PROMOVARE)**

COUNTRY: REPUBLIC OF NIGER

PROJECT APPRAISAL REPORT

June 2012

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Currency Equivalents

(February 2012)

UA 1 = USD 1.55108 = CFAF 772.193 = EUR 1.55108

USD 1 = CFAF 497.8421

EUR 1 = CFAF 655.957

Fiscal Year

1 January – 31 December

Weights and Measures

1 metric tonne	=	2204 pounds
1 kilogram (kg)	=	2.20 pounds
1 metre (m)	=	3.28 feet
1 millimetre (mm)	=	0.03937 inch
1 kilometre (km)	=	0.62 mile
1 hectare (ha)	=	2.471 acres

Acronyms and Abbreviations

BEEEI	:	Environmental Impact Assessment Bureau
CAPCR	:	Community Action Programme for Climate Resilience
CIF	:	Climate Investment Fund
COFOB	:	Grassroots Land Commission
DEP	:	Directorate of Studies and Planning
DGR	:	General Directorate of Rural Engineering
DRA	:	Regional Department of Agriculture
ERR	:	Economic Rate of Return
ESMP	:	Environmental and Social Management Plan
HCME	:	High Commission for the Modernization of the State
INRAN	:	Niger National Institute of Agricultural Research
MAG	:	Ministry of Agriculture
NPV	:	Net Present Value
PADAZ	:	Zinder Agricultural Development Support Project
PADL	:	Community Development Support Project
PANA	:	National Action Plan for Adaptation to Climate Change
PCU	:	Project Coordination Unit
PDIPC	:	Climate Information Development and Forecasting Project
PMET	:	Tahoua Water Mobilization Project
PMERSA-MTZ	:	Maradi, Tahoua and Zinder Water Mobilization Project for Enhancement of Food Security
PPCR	:	Pilot Programme for Climate Resilience
PP	:	Procurement Plan
PSRC	:	Strategic Programme for Climate Resilience
PVDT	:	Dosso and Tillabery Water Mobilization Project
RDS	:	Rural Development Strategy
SCF	:	Strategic Climate Fund
SDRP	:	Accelerated Development and Poverty Reduction Strategy
SN/PACVC	:	National Climate Change Strategy and Action Plan
SWC/SPR	:	Soil and Water Conservation/Soil Protection and Restoration
TFPs	:	Technical and Financial Partners
TWG	:	Thematic Working Group
UA	:	Unit of Account

Project Information Sheet

Client Information Sheet

BORROWER/DONEE: Republic of Niger

EXECUTING AGENCY: Ministry of Agriculture (MAG)

Financing Plan

Source of Financing	Amount (USD Million)	Instrument
PPCR	12.5	Loan
PPCR	9.5	Grant
Government	1.4	
TOTAL COST	23.4	

AfDB Key Financing Information

Loan Currency USD

Interest Type	Fixed base rate
Service Charge	0.10%
Other Charges*	NA
Tenor	40 years
Grace Period	10 years
NPV (baseline scenario)	CFAF 2.299 billion
ERR (baseline scenario)	14.3%

Duration – Main Milestones (Expected)

Concept Note Approval	:	September 2011
Project Approval	:	April 2012
Signature	:	May 2012
Effectiveness	:	June 2012
Completion	:	June 2017
Last Disbursement	:	December 2017
Closing Date	:	June 2018

EXECUTIVE SUMMARY

1. Project Overview

1.1 Niger has been accepted as beneficiary of a Pilot Programme for Climate Resilience (PPCR) - the first under the Strategic Climate Fund (SCF), which is one of the Climate Investment Funds designed to promote low carbon density development. Niger has prepared a Strategic Programme for Climate Resilience (PSRC) with the support of the Bank, the World Bank and the International Finance Corporation. The programme was approved by the PPCR Sub-committee in November 2010 and will be implemented through four priority projects, namely the Climate Information Development and Forecasting Project (PDIPC), the Water Resources Mobilization and Development Project (PROMOVARE), the Community Action Programme for Climate Resilience (CAPCR) implemented by the World Bank and a Private Sector Development Project that will be implemented by the International Finance Corporation (IFC). PROMOVARE will cover ten (10) districts (“communes”) in four of Niger’s regions (Agadez, Dosso, Tillabéry and Tahoua). The main expected outputs of the project are: (i) construction and rehabilitation of mini-dams, broad irrigation sills and irrigated areas for the development of a surface area of 1023 ha; (ii) protection of watersheds; (iii) construction of inoculation centres, pastoral areas and watering corridors; (iv) construction of socio-economic facilities; and (v) building the capacity of producers to enable them to adopt resilient techniques and practices. The project cost is UA 15.356 million, to be provided by the PPCR and the Government. It will be implemented over a five-year period (2013 to 2017).

1.2 The overall objective of Niger’s PSRC is to improve the resilience of the population and farming systems to climate variability and change. The project’s sector objective is to improve the resilience of the population in communities targeted by water control for agro-pastoral activities. The beneficiary districts and population will be the project owners because they will initiate all sub-projects that will be funded by the project. Project activities will directly benefit the population of the ten districts estimated at 708 600, of which nearly 50.6% are women. The main beneficiaries will be farmers’ associations, local communities, technical services, NGOs and SMEs. Local operators will benefit from basic infrastructure and the revival of economic activities.

2. Needs Assessment

Over the past forty years, Niger has experienced seven episodes of drought with dramatic consequences on agro-pastoral production, food security and socio-economic life. Average annual food production satisfies about 85% of domestic needs in a year of normal rainfall. Without sustained measures to adapt to climate change, rural dwellers - who depend on rain-fed farming - will continue to be weakened and will have no other option than abandon sensitive areas. The divisions (“*départements*”) to benefit from the project were selected based on the following criteria: (i) vulnerability in terms food security; (ii) absence of other stakeholders in the domain in the area; and (iii) existing potential with respect to surface water mobilization and irrigable land. In light of these criteria, the identified project area includes nine of the most vulnerable divisions in Niger: Oullam and Filingué in Tillabéry Region, Loga and Nord (North) Doutchi in Dosso Region, Ouest (West) Illéla, Nord Tahoua, Sud (South) Tchin-Tabaraden and Sud (South) Abalak in Tahoua Region, and Tchirozerine in Agadez Region. For greater project impact, a decision was taken to focus activities in ten districts (“communes”), namely: Abalak, Afala, Agadez, Baleyara, Illéla, Kaou, Loga, Ouallam, Soukougoutan and Tabelot.

3. Value Added for the Bank

Based on the first pillar of its assistance strategy in Niger and as the project implementation supervision entity, the Bank will pursue and intensify its support to Niger in an area where it has demonstrated its expertise for many years. The project is in keeping with the Bank's strategy in the agricultural sector for the 2012- 2014 period. The Bank has already operated in three of the four regions covered by PROMOVARE (Dosso, Tahoua and Tillabéry) through the PMET, the PVDT and the Kandadji Programme. The on-going PMERSA-MTZ project covers Tahoua Region but will not be implemented in the divisions covered by PROMOVARE. All these operations have helped to develop proven expertise in surface water mobilization to the satisfaction of the affected population. This development approach has raised great expectations in these arid regions.

4. Knowledge Management

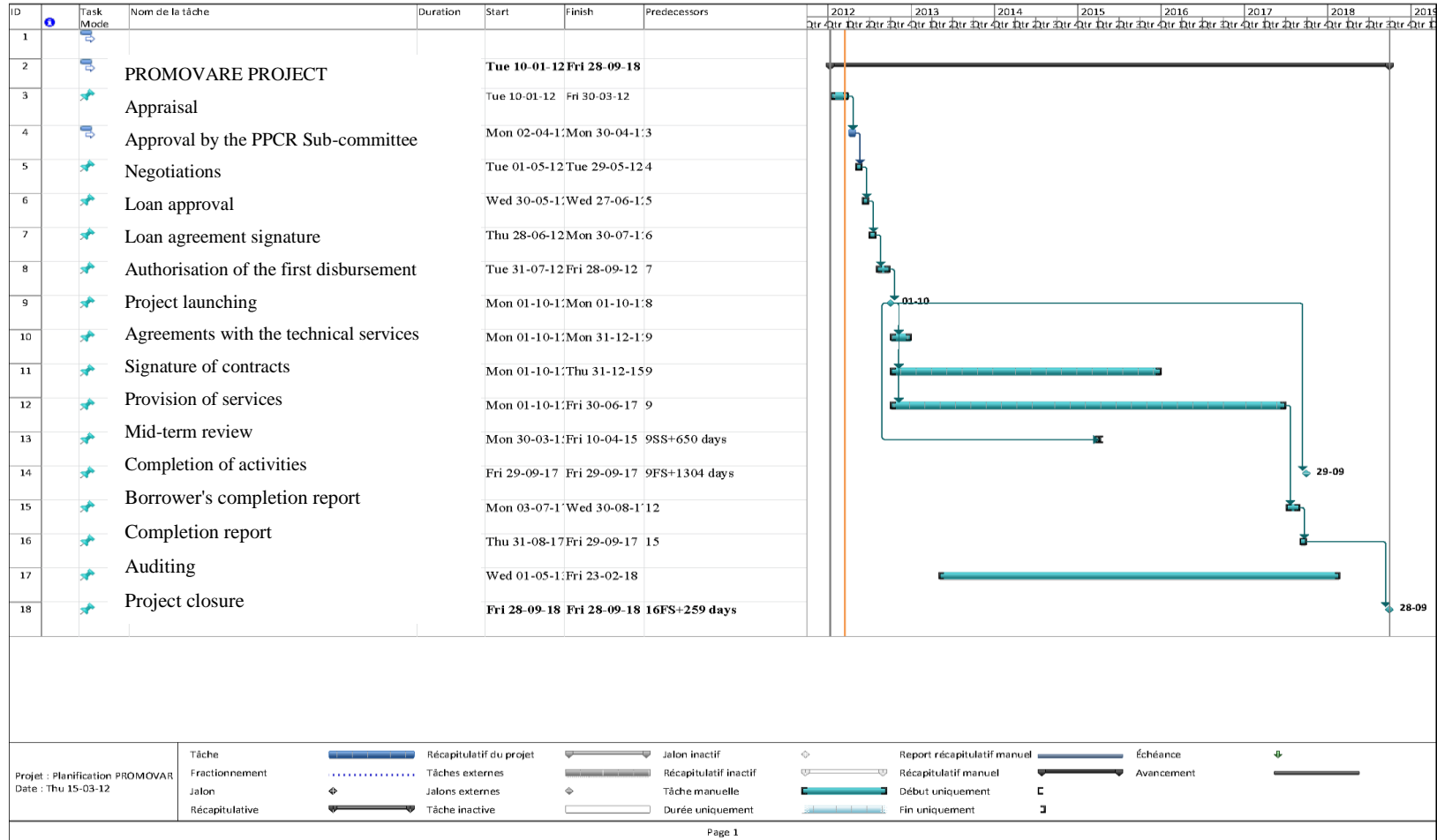
The purpose of the PPCR is to steer and demonstrate methods of mainstreaming climate risk into development programme and project planning. PROMOVARE will help to acquire more information on the effectiveness of methods of adapting to climate change in order to combat food insecurity, and especially intensify irrigation by harnessing surface water resources. The beneficiary population will build knowledge in terms of adapting to climate change through sustainable water resources management, utilization of farming methods and resilient seeds, and incorporation of climate information for improved management of agro-pastoral activities. Lessons learned will be disseminated through periodic meetings of pilot countries and built upon for the replication of the PSRC intervention strategy in the sub-region and elsewhere in the world. PSRC knowledge management is under the CAPCR strategic coordination sub-component. PSRC will help to acquire better knowledge of the close links between development and adaptation to climate change.

RESULTS-BASED LOGICAL FRAMEWORK

COUNTRY AND PROJECT NAME : Water Resources Mobilization and Development Project (PROMOVARE)						
PROJECT GOAL :To enhance the resilience of the population to climate variability and change through water control						
OUTPUTS CHAIN		PERFORMANCE INDICATORS			MEANS OF VERIFICATION	RISKS AND MITIGATIVE MEASURES
		Indicator (including ISC)	Benchmark	Target		
IMPACT	Reduced incidence of rural poverty in the project zone	Incidence of rural poverty in the project zone	66%	52% in 2017	Poverty Profile Survey RDS reports and statistics	
	Increased Annual agricultural production in the project zone	Annual agricultural production	Rainy season :370 tonnes Off season: N/A	Rainy season :650t/year Irrigated season: Additional production of 2210 tonnes/yea in 2017	Reports and statistics of the Ministries of Agriculture and of Livestock	Risks: - Inadequate stakeholder synergy. - Insufficient rainfall - Low responsiveness to itineraries Mitigative Measures: - Programme promotion among stakeholders - Drilling of back-up boreholes - Agro-meteorological extension
OUTCOMES	Secured Animal herds by a resilient pastoral system in in the project zone	Animal herds secured by a resilient facility	N/A	Additional livestock protected: 500 Tropical Livestock Unit (TLU)/year in 2017	Production monitoring surveys Project monitoring and evaluation reports	
OUTPUTS	1. Water Resources Mobilization Water works Erosion control works Pastoral facilities Water resources monitoring	1.1 Number of mini-dams built 1.2 Number of sills constructed 1.3 Areas of degraded farmland restored 1.4 Length of banks protected 1.5 Number of protection sills constructed 1.6 Areas of tree plantations 1.7 Available resilient land area 1.8 Number of developed resilient pastoral perimeters 1.9 Number of inoculation centres developed 1.10 Length of livestock watering corridor developed 1.11 number of sites with an operational model for water resources management.		1.1. One mini-dam built for a total volume of 4.5 million m ³ of water mobilized ; 1.2 Ten sills constructed in 5 years 1.3 500 ha of water and land conservation works 1.4 10 km of banks protected with dry stones 1.5 10 protection gabion-sills constructed 1.6 1023 ha, of which 300 ha for flood recession cultivation 1.7 1000 ha of tree plantations, of which 500 ha in 2014 1.8 Two resilient pastoral areas of about 40 000 ha developed around two deep boreholes 1.9 10 inoculation centres 1.10 350 km of watering corridor developed 1.11 Water resources are managed with a model for the 10 sites of the project	Acceptance report Control firm report Bank supervision or mid-term review mission report Project monitoring report Coordination Unit Project progress report	Risks - Land problems at irrigation sites - Low capacity of local contractors and suppliers Mitigative Measures - Financing agreement based on a participatory site development plan - Adjust the works and goods batches to the capacity of local contractors and suppliers

Outputs	<p>2. Irrigation Development Irrigation schemes Market gardening wells Boreholes Californian network Drip irrigation Motor pumps Wire fence</p> <p>3. Support Measures Capacity building Feeder roads Socio-economic infrastructure Action research ESMP</p> <p>4. Project Management Project coordination and monitoring Procurement Project auditing Project monitoring and evaluation</p>	<p>1 Number of irrigation schemes put in place 2.2 Number of wells and boreholes built 2.3 Length of Californian network laid 2.4 Number of drip irrigation kits supplied 2.5 Number of motor pumps supplied 2.6 Length of protective wire fence laid 2.7 Number of producers with access to resilient climate lands</p> <p>3.1 Number of producers' organizations formed and trained 3.2 Number of producers trained in resilient practices and techniques 3.3 Percentage of producers that have adopted climate resilient practices and techniques 3.4 Length of feeder roads built 3.5 Number of socio-economic infrastructure constructed 3.6 Status of implementation of the ESMP</p> <p>4.1 Adherence to schedule and budget 4.2 Procurement in compliance with the Bank's rules 4.3 Satisfactory financial management 4.4 Synergy with the other PSRC projects</p>		<p>2.1 One 200 ha of irrigation scheme built downstream of the mini-dam 2.2 631 market gardening wells(half for women), 102 boreholes and 6 deep boreholes rehabilitated or built 2.3 82 600 linear metres of Californian network laid 2.4 190 drip irrigation kits put at the disposal of producers 2.5 510 motor pumps and 3 electric pumps supplied to producers 2.6 16 500 linear metres of protective wire fence laid 2.7 4100 producers have access to resilient irrigation 1/3 of them women</p> <p>3.1 11 site management committees and 16 producer groups (half of their members are women) are formed and functional 3.2 In 2014, 4100 producers 1/2 of them women, benefit from agricultural extension 3.3 50% in 2014 and 100% in 2017 3.4 54 km of feeder roads are built or rehabilitated 3.5 10 cereal banks, 19 input shops and 3 stores are built and functional 3.6 ESMP implemented to the Bank's satisfaction</p> <p>4.1 Project activities are implemented within the 5-year period 4.2 Procurement plan complied with without complaints 4.3 Annual audit reports deemed satisfactory 4.4 Project outputs consistent with PSRC objectives</p>	<p>Acceptance report Control firm report Bank supervision or mid-term review mission reports Project monitoring report Implementation Unit Project progress report</p>	
	<p>Component 1: Water Resources Mobilization Component 2: Development of Small –scale Irrigation Component 3: Support Measures Component 4: Project Management</p>	<p>Component Costs: <i>Component 1: UA 5.424 million</i> <i>Component 2: UA 5.371 million</i> <i>Component 3: UA 2.464 million</i> <i>Component 4: UA 2.095 million</i></p>	<p>Sources of Financing: PPCR loan: UA 8.059 million PPCR grant: UA 6.125 million Government + beneficiaries: UA 1.172 million TOTAL: UA 15.356 million</p>			

PROJECT IMPLEMENTATION SCHEDULE



REPUBLIC OF NIGER
APPRAISAL REPORT
WATER RESOURCES MOBILIZATION AND
DEVELOPMENT PROJECT (PROMOVARE)

Management hereby submits this report and recommendation concerning a proposal to **grant a UA 8.059 million PPCR loan and award a UA 6.125 million PPCR grant to the Republic of Niger** as contribution to finance the Water Resources Mobilization and Development Project (PROMOVARE) to enhance the population's resilience to climate change.

I. STRATEGIC THRUST AND RATIONALE

1.1. Project Linkages with Country Strategy and Objectives, and PPCR Criteria

1.1.1 The project's general framework plugs into the Pilot Programme for Climate Resilience (PPCR), which seeks to assist the Government of Niger in developing a coherent series of initiatives to mainstream climate resilience into the country's socio-economic development strategies. It is also consistent with Niger's Accelerated Development and Poverty Reduction Strategy (SDRP) for the 2008-2012 period (Thrusts 1, 2 and 5). It is in keeping with Niger's Rural Development Strategy (RDS), the National Irrigation Development and Surface Water Collection Strategy, and the National Climate Change Strategy and Action Plan (SN/PACVC) adopted in 2003. The diversification and intensification of irrigated crops is one of the priority measures for adaptation to the adverse effects of climate change identified by the National Action Programme for Adaptation to Climate Variability and Change (PANA) adopted in 2006.

1.1.2 PROMOVARE is one of the four priority projects of the Strategic Programme for Climate Resilience (PSRC) prepared by Niger with the assistance of MDBs (World Bank, AfDB and IFC) and approved by the PPCR Sub-committee in November 2010. The PSRC, which is designed for a five-year period, comprises three pillars (Annex B1), each with its own activities that are complementary for achieving the programme objectives. Within the framework of the first pillar, the PDIPC will cover climate information development and forecasting that will be used to improve the performance of other projects. The PROMOVARE investment project will implement integrated water resources management activity under the second pillar. The World Bank's CAPCR will cover activities under the first pillar (climate and environmental resilience tools, communication and capacity building), activities under the second pillar (sustainable soil management and social safety net) and activities under the third pillar (strategic programme coordination and knowledge management). The IFC project will implement activities complementary to the other three projects (development of a climate information platform, identification and promotion of resilient irrigation techniques, insurance and mutual aid) in collaboration with the private sector.

1.1.3 In the same way that the PPCR projects preparation process has involved the ongoing and planned climate change related actions in Niger, the implementation of these projects will ensure the capitalization and the amplification of past and current best practices, synergy and complementarity between stakeholders involvement on the ground. The PDIPC project plans

for the dissemination of climate information to some 150,000 producers throughout the 266 rural municipalities of Niger using the extension network in all the provinces in Niger. Moreover, the PDIPC will also fund agro-meteorological information support to 1,500 producers (including women) at the PROMOVARE irrigation sites. The PDIPC will also train the extension agents at the PROMOVARE irrigation sites. All climate information developed by the PDIPC will be part of the extension packages to be used at the PROMOVARE irrigation sites. PROMOVARE is the irrigation investment project from the forth projects of the Niger SPCR. The three others are focused on the development of information, technologies and approaches to address the climate change issues. These tools will be tested and capitalized by PROMOVARE to promote adapted irrigation development.

1.2. Rationale for Bank's Involvement

1.2.1 PROMOVARE is in line with the two strategic pillars contained in the Results-Based Country Strategy Paper (RBCSP) 2010-2012, namely: (i) rural development through water resources mobilization; and (ii) infrastructure development, including social infrastructure. The project is in keeping with the Bank's Medium-Term Strategy (2008-2012) as well as its 2012-2014 Agricultural Sector Strategy geared towards improving rural infrastructure and sustainably extending areas developed to enhance the resilience of the natural resources base. The project is also consistent with the Bank's Climate Risk Management and Adaptation Strategy.

1.2.2 The Bank has funded many projects in recent years in the agricultural sector and particularly in the area of water resources mobilization, notably the Kandadji Programme, PMET in Tahoua, PADAZ in Zinder, PVDT in Dosso and Tillabéry, and PADL in Diffa and PMERSA-MTZ. The on-going PMERSA-MTZ project covers Tahoua Region, excluding the divisions covered by PROMOVARE. These operations have helped to develop proven expertise in surface water mobilization and have raised great expectations among the population regarding this development approach. The Government of Niger has chosen the Bank as Project Supervision Entity under the PPCR.

1.3. Donor Coordination

1.3.1 The principles underlying the Paris Declaration govern the partnership between donors and the Government of Niger. Aid coordination is based on the Poverty Reduction Strategy Paper (PRSP), which serves as a framework for the current and future operations of technical and financial partners. Aid is coordinated by the following bodies: the National Steering Committee, the Central Government/TFP Committee, the National Consultative and Dialogue Committee, sector entities and the Permanent Secretariat. A committee of partners, that Bank joined in May 2012, coordinates the development of the sector for several years. The table below summarizes information on the agricultural sector.

Sector or Sub-sector*	GDP in 2011	Share of Exports in 2011	Workforce
	Agricultural sector	54.1%	18.8%
Stakeholders: State- Donors (ODA) in CFAF million			
Government: annual public expenditure (average 2010-2011)	Donors: ODA disbursements for the 2010-2011 period 195 433		
67 215	Budget support	Non-budget support	
	Bilateral partners = 44 882 ADF = 16 972 IDA = 33 980 EDF = 15 536 WADB = 11 541 IsDB = 11 242 Others = 43 050 Sub – total = 161 930	Bilateral partners = 10 127 ADF = 302 IDA = 13 578 EDF = 4 534 WADB = 151 IsDB = 3 603 Sub – total 33 503	
Level of Aid Coordination			
Existence of Thematic Working Groups (TWG)	Yes		
Existence of an overall sector programme	No		
AfDB's role in aid coordination	TWG member		

II. PROJECT DESCRIPTION

2.1. Project Components

Table II-1: Project Components

	Component Name	Estimated Cost (UA million)	Component Description
1	Water Resources Mobilization	5.424	<p><u>Construction of water works</u>: construction of one (1) mini – dam and nine (9) broad irrigation sills.</p> <p><u>Watershed treatment</u>: construction of 500 ha of erosion control works, protection of 10 km of banks with dry stones, construction of 11 protection gabion-sills and 100 ha of tree plantations.</p> <p><u>Pastoral facilities</u>: development of 2 pastoral areas for 5000 Tropical Livestock Units (TLU), 10 inoculation centres, 9 pastoral wells and 350 km of watering corridor.</p> <p><u>Water resources monitoring</u>: installation of 9 piezometers, 3 water-level recorders, water resources modelling of the irrigation sites.</p>
2	Irrigation Development	5.371	<p><u>Irrigation scheme</u>: building of 200 ha of full water control irrigation scheme downstream of the mini-dam and 300 ha of flood recession cultivation.</p> <p><u>Small- scale irrigation support</u>: development and equipping of 523 ha of irrigated areas by rehabilitating/shaft sinking 631 market gardening wells and rehabilitating / drilling 102 boreholes, laying 82 600 linear metres of Californian network, supplying 190 drip irrigation kits, 510 motor pumps and 3 electric pumps, and laying 16 500 linear metres of wire fence.</p>
3	Support Measures	2.464	<p><u>Community capacity building</u>: formation of 11 facility management committees and 16 producer groups, and supervision of 4 100 producers in using resilient techniques and improved seeds for water resources and soils management.</p> <p><u>Building of access and storage infrastructure</u>: construction / rehabilitation of 54 km of rural roads, construction of 10 cereal banks, 19 agricultural and livestock input shops and 3 warehouses</p> <p><u>Support for applied research</u>: study and monitoring of the silting and sloughing of dams and retaining reservoirs, setting of standardized resilience norms for harnessing works and irrigation canals, research on agricultural product storage and preservation conditions and units as well as distribution of improved seeds.</p> <p><u>Environmental measures</u>: stakeholder capacity building, implementation of mitigative measures, environmental monitoring and follow- up.</p>
4	Project Management	2.096	<ul style="list-style-type: none"> ▪ Planning of project activities ▪ Coordination and monitoring of activities ▪ Procurement of goods, services and works ▪ Financial management ▪ Project monitoring and evaluation ▪ Annual auditing and final project evaluation

2.2. Technical Solutions Adopted and Alternatives Explored

2.1.1 Principally, the constraints of the agricultural sector arise from the fact that Niger is a Sahelian country, with more than 75% of its territory desert. Apart from its heavy dependence on the vagaries of the weather, the development of the rural sector is hampered by the following major constraints: (i) low level of literacy, expertise and organization of farmers; (ii) inadequate supervision of producers and limited access to training, diversification, inputs

and credit; (iii) lack of produce storage and evacuation capacity; and (iv) inadequate integration of agricultural and livestock production. The agricultural sector is one of the most vulnerable to climate change so much so that in future it would be difficult for agricultural production to ensure food security, considering the visible gap between the food needs of a rapidly growing population and expected agricultural production (PANA, 2006). Therefore, it is necessary to make sustained, massive, concerted and effective efforts to enhance the country's climate resilience.

Table II-2: Alternatives Explored and Reasons for Rejection

Alternative	Brief Description	Reason for Rejection
Large-scale irrigation downstream of dams	Development of large areas downstream of dams	Solution not adapted to the financial and managerial capacity of beneficiaries
Deep boreholes	Irrigation of areas using deep boreholes	Very high construction and maintenance costs

2.1.2 The project activities will integrate the climate change based on the producer practices transformation that will be induced by the using of some innovative approaches that will include planning of irrigation activities based on the sites vulnerability analyses, the promotion of a sustainable water resources and soils management and the adoption of resilient techniques, technologies and improved seeds.

2.3. Project Type

PROMOVARE will be financed by the Pilot Programme for Climate Resilience (PPCR). It is an investment project for adaptation to climate change by mobilizing water resources and promoting transformational change through the adoption of resilient techniques and practices in managing agro-pastoral activities. The country has opted to use the loan and grant resources to finance all priority activities identified by the PSRC.

2.4. Project Cost and Financing Arrangements

2.4.1 The total cost of PROMOVARE, including physical contingencies and price escalation, net of taxes and customs duties, is estimated at USD 23.4 million, i.e. approximately CFAF 11.671 billion, of which 69% in foreign exchange (F.E.) and 31% in local currency (L.C.). The summary of the estimated project cost, by component and expenditure category, is presented in the tables below.

2.4.2 The project will be financed jointly by the PPCR (Grant and Loan) and the Government of Niger. The PPCR loan is USD 12.5 million and the grant is USD 9.5 million, representing a total of 94.1% of the overall project cost, net of taxes. The Government will contribute CFAF 686 096 000 or 5.9% of the total cost.

Table II-3: Estimated Project Cost by Component

Component	Cost (CFAF '000)			Cost (USD '000)			% F.E.	% Base Cost
	L.C.	F.E.	Total	L.C.	F.E.	Total		
Water Resources Mobilization	1 001 468.16	2 784 144.47	3 785 612.63	2 011.62	5 592.42	7 604.04	74	37
Development of Small-scale Irrigation	869 834.40	2 609 503.19	3 479 337.58	1 747.21	5 241.63	6 988.84	75	34
Support Measures	498 540.00	1 167 360.00	1 665 900.00	1 001.40	2 344.84	3 346.24	70	16

Project Management	779 777.50	419 897.50	1 199 675.00	1 566.31	843.44	2 409.75	35	12
Base cost	3 149 620.05	6 980 905.16	10 130 525.21	6 326.54	14 022.33	20 348.87	69	100
Physical contingencies	191 016.25	513 553.40	704 569.64	383.69	1 031.56	1 415.25	73	7
Price escalation	246 072.39	590 322.35	836 394.74	494.28	1 185.76	1 680.04	71	8
Total cost	3 586 708.69	8 084 780.91	11 671 489.60	7 204.51	16 239.65	23 444.16	69	115

Table II-4: Project Cost by Expenditure Category

Expenditure Category	Cost (CFAF '000)			Cost (USD '000)			% F.E.	% Base Cost
	L.C.	F.E.	Total	L.C.	F.E.	Total		
Works	1 894 812.55	5 684 437.66	7 579 250.21	3 806.05	11 418.15	15 224.20	75	75
Goods	102 485.00	358 815.00	461 300.00	205.86	720.74	926.60	78	5
Services	450 070.00	785 730.00	1 235 800.00	904.04	1 578.27	2 482.31	64	12
Operation	702 252.50	151 922.50	854 175.00	1 410.59	305.16	1 715.75	18	8
Total base cost	3 149 620.05	6 980 905.16	10 130 525.21	6 326.54	14 022.33	20 348.87	69	100
Physical contingencies	191 016.25	513 553.40	704 569.64	383.69	1 031.56	1 415.25	73	7
Price escalation	246 072.39	590 322.35	836 394.74	494.28	1 185.76	1 680.04	71	8
Total cost	3 586 708.69	8 084 780.91	11 671 489.60	7 204.51	16 239.65	23 444.16	69	115

Table II-5: Sources of Financing

Sources of Financing	Cost (CFAF '000)			Cost (USD '000)			%
	F.E.	L.C.	Total	F.E.	L.C.	Total	
Loan	4 741 406.01	1 492 697.66	6 234 103.67	9 523.91	2 998.34	12 522.25	53.4
Grant	3 172 397.84	1 578 891.28	4 751 289.11	6 372.30	3 171.47	9 543.77	40.7
Govt.	170 977.06	515 119.76	686 096.81	343.44	1 034.70	1 378.14	5.9
TOTAL	8 084 780.91	3 586 708.69	11 671 489.60	16 239.65	7 204.51	23 444.16	100.0

Table II-6: Resources Utilization by Expenditure Category (USD Thousand)

Expenditure Category	PPCR Loan	PPCR Grant	Government
Works	12 259.82	4 717.27	839.75
Goods	-	997.89	-
Services	262.43	2 276.11	211.33
Staffing	-	694.20	24.10
Operation	-	858.29	302.95
Total	12 522.25	9 543.77	1 378.14

2.5. Project Target Area and Beneficiaries

2.5.1 The project target area concerns 10 irrigation sites in 10 districts (“communes”) within nine divisions (“départements”) in Agadez, Dosso, Tahoua and Tillabery Regions. The project will directly affect 4100 producers (25 000 people) and indirectly a population estimated at 708 600, of which 50.6% are women. The direct beneficiaries targeted by the project are smallholders and the women vulnerable to the effects of climate change; farmers’ cooperatives; private irrigation network maintenance workers; and women traders involved in the collection of agricultural products and the warranty system.

2.6. Participatory Approach for Project Identification, Design and Implementation

The project was identified during the preparation of the Strategic Programme for Climate Resilience (PSRC) in Niger, of which PROMOVARE is one of the four identified projects. The April 2011 preparation mission met with the key players concerned, in particular the representatives of the PSRC Steering Committee; the Ministry of Agriculture and Livestock and the Ministry of Water Resources; research institutions; civil society and private sector organizations; on-going projects with activities related to sustainable land management; umbrella entities of farmers’ organizations operating in the water control sector; and technical and financial partners. All actions planned under each component include an implementation

mechanism based on the participation, involvement and empowerment of target groups (vulnerable producers), to enable them to assume ownership of the facilities built and ensure their maintenance and the recovery of recurrent costs. The municipal councils and communities concerned will be the owners of project activities, with the technical support of the Project Coordination Unit (PCU) and technical services.

2.7. Bank Group Experience and Lessons Reflected in Project Design

The Bank's portfolio comprises 17 on-going operations for a total UA 221.137 million, with a disbursement rate of about 42.1%. Three projects (17.6% of the portfolio) are potentially problematic (see details in Appendix II). The on-going portfolio in the agricultural sector comprises 4 projects (PMERSA-MTZ, PVDT, Kandadji and PADL-Diffa), one of which is potentially problematic. Within the framework of the ClimDev/AfDB Programme, the Bank is also financing a project aimed at building the capacity of African institutions in climate modelling and forecasting. Two projects were completed in the sector in 2010 (PLCE and PADAZ) and the performance of three projects was evaluated (see Annex B2). The lessons learned from Bank-funded projects are: (i) prioritize projects with simple design and focused on priority actions for poverty reduction and food security; (ii) target relatively limited areas to better mainstream the on-going decentralization process; (iii) consider the integration of agriculture and livestock production; (iv) include infrastructure development in project implementation; and (v) support building the capacity of project beneficiaries.

2.8. Key Performance Indicators

The selected key project performance indicators are: (i) additional agricultural production; (ii) livestock protected by sustainable grazing; (iii) the number of producers with access to a resilient production system; (iv) areas equipped with a resilient irrigation system; (v) level of functionality of site management committees and producer groups; (vi) rate of use of resilient seeds and techniques by producers; (vii) rate of access by women to project benefits; (viii) rate of ESMP implementation; and (ix) number of gender-disaggregated jobs created.

III. PROJECT FEASIBILITY

3.1 Economic and Financial Performance

3.1.1 The additional value added induced by the project will be CFAF 2 298.8 million at full development, resulting from additional income generated by the beneficiaries. The internal economic rate of return (ERR) is estimated at 14.3%, based on a cash flow established over a 25-year duration. The ERR was calculated on the basis of accumulated additional net income from the exploitation of 1023 ha developed¹, minus the project cost and accumulated recurrent costs of managing, maintaining and operating the facilities over the financial flow calculation period. The sensitivity tests conducted on the bases shown in the table below put the ERR at 12.6%, 12.8% and 11.1%, respectively. Details of the economic and financial analysis are given in the technical annex.

¹ Including 200 ha of irrigation scheme downstream of the Anekar dam, 300 ha of flood recession cultivation upstream of the same dam and 523 ha of irrigated areas.

	Baseline cash flow	Sensitivity at 10% reduction in income	Sensitivity at 10% increase in costs	Sensitivity at 10% reduction in income and 10% increase in costs
ERR	14.3%	12.6%	12.8%	11.1%

3.2 *Environmental and Social Impact*

Environment

3.2.1 PROMOVARE was classified under Environmental Category 2 in March 2011. An Environmental and Social Management Plan (ESMP) was prepared in November 2011 to meet the environmental requirements of Niger and the Bank as well as comply with the recommendation of the PSRC Strategic Environmental Assessment.

3.2.2 The main positive environmental impacts are recharge of water tables by sills, improvement of the vegetation cover of treated watersheds, soil stabilization, and increase in primary production and biodiversity. The main negative environmental impacts are loss of crops in the reservoir flood area, risk of flooding in the event of breakage of dam dykes, risk of water and soil contamination by pesticides and risk of overexploitation of water tables for small-scale irrigation. The implementation of mitigative measures proposed in the ESMP will ensure better integration of the project into its environment. The measures include compensation for crop losses, popularization of good practices in the use of agrochemical products, promotion of sustainable resource management and planting of trees along roads to be rehabilitated. ESMP implementation is estimated to cost CFAF 250 000 000 (see details in Annex B9).

Climate Change

3.2.3 PROMOVARE seeks to enhance the population's capacity to adapt to climate change through actions such as the mobilization of water resources for irrigation and the popularization of resilient seeds and improved irrigation techniques. The project is in keeping with the priority thrusts of Niger's PANA (2006) and the NAMA prepared with the Bank's support in October 2011. The planned reforestation activities will contribute to increasing carbon sequestration capacity, albeit locally. Carbon emissions from irrigation activities will be minimized by adopting eco-friendly farming techniques.

Gender Issues

3.2.4 Capacity building will be especially beneficial to women and youths as it will afford them an exceptional opportunity to participate in an activity in the same capacity as men and to strengthen their level of organization. Specific actions for women are market gardening wells (50%), developed land (33%), warehouses (33%), agricultural extension (50%), group supervision (50%), water and soil conservation works (50%) and tree planting (50%). Women's participation in facility management committees and producer cooperatives will enable them to manage CES/DRS soil improvement techniques, maintain rural infrastructure, acquire inputs and market products. Regarding land, the project will contribute to safeguarding women's rights over farmland by supporting the establishment of rural land management structures (COFOB).

Social Impact

3.2.5 The project will create about 5 000 direct and 25 000 indirect jobs. Climate adaptation and resilience enhancement actions directed at vulnerable target groups will have the following major positive social impacts: (i) reduction of rural depopulation and the ageing trend among farmers and pastoralists; (ii) reduction of the incidence of poverty; (iii) improvement of food and nutrition security; (iv) strengthening of the technological, organizational and managerial know-how among the poor and vulnerable; and (v) related improvement in the population's living conditions.

3.2.6 The project will generate a few negative social impacts notably the risk of spreading STIs/HIV during works, crop losses due to land flooding, spread of water-borne and respiratory diseases, risk of social conflicts related to access to developed parcels of land and risk of poisoning arising from the use agrochemical products. Mitigative measures provided in the ESMP include the signing of a financing agreement specifying the responsibilities of all stakeholders, the formation and training of site management committees, sensitization on communicable diseases, STIs/HIV and water-borne diseases, compensation for crop losses, training of phytosanitary managers and guards on the handling of pesticides, and planting of trees along rural roads crossing villages to protect against dust.

IV. PROJECT IMPLEMENTATION

4.1 Implementation Arrangements

4.1.1 **Implementation modalities:** to promote and strengthen the synergy of the two PPCR projects executed by the Bank (PDIPC and PROMOVARE), both will be supervised by a single Coordinator whose appointment shall be submitted to the Bank for approval. The Coordinator will manage the PROMOVARE and PDIPC Coordination Unit, under the supervision of the Director-General of Planning. The Project Coordinator shall put a fiduciary framework and an operational mechanism in place. S/he will be supported by two financial management and procurement experts, and will be responsible for project management, notably the procurement of goods and services, financial management and monitoring/evaluation, in collaboration with the monitoring/evaluation expert of the Strategic Coordination Unit.

4.1.2 The Ministry of Agriculture will appoint a technical team within the DGGR, comprising a team leader and two technical experts: a works officer and a development officer. Activities will be implemented by consulting firms, contractors, NGOs, communities and technical services, which will conclude partnership agreements with PROMOVARE. On the ground, the project will benefit from the support of technical staff of the decentralized services of the Ministry of Agriculture - four liaison officers in the regions (Tahoua, Agadez, Dosso and Tillabéry) and nine focal points in the divisions ("départements"). Regional and departmental technical services will be responsible for coaching and facilitating activities undertaken by producers, for supporting communities and rural municipalities for the development and monitoring of the sub – projects, and the monitoring/ evaluation of the project on the ground as well.

4.1.3 The National Orientation and Steering Committee to be set up to direct the entire Strategic Programme for Climate Resilience (PSRC) will serve as the Project Steering Committee. In the regions, this function will be entrusted to the PSRC Regional Orientation and Steering Committee. Project activities will be implemented within the framework of Communal Development Plans (PDC). Communities and rural municipalities, supported by

Government field technical services, will develop a site management plan following a participatory diagnosis and a site vulnerability analysis. The site management plan will identify structuring sub - projects driving by rural municipalities and sub - projects to support small-scale irrigation focal the producers. They then submit funding requests of the sub - projects to the project coordination unit. They will after sign financing agreements for the implementation. Infrastructure will be received and managed by communities and rural municipalities with the support of regional technical services.

4.1.4 Procurements: all goods, works and consultancy services financed with PPCR Fund resources will be procured in accordance with *Bank Rules of Procedure for the Procurement of Goods and Works* (May 2008 Edition) and *Rules of Procedure for the Use of Consultants* (May 2008 Edition), using standard Bank bidding documents (September 2010 version). The ex-post review procedure will be used for contract amounts estimated at under UA 20 000. Works will be procured through international competitive bidding for the mini-dam, local competitive bidding for sill works and prudent shopping for the rehabilitation of PCU premises and placing of boundary markers. Goods will be procured through local competitive bidding and prudent shopping. Procurement of consultancy services will be based on the Quality and Cost-Based Selection (QCBS) method, the Least Cost Selection (LCS) method, the Qualification-Based Selection (QBS) method and direct negotiation. Agreements will be signed with appropriate research entities or centres in Niger that are currently authorized to carry out specific activities for public sector projects. Protocols will be signed with village committees for activities to protect watersheds. The 18-month procurement plan prepared by the Donee is presented in Annex B7, Volume 2, of the report.

4.1.5 Financial Management and Disbursements: despite the reforms undertaken since 2005 to improve the public finance management system in Niger, assessments using the PEFA (2008) and PEMFAR II (2009) methodologies still reveal serious constraints in each of the three components of the national public finance management system, namely the budget execution system, the financial control system and the accounting system. In this regard, the most realistic solution was to set up a PROMOVARE and PDIPC Coordination Unit within the General Directorate of Planning (DGP) since the Unit had to be strengthened for project management and compliance with Bank rules of procedure. To ensure the efficient financial implementation of PROMOVARE and PDIPC, the Director-General of Planning will take a number of actions upon approval of project financing. These include : (i) the setting up of the Strategic Coordination Unit and appointment of its members; (ii) the establishment of the PDIPC and PROMOVARE Coordination Unit within the General Directorate of Planning and appointment of the Coordinator of the said Unit; (iii) the recruitment of the Financial Management and Procurement Experts, and the Accountant; (iv) the preparation of the Administrative, Financial and Accounting Procedures Manual; (v) the procurement and configuration of the (multi-project) accounting software and staff training; (vi) the recruitment of an external auditor; and (vii) the opening of a special account for grant resources in a commercial bank acceptable to the Bank. Detailed data on financial management and disbursement is provided in Annex B6.

4.1.6 Auditing: the annual auditing of financial statements will be carried out by an external auditing firm based on terms of reference approved by the Bank. Audit reports should be transmitted to the Bank no later than six months following the end of the financial year under review.

4.2 Project Monitoring

4.2.1 The project monitoring and evaluation machinery to be put in place comprises the PSRC Strategic Coordination Unit, the National Orientation and Steering Committee, the General Directorate of Rural Engineering, the Project Coordination Unit, the Regional Orientation and Steering Committee, regional directorates (water, environmental, agriculture, etc.), donors and beneficiaries. The Government and the Bank will ensure close monitoring throughout project implementation. Joint supervision, monitoring and mid-term review missions will be conducted by the Bank during the implementation phase. A project monitoring and evaluation manual will be prepared at project start-up identifying relevant monitoring indicators as well as monitoring procedures to be implemented. The project will provide for two types of monitoring: internal and external. Internal monitoring will be carried out by the Project Coordination Unit using trend charts prepared for the purpose. Quarterly and annual progress reports will be prepared.

4.2.2 In addition to the internal monitoring, it will also be conducted an external monitoring that will focus primarily on the effects and impacts of the project to achieve the goals SPCR of Niger and the identification of best practices. It should be noted that the whole knowledge management component of the SPCR is incorporated in component 3 of the [CAPCR], the project supervised by World Bank and will be implemented by the strategic coordination unit of the SPCR. Each project will produce a quarterly project monitoring report to be examined and valorized the strategic coordinating unit. It is also planned that the IFC project will establish a national climate information platform, which will provide the framework for identification and exchanges on best practices for extension. This platform will include technicians, producers, civil society, private sector, banks and insurance companies.

4.2.3 The project implementation schedule is shown in the table below.

Table IV-1: Project Implementation and Supervision Schedule

Activity	Responsible Body	Timeline
Approval by PPCR Sub-committee	PPCR/AfDB	April 2012
Negotiations	Government / AfDB	May 2012
Loan approval	PPCR	June 2012
Signature of loan agreement	AfDB / Government	July 2012
Authorization of 1st disbursement	AfDB	September 2012
Project launching	Executing Agency / AfDB	September 2012
Agreements with technical services	Executing Agency / Govt	December 2012
Signature of contracts	Government	February 2013 to end-2015
Service provision	Executing Agency / Govt	September 2017
Mid-term review	Government / AfDB	February 2015
Completion of activities	Government / AfDB	September 2017
Borrower's completion report	Government	June 2017
Completion report	AfDB	September 2017
Auditing	Executing Agency	Annually

4.3 Governance

In the rural sector, there is a Rural Code Secretariat at national and regional level, as well as divisional, municipal and local land commissions. Concerning public finance management, studies conducted in 2008 and 2009 show that despite some progress made in recent years, the public finance management system still suffers some weaknesses. To meet these challenges, the Government intends to implement a three-phase approach with the support of technical

and financial partners: (i) validation of the Public Expenditure Management and Financial Accountability Review; (ii) validation of the recommendations made; and (iii) preparation of a reform programme.

4.4 Project Sustainability

4.4.1 Project sustainability will depend on the strong involvement of national stakeholders (ministries, civil society, private sector and beneficiaries) at all phases of its design. Its implementation will require the participation of central and regional directorates, community organizations, beneficiaries, NGOs and the private sector. Each stakeholder will contribute through a participatory approach whereby all activities will be undertaken in close consultation with the beneficiaries. In this connection, capacity building through technical and managerial training, supervision of beneficiaries and structuring of producers' organizations will be carried out by PROMOVARE as well as the other two PPCR projects in Niger through technical services and specialized NGOs.

4.4.2 Overall, project sustainability will depend on the proper implementation of the sustainability measures put forward by the project: (i) the institutional machinery for support and follow-up of beneficiaries by technical services and NGOs; (ii) building the technical, organizational and managerial capacity of beneficiaries' organizations before and during the implementation of activities; (iii) training village development assistants to follow up the maintenance of facilities built; (iv) popularization of simple technologies; (v) dissemination of climate products and resilient seeds; and (vi) additional income from the use of facilities.

4.5 Risk Management

The achievement of expected project outputs could be jeopardized by the following potential risks:

- **Insufficient synergy between stakeholders:** a proper functionality of the institutional machinery for project implementation, notably the National Orientation and Steering Committee, should significantly mitigate this risk.
- **Insufficient water:** the drilling of back-up boreholes on irrigation sites will help to further secure water resources mobilization.
- **Low responsiveness of producers:** plans have been made to provide agrometeorological support to producers to accelerate the mainstreaming of climate change into agricultural activities.
- **Low capacity of local contractors:** the PCU should align the allotment of works with the execution capacity of local contractors.
- **Weak facility management and maintenance capacity:** the setting up of an irrigation sites management and maintenance committee is a condition precedent to financing.

4.6 Knowledge Building

PROMOVARE will help to acquire more information on the effectiveness of methods of adapting to climate change and particularly intensifying irrigation by mobilizing water resources. The beneficiary population will build climate change adaptation knowledge through sustainable water resources management, use of farming techniques and resilient seeds, and mainstreaming of climate information for improved management of agro-pastoral activities. The lessons learned will be disseminated through periodic meetings of pilot countries and capitalized on for the replication of the PSRC intervention strategy in the sub-region and elsewhere in the world. PSRC knowledge management is included in the CAPCR strategic coordination sub-component. The off-season crop development approach put forward by PROMOVARE, which has taken root in the communities, could, once mastered, easily be implemented on a larger scale within the framework of a more comprehensive programme to address the structural food production shortage in Niger.

V. LEGAL FRAMEWORK

5.1 *Legal Instrument*

The financial instruments that will be used under the project are a grant and a loan from PPCR resources of the Strategic Climate Fund (SCF). A Protocol Agreement and a Loan Agreement will be concluded between the African Development Bank, in its capacity as the Executing Agency of the SCF Trust Fund, and the Republic of Niger.

5.2 *Conditions Associated with Bank's Involvement*

5.2.1 Conditions Precedent to Grant and Loan Effectiveness: Entry into force of the Grant Protocol shall be subject to its signature by the Bank and the Republic of Niger, while the entry into force of the Loan Agreement shall be subject to fulfilment by the Republic of Niger of the conditions set out in Section 12.01 of the General Conditions Applicable to Loan Agreements and Guarantee Agreements of the Bank.

5.2.2 Conditions Precedent to First Disbursement: in addition to the effectiveness of the grant and the loan, the first disbursement shall be subject to fulfilment by Niger of the following conditions, to the full satisfaction of the Bank:

- (i) Provide to the Bank a copy of the signed Ministerial Order establishing the Programme Strategic Coordination Unit and the PROMOVARE Coordination Unit (paragraph 4.1.6).
- (ii) Provide the Bank with evidence of recruiting the procurement expert and the accountant, and of appointing the three experts of the project team (paragraph 4.1.6).
- (iii) Provide the Bank with evidence of opening a special account in the name of the project in a bank acceptable to the Fund, into which the grant resources for project management will be deposited (paragraph 4.1.6).

5.2.3 Other conditions: in addition, the Republic of Niger shall:

- (i) Forward to the Bank for approval, latest six (6) months following the first disbursement of grant and loan resources, the project administrative and financial implementation and management procedures manual (paragraph 4.1.6).
- (ii) Forward to the Bank for approval, latest six (6) months following the first disbursement of grant resources, the performance contract of the Project Coordination Unit (paragraph 4.1.6).
- (iii) Provide to the Bank, latest twelve (12) months following the first disbursement of grant and loan resources, evidence of payment of compensation by the Government to persons who lost their rain-fed crops during the first year of operation of the Anekar mini-dam. The compensation shall be paid before works start-up (paragraph 3.2.2).

5.2.4 **Undertaking:** the Republic of Niger shall undertake to implement the PROMOVARE Environmental and Social Management Plan (Annex B9).

5.3 *Compliance with Bank Policies and PPCR Criteria*

The project will be implemented within the framework of the Bank's intervention strategy in Niger defined in the 2010-2012 RBCSP, whose pillars are: (i) rural development through water resources mobilization; and (ii) infrastructure development, including social infrastructure. The project is also in keeping with the Bank's climate change adaptation and related risk management strategy as well as the criteria defined by the Pilot Programme for Climate Resilience (PPCR).

VI. RECOMMENDATION

Management hereby recommends that the Boards of Directors approve the proposal to award a USD 9.5 million grant and extend a USD 12.5 million loan to the Republic of Niger from the PPCR resources of the SCF, for the purposes and according to the conditions set forth in paragraph 5.2 of this report.

Appendix I

Niger's Comparative Socio-economic Indicators

Social Indicators	Niger		Africa	Developing Countries
	1990	2010		
Area (000Km ²)	1267		30323	80976
Total Population (millions)	7.9	15.9	1031.5	5658.7
Annual Population Growth (%)	3.1	3.9	2.3	1.3
Life Expectancy at Birth -Total (years)	41.6	52.5	56.0	67.1
Infant Mortality Rate (per 1000)	154.1	83.7	78.6	46.9
Physicians (per 100 000 people)	2.0	2.0	58.3	109.5
Births Attended by Trained Health Personnel (%)	...	32.9	50.2	64.1
Child Immunization Against Measles (% of children aged 12-23 months)	38.0	68.0	71.1	80.7
Gross Enrolment Ratio-Primary School (%)	29.0	66.6	102.7	107.2
Girls/Boys Ratio in Primary School (%)	56.4	81.8	91.7	96.2
Illiteracy Rate (% of Population >15 ans)	...	28.7	64.8	...
Access to Safe Water (% of Population)	41.0	48.0	64.5	80.3
Access to Health Services (% of Population)	3,0	9,0	41,0	53,6
Human Develop. Index(Rank amongst182 countries)	...	167.0	n.a	n.a
Human Poverty Index (HPI-1) (% of Population)	...	55.8
Macro- economic Indicators	Niger			
	2000	2008	2009	2010
GNI per Capita, Atlas Method (Current USD)	170	280	34	...
GDP (Current USD million)	1667	5380	5264	5700
Real GDP Growth (Annual %)	-2.6	9.3	-1.2	5.5
Real GDP Growth per Capita (Annual %)	-5.8	5.2	-4.9	1.6
Gross Domestic Investment (% of GDP)	13.9	29.2	29.3	30.3
Inflation (Annual %)	2.9	11.3	4.9	3.4
Fiscal Balance (% of GDP)	-3.8	1.4	-6.6	-3.2
Trade, External Debt and Financial Flows	2000	2008	2009	2010
Variation in Volume of Exports (%)	27.4	-1.1	1.9	3.0
Variation in Volume of Imports (%)	6.7	30.8	22.0	8.7
Variation in Terms of Trade	-17.7	23.3	3.2	-11.9
Trade Balance (USD million)	-47.6	-438.4	-619.0	-874.4
Trade Balance (% of GDP)	-2.9	-8.1	-11.8	-15.3
Current Account Balance (USD million)	111.5	-697.6	-1233.6	-1033.2
Current Account Balance (% of GDP)	-6.7	-13.0	-23.4	-18.1
Debt Servicing (% of Exports)	73.4	1.8	2.0	1.7
Total External Debt (% of GDP)	89.1	14.0	15.8	17.2
Total Net Financial Flows (USD million)	183.0	575.2	474.3	...
Net Official Development Assistance (USD million)	208.5	606.7	470.0	...
Net Direct Investments (USD million)	8.4	565.9	738.9	...
Private Sector and Infrastructure Development	2000	2008	2009	2010
Time Required to Start a Business (Days)	...	35	19	17
Investor Protection Index (0-10)	...	3.3	3.3	3.3
Fix Telephone Subscribers (per 1000 people)	1.8	1.8	4.4	...
Internet Users (per 1000 people)	0.2	24.7	129.1	129.1

Source: AfDB Statistics Department, from national and international sources

On-going Bank Group Operations in Niger

(Active Portfolio as at 15 January 2012)

Project Name	Division	Status	Approval Date	Closing Date	Amount (UA)	Disbursement Rate (%)	Age (year)	Project Risk
EMERGENCY HUMANITARIAN ASSISTANCE FOR DROUGHT VICTIMS	ORWA	APVD	20/07/2010		654 236.18	0.00	1.5	NO SUPERVISION
MARADI, ZINDER AND THAOUA WATER MOBILIZATION PROJECT	OSAN2	APVD	20/09/2011		39 918 000.00	0.00	0.3	NO SUPERVISION
RURAL DWSS PROJECT PHASE 2	OWAS1	APVD	20/09/2011	31.12.2015	16 000 000.00	0.00	0.3	NO SUPERVISION
RURAL DWSS PROJECT PHASE 2	OWAS1	APVD	20/09/2011	31.12.2015	3 342 106.36	0.00	0.3	NO SUPERVISION
TIBIRI-DAKORO AND MADADAOUA – BOUZA ROAD PROJECT	OITC1	OnGo	19/12/2005	30.06.2012	22 000 000.00	59.13	6.1	NON PP / PPP
DIFFA AGRO-PASTORAL DEVELOPMENT PROJECT	OSAN2	OnGo	22/10/2003	30.06.2012	15 000 000.00	97.01	8.2	NON PP / NON PPP
DIFFA AGRO-PASTORAL DEVELOPMENT PROJECT	OSAN2	OnGo	22/10/2003		447 569.55	100.00	8.2	NON PP / NON PPP
WATER DEVELOPMENT PROJECT	OSAN2	OnGo	05/10/2006	31.12.2012	13 000 000.00	65.83	5.3	NON PP / NON PPP
KANDADJI PROGRAMME	OSAN4	OnGo	29/10/2008	31.12.2015	20 000 000.00	11.45	3.2	NON PP / PPP
KANDADJI PROGRAMME	OSAN4	OnGo	29/10/2008	31.12.2015	20 000 000.00	10.21	3.2	NON PP / PPP
DEVELOPMENT STRATEGY SUPPORT PROGRAMME	OSGE2	OnGo	06/12/2010	30.06.2012	23 970 000.00	59.12	1.1	NON PP / NON PPP
DEVELOPMENT STRATEGY SUPPORT PROGRAMME	OSGE2	OnGo	06/12/2010		4 030 000.00	0.00	1.1	NON PP / NON PPP
DEVELOPMENT STRATEGY SUPPORT PROGRAMME	OSGE2	OnGo	06/12/2010	31.12.2011	4 030 000.00	100.00	1.1	NON PP / NON PPP
EDUCATION AND VOCATIONAL TRAINING DEVELOPMENT SUPPORT - PADEFPT	OSHD2	OnGo	15/12/2010	31.12.2016	7 870 000.00	0.00	1.1	NO SUPERVISION
EDUCATION AND VOCATIONAL TRAINING DEVELOPMENT SUPPORT – PADEFPT	OSHD2	OnGo	15/12/2010	31.12.2016	17 630 000.00	0.81	1.1	NO SUPERVISION
RURAL DWSS PROJECT IN 3 REGIONS	OWAS1	OnGo	21/02/2007	31.12.2011	3 000 000.00	59.78	4.9	NON PP / NON PPP
RURAL DWSS PROJECT IN 3 REGIONS	OWAS1	OnGo	21/02/2007	31.12.2011	10 480 995.95	65.92	4.9	NON PP / NON PPP
					221 372 908.04	42.08	3.05	

Appendix III

Major Related Projects Financed by the Bank and Other Development Partners of the Country

Niger's development is largely dependent on assistance provided by its external partners, of which the Bank Group. They contribute significantly to financing the State's recurrent budget through budget support and ensure the implementation of almost all development and capacity building projects. Details of their assistance are given in Volume II of the report.

Priority Areas	Donors Currently Operating in the Areas	Remarks
<u>Productive Sector</u> Agriculture, forestry, livestock, fisheries, trade, tourism and handicrafts	<u>Lead Donors</u> : European Union for the rural sector (agriculture, livestock and fisheries). <u>Other stakeholders</u> : UNDP/WFP/EU/IFAD/AFD/ABEDA/IsDB/France/KFW/FAO/GTZ/Belgium/Denmark/Japan	- The European Union, the World Bank and the Bank are supporting food security and the agriculture, livestock and forestry sub-sectors. - The Bank, Belgium and the World Bank are providing assistance for community development ; - IFAD is providing support for microfinance development. - The Bank and IFAD are complementary in agricultural sector rehabilitation.
<u>Social Sector</u> Education, health and gender	<u>Lead Donors</u> : France for education <u>Other stakeholders</u> : World Bank, AfDB/ADF, AFD/ADF/IDA/IsDB/EU/UNDP/France/Japan/Switzerland/UNFPA/Canada/Denmark/UNICEF/UNDP/WFP/UNFPA/GTZ/KFW/Netherlands/OXFAM <u>Lead Donors</u> : Belgium for health; Spain for gender. <u>Other stakeholders</u> : AfDB/ADF/France/EU/Japan/UNFPA/WHO/Luxembourg/World Bank.	- There are synergies between the World Bank, the ADF, agencies of the United Nations system and bilateral partners. However, coordination is strongly established and maintained in the area of education
<u>Infrastructure and Public Utilities</u> Public works, mining, industry, water resources, energy, sanitation and urban planning	<u>Lead Donors</u> : European Union (transport), Switzerland (water resources) <u>Others</u> : AFD/EU/IDA/France/UNDP/WADB	The key partners operating in this sector are the World Bank, the European Union and AfDB.
<u>Cross-cutting Issues</u> Women's empowerment, governance, decentralization and capacity building	<u>Lead Donors</u> : France (local governance), UNDP (capacity building) <u>Other stakeholders</u> : ADF/IDA/AFD/Germany/Switzerland/IMF-AFRITAC/AFRISTAT/World Bank/French Cooperation/Belgium/AFD/UNDP	The coordination of actions should be undertaken by the authorities in this sector
<u>Economic Reforms</u> Reform support and debt relief	<u>Lead Donors</u> : IMF (macro-economic framework), World Bank (structural reforms) IMF/IDA/ADF/EU/France/Belgium/WADB/Paris Club Countries	There is close coordination
Multinational/ Shared Niger Basin Vision; NBA Priority Investment Programme	Lead Donor : World Bank EU/France/Canada /AfDB with Niger Basin Authority (NBA) as Executing Agency	There is close coordination Under the NBA 2008/2012 Priority Investment Programme
Kandadji Programme	Lead Donor : African Development Bank IsDB/OFID/ABEDA/KFAED/WADB/EBID/SFD /ABU DHABI	There is close coordination

Project Administrative Map



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APPENDIX V. PROGRAMME ORGANIZATION CHART

