



**AFRICAN DEVELOPMENT BANK**  
**AFRICAN DEVELOPMENT FUND**



**THE GAMBIA**  
**COUNTRY PORTFOLIO REVIEW**

**REGIONAL DEPARTMENT, WEST 2**

**June 2006**

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**CURRENCY EQUIVALENTS**

(December 2005)

Effective Exchange Rates  
Currency Unit: Gambia Dalasi (GMD)

1UA = 40.7711 GMD

1 UA = SDR 1

1 UA = USD 1.42414

1 UA= EURO 1.21007

1 UA = GBP 0.8246

**WEIGHTS AND MEASURES**

Metric System

**FISCAL YEAR**

1 January – 31 December

## ABBREVIATIONS AND ACRONYMS

ADB	African Development Bank
ADF	African Development Fund
AG	Auditor General
AIDS	Acquired Immune Deficiency Syndrome
APPR	Annual Portfolio Performance Review
APR	Annual Progress Report
ANFED	Department of Adult and Non-formal Education
BADEA	Arab Bank For Economic Development in Africa
CBG	Central Bank of Gambia
CBO	Community Based Organization
CPIP	Country Portfolio Improvement Plan
CPPR	Country Portfolio Performance Review
CSD	Central Statistics Department
CSO	Civil Society Organization
CSP	Country Strategy Paper
DOSA	Department of State for Agriculture
DOSE	Department of State for Education
DOSFEA	Department of State for Finance and Economic Affairs
DOSH	Department of State for Health
DOSLG&L	Department of local Governments and Lands
DFID	Department for International Development (UK)
EA	Executing Agency
ECOWAS	Economic Community of West African States
EPZ	Export Processing Zone
ERP	Economic Reform Program
ESW	Economic and Sector Work
EU	European Union
GBA	Greater Banjul Area
GDP	Gross Domestic Product
GMD	Gambia's currency (Dalasi)
GTA	Gambia Tourist Authority
GTC	Gambia Transport Company
HDI	Human Development Index
HIPC	Heavily Indebted Poor Country
HIV	Human Immunodeficiency Virus
IAPSO	Inter-Agency Procurement Services Organization
IDA	International Development Association
IDB	Islamic Development bank
IFAD	International Fund for Agricultural Development
IFMIS	Integrated Financial Management Information System
IMF	International Monetary Fund
ILO	International Labor Organization
MDGs	Millennium Development Goals
MTR	Mid-term Review
MTEF	Medium Term Expenditure Framework
NAO	National Audit Office
NAWEC	National Water and Electricity Company
NGO	Non Governmental Organization
NTF	Nigeria Trust Fund
ODA	Official Development Assistance
OMVG	Organization for the Development of the Gambia River Basin
OPEC	Organization of Petroleum Exporting Countries

PER	Public Expenditure Review
PIU	Project Implementation Unit
PIWAMP	Participatory Integrated Watershed Management Project

**ABBREVIATIONS AND ACRONYMS (Cont'd)**

PP	Problem Project
PPP	Potentially Problematic Project
PRGF	Poverty Reduction and Growth Facility (IMF)
PRSP	Poverty Reduction Strategy Paper
PSC	Project Steering Committee
RIFT	Remedial Initiative for Female Trainees
SDA	Social Dimension of Adjustment
SDF	Social Development Fund
SDR	Special Drawing Right
SMP	Staff-Monitored Program (IMF)
SNRO	Senegal Regional Office, Dakar
SPA	Strategy for Poverty Alleviation
SPACO	Strategy for Poverty Alleviation Coordination Office
SWAp	Sector-Wide Approach
TBA	Traditional Birth Attendant
TDA	Tourism Development Area
UNDP	United Nations Development Program
USAID	United States Agency for International Development
VHW	Village Health Worker
VISACA	Village Savings and Credit Association
WAMZ	West African Monetary Zone
WB	World Bank
WHO	World Health Organization

## EXECUTIVE SUMMARY

1. **Introduction:** The last portfolio review for the Gambia was carried out in 1996 (Board Document (ADB/BD/WP/96/123- ADF/BD/WP/96/95). Another portfolio review report was also prepared in October 2000, but the document was not submitted to the Board. An earlier Portfolio performance review preparation mission visited the Gambia between 23 October and 03 November 2004 and prepared a Country Portfolio Improvement Plan (CPIP).
  
2. **The Overall Portfolio:** The Bank Group commenced its lending operations in the Gambia in 1974 and to-date has approved 52 operations with total commitments, net of cancellations, amounting to UA199.3 million. The sector with the largest relative allocation of Bank Group's cumulative commitments is the transport sector, which accounted for about 26 percent, followed by the agricultural sector (22.6%), the social sector (21.5%), the public utilities (12.6%) and the multi-sector (9.1%). Intervention in support of the environment has accounted for 6.1% of the net commitments, whereas the remaining 2.1 percent has gone to the industry sector. About 84 percent of the Bank Group's net commitments are in ADF resources, 9% in ADB resources, whereas 7 % are in NTF resources. As at the end of December 2005, thirty-four (34) operations have been completed, fifteen (15) are ongoing including three multinational projects in agriculture, while three (3) have been cancelled at the Government's request. The studies are included in the CPPR Report, but the multinational projects are excluded from this Report by convention.
  
3. **The On-going Portfolio:** As at 31 December 2005, (excluding the three multinational agricultural projects), there were 12 on-going operations in the Gambia with net commitments amounting to UA47.74 million consisting of 9 projects and 3 studies. The bulk of the financing is from the ADF window where ADF loans account for 72.1% while ADF grants account for 11.5% of the total commitments. The remaining 16.4% are from the NTF window. For the on-going portfolio, there is no financing from the ADB window. All projects are in the public sector and the Bank has not financed any private-sector operations in the Gambia so far. The sectoral distribution of the on-going operations is 38.6% for agriculture, 47.9% for social sector, 10.2% for public utilities, 1.7% for industry, and 1.6% for multi-sector.
  
4. **Portfolio Performance:** The CPPR 2005 has found the overall performance to be just satisfactory, with a rating of 2.01 for 10 operations excluding 2 agricultural projects which have not started disbursement as at December 2005. The average Implementation Progress of the ten rated active operations is 2.05, which is satisfactory. The average Project Progress of these operations is 2.12, Procurement Performance is 2.02, Financial Performance is 2.21 and Activities/Outputs is 1.75. The Development Objectives (DO) of the ten operations were rated at 2.02, as the impact on development upon completion of project activities is expected to be positive. The tables in Annex IV summarize the ratings for the on-going projects and studies. Out of the 12 on-going operations, there are 4 with problems (Projects at risk). 1 was rated as ageing, and 3 as Potentially Problematic. In comparison to the rating of the previous portfolio review carried out in 1996, the overall performance rating has not changed dramatically, but the number of problem projects has declined from 8 PPs to 4 potentially problematic projects, basically due to improvements in IP and DO ratings (See Annex II).
  
5. **Assessment of Supervision Frequency and Quality:** Supervision has been found adequate and in line with the Bank's recommendation of 1.5 missions per Annum except for the multi-sector project which has been less supervised than the other ones. It was also noted that in general, supervision frequency has improved over the last two years. In terms of quality of supervision, it is acceptable but can be improved by enriching the skill mix of missions.

6. **Cross-Cutting Issues:** The operations have been reviewed for the treatment of cross-cutting issues, namely: poverty reduction; gender; environment; HIV/AIDS; and governance. In line with the Bank's strategy, all on-going operations have been found to have a poverty reduction focus. The operations in the social sector, through their focus on improving the accessibility and quality of education and health services, are expected to contribute to poverty reduction through increased access to more services. The operations within the water sub-sector aim at improving the accessibility and quality of potable water in economically and socially disadvantaged rural areas. The projects also recognize gender issues within the health sub-sector and provide support to mother and child basic health. The issue of HIV/ AIDS is not addressed directly but malaria and other communicable diseases are targeted in the health services development project. The operations in the agricultural sector address cross-cutting issues relating to poverty reduction, health and environment. The Multi-Sector operation supports governance and takes into special account the gender aspect in the project's RIFT component, for remedial training of female teachers in addition to training female professionals within the other project components.

7. **Implementation Problems:** Despite the generally satisfactory performance, the portfolio review exercise has revealed that the quality of the performance of the Bank's portfolio has been compromised by several implementation problems. These include issues that need attention from the government and others which need attention from the Bank. The most important issues needing attention from the Government are: (i) delays in ratifying and fulfilling loan and grant conditions; (ii) non-adherence to the Bank Group's procedure for procurement and disbursements; (iii) delays in submitting regular audit and quarterly progress reports; (iv) failure of the Project Steering/Coordination Committees (PSC)/(PCCs) to meet regularly and assess implementation issues and address emerging problems; (v) weak capacity of the PIU staff; and (vi) the absence of a forum for active interaction and exchange of information between PIUs coupled with poor coordination and collaboration between the PIU staff and Senior Staff within Departments entrusted with the responsibility of overseeing the PIUs. Generic Problems needing attention from the Bank include: (i) frequent changes of Task Managers, and the insufficiency of back-up Task Managers; (ii) the unrealistic nature of some loan conditions; and (iii) importance of maintaining the frequency and quality of supervision and disbursement missions for all operations at least at the targeted 1.5 supervisions per project annually.

8. **Lessons Learnt for Future Country Strategy Papers and Portfolio Management:**

One of the critical lessons learned is to accord greater importance to reviewing potential operations at entry point. In particular, there is a need to undertake thorough analysis of managerial and technical capabilities of the executing agency. Most of the operations in the on-going portfolio have suffered significant delays in implementation due to weaknesses in managerial and technical capabilities. Since capacity is a real constraint in the Gambia, the Bank's future projects and programs should have an appropriate package of institutional support and technical assistance elements. The Bank should also closely align its interventions and harmonize procedures with those of other donors.

9. **Recommendations:** The following is a summary of proposed actions to be taken by the Government and the Bank in order to address the above-mentioned implementation problems and to improve portfolio performance:

### 9.1 **Actions to be taken by the Government:**

- It is important to stress that DOSFEA should not be just a funds and mail distributor. It should expedite the establishment of the Directorate for project management and aid coordination within DOSFEA. An ADB-Desk Officer should be part of that directorate and should be strengthened by the government.
- The Government needs to put in place more effective procurement, accounting, and auditing systems and provide the necessary training for PIU Staff. The Bank would also help in such training through capacity building project components and independent projects. Auditing is to be treated as a major portfolio problem and the recommendations in the CPIP of this document (Annex VIII) and those of the February 2006 Report of the Bank Audit Mission to the Gambia should be taken seriously by the GOTG.
- The Government and the PIUs should take advantage of the presence of the Regional Office in Dakar, Senegal, for issues related to procurement, disbursement and project management. The Regional Office has the advantage of proximity to the country and hence can play a more active role in matters related to the portfolio and aid coordination.
- Incorporate adequate provisions for counterpart funds in the MTEF and expedite the process of finalizing the IFMIS.
- Encourage regular meetings of the project steering committees PSCs and provide a forum for PIUs to exchange views, preferably through its proposed directorate of project management and aid coordination.

### 9.2 **Actions to be taken by the Bank Group:**

- Maintain the target of 1.5 missions per year to enable close monitoring of on-going operations especially those with implementation difficulties. This should be complemented with training workshops on Bank rules and procedures.
- Support the Government's on-going structural reforms especially privatization and private sector development in order to diversify the Bank Group portfolio. Of particular importance are also the institutional reforms designed to improve the efficiency of the civil service, through capacity building projects, since capacity is a real constraint in the Gambia.
- Engage the Government in a dialogue on the most appropriate channels of communication between the Bank, Departments of State and EAs/PIUs; the awareness of Bank procedures, especially in respect of procurement and disbursement should be increased through more training of EA staff; the Bank should also inform the various Departments and agencies of planned missions and involve them in project management activities and discussions of findings and conclusions.
- Appraisal reports for new projects should engage the Auditor General's Office (AG) in project audit and management early enough so that they facilitate and expedite project audits, which are always delayed and constitute a real problem area in the Gambia portfolio.

- Improve quality of projects at entry point, among other things, through more thorough analysis of the institutional and technical capabilities of the PIUs; this should include an assessment of the adequacy of EA/PIU accounting systems for adequate monitoring and control as well as of the capacity of project staff to manage funds through special accounts; sensitize the Government EAs to loan conditions during preparation/ appraisal missions.
- Harmonize Bank interventions and align procedures with those of other donors, including reporting requirements, in order to reduce the workload for EAs / PIUs.
- Assist the Government in establishing the new Directorate of Project Management and Aid Coordination to be complemented with a stronger role by SNRO in portfolio management.
- Bank task managers should ensure that the procurement, audit, and supervision data are duly entered into SAP and keep it current and updated;
- Finally, the Bank Group should improve upon the composition (skill-mix) of Bank supervision missions.

## **1. INTRODUCTION**

### **1.1 Objectives and Coverage of the Report**

1.1.1 The last portfolio review for the Gambia was carried out in 1996 (Board Document (ADB/BD/WP/96/123- ADF/BD/WP/96/95). Another portfolio review report was also undertaken in October 2000, but the document was not finalized for Board consideration. A Portfolio performance review mission visited the Gambia between 23/10-03/11/2004 which resulted in a Country Portfolio Improvement Plan (CPIP). The CPIP 2004 also drew from the findings of various supervision missions, audit and project completion reports that were conducted in 2004. The present CPPR Report draws on the CPIP 2004 which had been discussed with the Gambian Government, a CPPR Preparation Mission to the Gambia undertaken between 10 and 24 November 2005, as well as a Portfolio Review Dialogue Mission which visited Banjul during the period 05-09 June 2006.

### **1.1.2 Structure of the Report**

While section 1 introduces the general features of the portfolio, section 2, which is the longest section of the report, reviews the on-going portfolio overall, and operation by operation followed by discussing cross-cutting issues and then determining the rating of the portfolio according to the implementation assessment criteria. The section then concludes by discussing the generic, project-specific problems and the issue of disbursement. Section 3 discusses the assessment of management capacity in terms of Government and Bank Group Performance. Section 4 covers the issue of coordination with other donors while section 5 summarizes the situation of arrears in the country. Section 6 outlines matters of proactive management of the portfolio indicating actions needed from the Government side and from the Bank Group side. Section 7 finally offers some recommendations and concluding remarks.

## **1.2 Size and Composition of the Portfolio**

1.2.1 The Bank Group commenced its lending operations in the Gambia in 1974 and to-date has approved 52 operations with total commitments, net of cancellations, amounting to UA 199.3 million. The sector with the largest relative allocation of cumulative Bank Group commitments has been the transport sector, which, in the cumulative allocations, accounts for about 26 percent, followed by the agricultural sector (22.6%), the social sector (21.5%), the public utilities (12.6%) and the multi-sector (9.1%). Intervention in support of the environment accounted for 6.1 percent of the net commitments, whereas the remaining 2.1 percent has gone to industry. As at the end of December 2005, thirty-four (34) operations had been completed, fifteen (15) were ongoing including three multinational projects in agriculture, while three (3) have been cancelled at the Government's request.

1.2.2 As at 31 December 2005 total net commitments from the ADF window stood at UA 167.88 million (84%), while ADB loans amounted to UA 17.86 (9%) of the total commitments leaving the remaining UA 13.55 for the NTF window which accounted for 7% of the commitments. Table I gives summary data about the portfolio.

1.2.3 Considering the entire portfolio, disbursement is quite satisfactory, standing at 81.5% overall, 100% for ADB loans, 82.5% for ADF, and 44.5% for NTF. Notwithstanding, the disbursement ratios are rather low for the on-going projects as at 31 December 2005. Excluding the projects which have not started disbursement, the average project age for the on-going operations is 4.3 years with an average disbursement ratio of 39%. Using the same procedure, the social sector and agriculture are the weaker performers in terms of disbursement with average disbursement ratios of

31.5%, 40% and average project age of 5.5 years, 3.1 years; respectively. Public utilities sector is much better in terms of disbursement with a ratio of 63.3% and project age of 3.7 years followed by multi-sector with 84.04% disbursed over 3.5 years.

**Table I: The Gambia - Net Commitments for the Entire Portfolio  
As at 31 December 2005**

Start of Operations: 1974			
Number of operations: 52; 44 Projects and 8 Studies.			
Institutions	Net Commitments (UA millions)	Disbursements (UA millions)	Disbursement Ratio (%)
1. ADB	17.86	17.86	100.0%
2. ADF	167.88	138.52	82.5%
. ADF Loans	154.08	127.66	82.9%
. ADF Grants	13.80	10.86	78.7%
3. NTF Loans	13.55	6.03	44.5%
<b>Total ADB Group</b>	<b>199.29</b>	<b>162.41</b>	<b>81.5%</b>

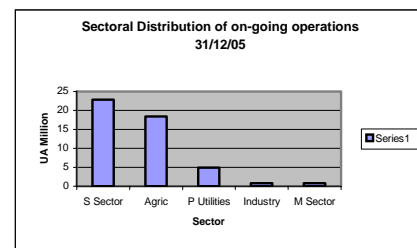
## 2. REVIEW OF THE ON-GOING OPERATIONS

### 2.1 Portfolio Overview

2.1.1 Since inception of its operations in 1974, the Bank Group's lending strategy for the Gambia has been aligned with the Government's national policies and agenda. Over the period 2002-2004, the Bank Group operations have been consistent with the last CSP which was in turn based on the country's PRSP I. The main focus of the Bank interventions has been poverty reduction and sustainable economic development through improvements in agriculture, social services, public utilities, and infrastructure. The Bank also continued its efforts at assisting in the creation of an enabling policy environment through capacity building in the area of economic management.

2.1.2 The lending strategy of the Bank has focused on agriculture and rural development, social services such as education and health, basic energy, water and sanitation. Considerable investment in infrastructure had already taken place prior to 2002 and now all the infrastructure projects, financed by the Bank, have been completed. For agriculture and social services the focus of the Bank has been overall poverty reduction in addition to the sectoral goals of increased food production and food security plus improved health and educational services. The Bank's interventions have been in line with the country's Poverty Reduction strategies since SPA I in 1994 up to the previous PRSP covering the period 2003-2005.

2.1.3 The on-going portfolio consists of 12 operations, 4 agriculture, 3 in the social sectors, 3 in public utilities, one industry and another one in multi-sector with a total commitment of UA47.74 Million as at 31 December 2005. The sectoral distribution is: 47.9% social sector, 38.6% agriculture, 10.2% public utilities, 1.7% industry, and 1.6% multi-sector as shown by the accompanying chart and by Table II below.



in  
in

**Table II: Summary of the on-going Portfolio**

<b>Sector</b>	<b>No. of operations</b>	<b>Commitments (UA Million)</b>	<b>Share of Total (%)</b>
Agriculture	4	18.42	38.6
Industry	1	0.815	01.7
Public Utilities	3	04.89	10.2
Social Sector	3	22.85	47.9
Multi-sector	1	0.760	01.6
<b>Total</b>	<b>12</b>	<b>47.74</b>	<b>100</b>

2.1.4 Given the smallness of the country in terms of the economy, area, and population, the size of the portfolio compares favorably with other countries. To that should be added the observation that the bulk of financing is from the soft ADF window and that under ADF-X Gambia is an ADF Grants-only recipient.

## 2.2 Review of Individual Operations

### A. Agriculture

2.2.1 **Overview:** The Bank has four agricultural projects in The Gambia with total commitments of UA 18.42 millions comprising 38.6% of the on-going portfolio. One of the projects, however, Farmer-Managed Rice Irrigation Project (FMRIP) which was approved in April 2005, is not as yet effective. The Participatory Integrated Watershed Management Project (PIWAMP) which was approved in June 2004 is effective and started disbursement in April 2006. Of the four projects, two were active and operational as at 31 December 2005: the Peri-Urban Smallholder Improvement Project (PSIP) which was approved in October 1999 and the Artisanal Fisheries Development project (AFDP), approved in May 2000. Both of the on-going projects experienced implementation delays in the beginning relating to the late fulfillment of loan conditions by the Borrower and delays on the side of co-financiers in the case of the Artisanal Fisheries Project. Because of these delays, the Peri-Urban Smallholder Development Project started disbursing after one-year and half, in May 2001 and the Artisanal Fisheries Development project after four years, in June 2004. In spite of this, both projects have received close Bank follow up and technical support so that both are now actively implementing their activities with fairly satisfactory progress. For the Peri-Urban Smallholder Development Project, as of February 2006 has disbursed about 57% of the ADF Loan, while disbursement of the Artisanal Fisheries Development Project remains unsatisfactory at 11.5%. (22% as at 31/3/06)

2.2.2 The PIWAMP Project became effective in June 2005, and has now fulfilled conditions precedent to first disbursement and has started disbursing. The FMRIP Project has completed the process of fulfilling conditions both for effectiveness and for first disbursement. The Bank also has three multinational projects in the agriculture sector, which are not included in this portfolio performance review report (by convention) as stated earlier. These are the Multinational Participatory Integrated Management of Invasive Aquatic Weeds Project, the NERICA Rice Dissemination Project, and the OMVG Gestion Ressources Naturelles project.

## A.1 Peri-Urban Smallholder Improvement Project (PSIP) Basic Data, Project Objectives and Components

<b>Approved Amount:</b> UA 5.07 million	<b>Source: ADF (Loan)</b>	<b>Disbursement:</b> ADF: UA 2.86 million
<b>Date approved:</b> 27/10/1999 <b>Date signed:</b> 08/11/1999 <b>Date of entry into force:</b> 18/12/2000	<b>Account Audit (years):</b> 2001, 2002, 2003, 2004  <b>Progress reports:</b> submitted quarterly, though some delays	<b>Last disbursement deadline:</b> 30/06/2007
<b>Date of last supervision:</b> October 2005		
<b>Project Objectives/Components:</b> The project is a UA 5.07 million investment (ADF Loan), approved on 27 October 1999, with the aim of contributing to increasing the overall agricultural sector output, household incomes and food security in the country. This investment was matched by a Government contribution of UA 0.65 million. The project objective is to increase on a sustainable basis the production of horticultural and livestock products by the smallholder farmers in the Western and North Bank Divisions. The three project components, in addition to project coordination, include Horticulture Development, Livestock Development and Capacity Building, each of which is further divided into sub-components.		

2.2.3 *Project Progress Assessment:* Project implementation started late due to delays by the Borrower in fulfilling loan conditions. All conditions, including other conditions, were fulfilled in 2001. The project was thus behind schedule in reaching its milestones and target outputs for the first two years. During the second half of 2005 however, implementation picked up and has been accelerating with a current implementation rate of 45% and disbursement rate of 57%<sup>†</sup>. There is noticeable progress in the procurement of goods and services under each of the project components as well as progress in training and technical assistance. Audit reports have been received for all years of project implementation, and quarterly progress reports have been delivered regularly.

2.2.4 *Procurement Performance:* The project procurement has been accelerated and has now significantly improved under all components. Most categories of goods and services have been procured and there is a consultancy firm on the ground currently implementing the relevant training and Technical Assistance (TA). Procurement arrangements have been completed for different training sessions that are currently being conducted as well as civil works on the construction of various wells and marketing stalls.

2.2.5 *Financial Performance:* First disbursement on the project was in May 2001. Financial performance was slow in the first few years but has become satisfactory in 2005. Disbursement of Government counterpart contribution has also been satisfactory over the years and currently stands at 91%, which is commendable progress.

2.2.6 *Activities and Outputs:* The project has achieved most of its activities and outputs and targets indicated in the appraisal report. Under the Horticulture Development Component, noticeable progress includes the delivery and installation of various pumps for the provision of water supply infrastructure. Evaporative stores have also been constructed and irrigation wells rehabilitated. New contracts have also been awarded for further training and various goods and civil works. Progress under the Livestock Development Component includes the provision of small ruminant breeding pens, live animals and associated equipment to twenty sites in the North Bank and Western Divisions and small scale commercial poultry house construction in twenty-one communities in the same Divisions. Livestock production credit under this component has also been provided to 17,977 clients (85% female) belonging to 194 farmer groups. Under the Capacity Building Component, whose aim is to equip groups, through the provision of skills and training to

<sup>†</sup> As at 30 April 2006 disbursement rate has increased to 67.35%

enable farmers to plan, organize, implement and manage initiatives efficiently, two refresher courses have been conducted as well as group training in horticulture, livestock production, marketing and group management.

*2.2.7 Implementation Plan to Completion:* 45% of the project activities have been implemented, and procurement processes have been concluded for the bulk of the civil works and training activities, at the current disbursement ratio. This state of implementation makes it reasonable to expect that project implementation will be completed in mid 2007, which will be a little over a year of slippage, due to initial implementation delays. The Technical Assistance Consultants have been on the ground since October 2005, and are currently working with the project implementation unit (PIU) to formalize arrangements for a Mid-Term Review (MTR), which will form a solid basis for assessing early project impacts, and defining directions for improved project implementation to achieve maximum impact. The MTR will systematically determine the duration for completion of each output and corresponding activities still outstanding in the project, and will devise suggestions for achieving these in the most efficient way. The project has concluded major procurement procedures for most of the remaining civil works and services. The PIU is discharging its duties in a satisfactory manner.

*2.2.8 Impact on Development:* Given the project objective of increasing, in a sustainable manner, the production of horticultural and livestock products by the smallholders in the Western and North Bank Divisions, the development performance of the project is satisfactory. Early impacts are evident in the improved horticultural production and value addition activities of trained farmers, and women groups specialized in poultry production, processing and marketing, which are done on a commercial scale at various project sites. The peri-urban female groups have also forged linkages with rural farmers who now solicit help in poultry processing and marketing among other activities.

*2.2.9 Overall performance:* The overall performance of this project is just satisfactory, given the current state of disbursement and actual implementation achievements.

#### **Project Performance Rating Summary for 2005**

<b>Project Implementation</b>	<b>Procurement Performance</b>	<b>Financial Performance</b>	<b>Activities and Works</b>	<b>Impact on Development</b>	<b>Overall Assessment</b>
2.6	2.0	2.4	1.75	2.0	2.0

#### **Summary of Problems and Suggested Solutions**

<b>Problems</b>	<b>Recommended Actions</b>
Procurement delays have been a problem for the project.	The PIU to be given an opportunity to familiarize itself with Bank Rules of Procurement for goods and works; PIU staff of various Bank-funded projects to meet regularly and exchange ideas and experience, coordinated by the Department of Finance and Economic Affairs (DOSFEA).
Government delays in the review of tender documents is noted to be too long Should prepare audit for 2005.	Need to sensitize Government about the relevance of speeding up review processes.

## A.2 Artisanal Fisheries Development Project

### Basic Data, Project Objectives and Components

<u>Approved Amount:</u> UA 2.90 million	<u>Source:</u> NTF (Loan)	<u>Disbursement:</u> NTF: 333,556 UA
<u>Date approved:</u> 17/05/2000 <u>Date signed:</u> 19/01/2001 <u>Date of entry into force:</u> 22/10/2001	<u>Account Audit (years):</u> 2004  <u>Progress report:</u> submitted quarterly, though some delays	<u>Last disbursement deadline:</u> 31/12/2006
<u>Date of last supervision:</u> October 2005		
<u>Project Objectives/Components:</u> The project is a UA 2.90 million NTF Loan approved in May 2000 with the aim of improving food security, increasing employment and foreign exchange earnings in The Gambia. BADEA co-finances the project with UA 6.17 million. Poor people in The Gambia have low consumption of protein. The country is endowed with abundant fish resources, which if exploited properly, will significantly contribute to food security while reducing poverty for the fisher folk in the country. Thus, the project objective is to increase fish production and income of the fisher folk and to contribute to improvement in the nutritional standards of the population directly and indirectly. The project has five main components which include Improvement of Fisheries Facilities and Infrastructure, Strengthening of Fisheries Department, Monitoring, Control and Surveillance, Credit Component and Project Management.		

**2.2.10 *Project Progress Assessment:*** The implementation of the project started late due to a considerable delay by BADEA, the co-financer, who joined implementation only in 2004, four years after approval in 2000. The project fulfilled the loan conditions and started disbursing in February 2004. All other conditions have been fulfilled. Despite starting late, the project implementation activities have been well initiated, and are monitored by the Project Implementation Unit (PIU). With the regular technical supervision provided by the Bank Group, it is anticipated that project implementation will pick-up and compensate for the three years of implementation slippage that was caused by BADEA's delay in coming on board. Implementation of project activities currently stands at 18%, which is low but compares well with the low disbursement rate of 22%. An audit report was submitted for 2004, the first year of disbursement. Quarterly progress reports have been regular.

**2.2.11 *Procurement Performance:*** Procurement of goods and works envisaged under the procurement plan and in the project implementation schedule as stated in the appraisal report, have so far not been fully implemented. The bulk of the procurement activities entail the services of technical assistance specialists, which have been procured, and includes a management specialist, an environmental specialist, a quality control expert and a bio-statistician. Other key areas of procurement include training and workshops, some of which have already been successfully undertaken. Under the BADEA-financed Fisheries Facilities and Infrastructure Improvement Component, which has all the project's civil works, tender for the design and construction of a Fishery Jetty, a Central Fish Market and the rehabilitation of three inland fisheries sites has been awarded to successful bidders. Contracts have been signed and construction activities are currently in progress.

**2.2.12 *Financial Performance:*** Project implementation is slow and the project has so far disbursed only 11.5 % (22% as at 31 March 2006) of the NTF Loan. This low disbursement is partly because activities of the NTF-financed components, mainly training and technical assistance are uniformly programmed across project implementation years (the project started disbursing only two years ago). The remaining components, all financed by BADEA, are construction of fisheries infrastructure, and monitoring control and surveillance. Despite this implementation programming, which favors BADEA in the early years of implementation, the borrower has been advised to

initiate steps to speed up implementation and disbursement of the NTF financed components especially the credit program.

**2.2.13 *Activities and Outputs:*** The activities under the Strengthening of Fisheries Department Component include the NTF-financed recruitment of Technical Assistants, some of whom have already started work. Training of fisheries staff and project beneficiaries as well as a support fisheries research program activities under this component. Under the same component, the management consultant, the environmental expert and the bio-statistician are already at work. A number of training activities and workshops have been successfully conducted for transfer of expertise and technology to staff, including overseas staff training at the graduate level (M. Sc.) in various fisheries management techniques. Middle-level staff training at higher national diploma levels in Fisheries Technology will be completed in mid 2006. The credit program for Artisanal fishers has disbursed US\$ 92,000 to 237 Groups, covering about 6,500 beneficiaries, 51% of whom are females, with a reported repayment rate of 100%.

**2.2.14 *Impact on Development:*** So far it is difficult to assess the development impact of the project since most of the NTF-financed components are not yet implemented. Impact of the credit component can be marginally felt in fishing communities where recipients have been able to scale up fishing activities and processing through acquired knowledge from training workshops and additional capital from the credit program. However, the high interest rate at which credit is passed onto farmers has made it inaccessible and has deterred progress in the credit component of the project, a situation that is now being reviewed by the Bank and Gambian authorities and steps are already taken for a downward revision of the interest rate.

**2.2.15 *Overall Performance:*** The overall performance of this project so far has been unsatisfactory, and this can largely be attributed to the 3 year delay caused by the co-financer (BADEA) in coming on board.

### Project Performance Rating Summary for 2005

Project Implementation	Procurement Performance	Financial Performance	Activities and Works	Impact on development	Overall Assessment
2.7	2.0	1.6	1.75	1.75	1.97

### Problems and Suggested Solutions

Problems	Recommended Actions
High interest rate of the credit program makes the credit inaccessible to farmers;	The possibility of the Social Development Fund (SDF) reducing the interest rate at which it passes credit to the Micro finance Institutions (MFI) so that the later can pass it on at a lower interest rate to the farmers is being examined by the Bank;
Low disbursement rate of counterpart fund from Government;	Government has been advised to increase its disbursement to meet commitments of the project;
Project not likely to meet last disbursement deadline.	The Borrower has been advised to come up with a revised work plan that will reflect expected project completion date with a justified extension request.

### A.3 Participatory Integrated Watershed Management Project (PIWAMP) Basic Data, Project Objectives and Components

<u>Approved Amount:</u> UA 4.95 million	<u>Source:</u> NTF (Loan)	<u>Disbursement:</u> NTF: 0.00 UA
<u>Date approved:</u> 09/06/2004 <u>Date signed:</u> 09/09/2004 <u>Date of entry into force:</u> 22/06/2005	<u>Account Audit (years):</u> [not yet due]  <u>Progress report:</u> [not yet due]	<u>Last disbursement deadline:</u> 31/11/2011
<u>Date of last supervision:</u> October 2005		
<u>Project Objectives/Components:</u> The project is a UA 4.95 million NTF funded project which is co-financed by IFAD which also contributes the same amount (UA 4.95 million) towards financing the project. This is matched by UA 2.19 million counterpart contribution by Government and beneficiaries, making the total project cost UA 12.09 million. The project objective is to increase land productivity and reduce soil erosion on a sustainable basis in the project area in The Gambia. The project components are: a) Capacity Building, b) Watershed Management, and c) Project Management. The project will empower communities at the grass-root level through the transfer of control of efficient land use management from the Government to the people.		

2.2.16 *Project Progress Assessment:* This is a relatively new project that was approved on 9 June 2004. The Borrower fulfilled all conditions for effectiveness and the project entered into force in 22 June 2005. All the conditions precedent to first disbursement have been fulfilled, including the recruitment of the external auditor. The project will soon become eligible for disbursement and full implementation of project activities.<sup>‡</sup>

2.2.17 While carrying out the recruitment process, the Bank has also advised the PIU to prepare the Annual Work Program and submit it to the Bank for consideration. The PIU was advised that the work plan should be accompanied by annual budgets to clear the way for disbursement.

2.2.18 *Overall Performance:* So far the project is a PPP mainly on account of the delays in the fulfillment of conditions precedent to first disbursement but the problems are fairly over now.

#### Problems and Suggested Solutions

Problems	Recommended Actions
The Borrower is concerned that the PIU may not be able to cover the running cost of the project office if no disbursement concession is granted to waive the recruitment of the external auditor.	The Borrower has been informed that this problem cannot be circumvented, and that the only way to proceed is to speed up with the recruitment of the external auditor so that the project can disburse. Start the process of preparing the first audit as soon as the auditor is recruited.

<sup>‡</sup> Disbursement has started and as at 30/04/06 stands at 7.01%

#### A.4 Farmer Managed Rice Irrigation Development Project Basic Data, Project Objectives and Components

<u>Approved Amount:</u> UA 5.0 million (ADF Loan) UA 0.5 million (ADF Grant)	<u>Source:</u> ADF (Loan)	<u>Disbursement:</u> ADF: 0.00 UA
<u>Date approved:</u> 27/04/2005 <u>Date signed:</u> 19/05/2005 <u>Date of entry into force:</u> [not yet]	<u>Account Audit (years):</u> [not yet due] <u>Progress report:</u> [not yet due]	<u>Last disbursement deadline:</u> 31/11/2011
<u>Date of last supervision:</u> October 2005		
<u>Project Objectives/Components:</u> This is a UA 5.50 million ADF-funded project which was approved in April 2005. The project objective is to increase rice production and the incomes of smallholder rice farmers in the project area in The Gambia. The project components are: a) Land Development, b) Capacity Building, c) Rural Credit Support, d) Project Management.		

2.2.19 *Project Progress Assessment:* This is a new project that was approved on 27 April 2005. Government has already completed the process of loan condition fulfillment and the Bank is processing for project effectiveness. One of the conditions Precedent to First Disbursement is the allocation of US\$80,000 from the National Budget for the Department of State for Agriculture (DOSA) to be transferred to the account of Social Development Fund (SDF) for the project. The fulfillment of this condition requires ratification by the parliament of the Borrower and budget allocation and approval of this amount, payable at the beginning of each year for the first, second and third project years. The Borrower is in the process of fulfilling this last condition.

2.2.20 The National Assembly of the Borrower made the ratification on 6 October 2005 and has already reserved a budget. The Bank is informed that the said amount will be available during the first half of 2006 to meet Government commitments towards the project. The Bank is expecting that this project will become effective and start disbursement by June 2006.

2.2.21 *Overall Performance:* The project is at a too early stage to evaluate as disbursement and implementation have not yet started.

#### B. Industry

2.2.20 **Overview:** Classified within this sector is a single study: The Tourism Master Plan. There are no on-going projects in industry at the moment.

#### B.1 Tourism Master Plan Study

##### *Basic Data and Study Objectives*

<u>Approved Amount:</u> UA 815,000 <u>Cancelled Amount:</u> N/A <u>Net Commitment:</u> UA 815,000	<u>Source:</u> ADF Grant	<u>Disbursed Amount:</u> UA 330,266.42
<u>Date Approved:</u> 22 November 2000 <u>Date Signed:</u> 10 January 2001 <u>Entry into Force:</u> 10 July 2001	<u>Accounts Audits (yearly):</u> No Audit Reports to date. <u>Progress reports:</u> Submitted for October 2005.	<u>Last Disbursement deadline:</u> Initial: 31 December 2003 Actual: 31 December 2005
<u>Date of last Supervision:</u> November 2005		
<u>Study Objectives/Components:</u> The objective of the Study is to undertake a thorough review of the Tourism Industry in The Gambia with a view to formulating sustainable policies and strategies for the development of the sector within short, medium and long term periods for the planning period of up to 2021  The main components of the Project are: <ul style="list-style-type: none"> <li>• Preparation of the Tourism Master Plan.</li> <li>• Identification of future projects for investment.</li> </ul>		

**2.2.21 Study Progress Assessment:** Loan conditions precedent to entry into force and to first disbursements were satisfied within nine months of loan approval and has not hindered study implementation. Quarterly project reports are regularly submitted to the Bank. The project has not been audited but the selection of the auditor is under process. Overall, compliance with loan conditions is satisfactory

**2.2.22 Procurement Performance:** The Consultancy Contract was awarded with a delay of 21 months on the implementation schedule agreed at appraisal. The delay was due to protracted procurement and this has negated on the procurement performance. On the positive side, the procurement exercise resulted in savings of 30% of the estimated contract cost. Overall, procurement performance is judged to be satisfactory, despite the initial delay.

**2.2.23 Financial Performance:** The study is being financed from ADF grant resources and the Government, 93 % and 7 % respectively. The Government has had no problems in providing counterpart funds. The level of disbursement is 40 % and there are no disbursement problems. The financial performance is satisfactory.

**2.2.24 Activities and Outputs:** The Study commenced 31 months after its approval, has progressed smoothly and is nearly completed. The Consultant has nearly completed all the activities included in his terms of reference. All draft reports have been submitted and two seminars have been conducted with positive results. Activities and outputs are satisfactory.

**2.2.25 Impact on Development:** The study objectives of review of the Tourism Industry in The Gambia with a view to formulating sustainable policies and strategies for the development of the sector within short, medium and long term periods for the planning period of up to 2021 are likely to be fully achieved

**2.2.26 Overall Performance:** The Study is successfully nearing completion although with long delay from the deadline agreed at appraisal. The Study is meeting its objectives. Overall performance is satisfactory.

***Study Performance Rating Summary in 2005***

<b>Study Implementation</b>	<b>Procurement Performance</b>	<b>Financial Performance</b>	<b>Activities and Works</b>	<b>Impact on Development</b>	<b>Overall Assessment</b>
<b>2.5</b>	<b>2.00</b>	<b>2.67</b>	<b>2.50</b>	<b>2.00</b>	<b>2.2</b>

***Summary of Problems and Recommended Actions***

<b>Problems</b>	<b>Recommended Actions</b>
No submission of financial audit reports.	The Bank has already given notice to Government to submit the audit reports by end of March 2006 or face suspension of disbursement.

**C. Public Utilities**

**2.2.27 Overview:** There are three operations in this sector: one project and two studies totaling UA 4.89 million which accounts for 10.2% of the on-going portfolio. Provision of public utilities in the Gambia is basically a Public activity by the government although there are plans to privatize NAWEC which is in charge of overseeing the provision of electric power.

## C.1 Rural Electrification Project

### *Basic Data and Project Objectives*

<u>Approved Amount:</u> UA 2.97 million <u>Cancelled Amount:</u> N/A <u>Net Commitment:</u> UA 2.97 million	<u>Source:</u> ADF	<u>Disbursed Amount:</u> UA 2.75 million
<u>Date Approved:</u> 14.12.2000 <u>Date Signed:</u> 19.01.2001 <u>Entry into Force:</u> 14.09.2001	<u>Accounts Audits (years)</u> No Audit Reports so far <u>Progress Reports:</u> Submitted regularly	<u>Last Disbursement Deadline:</u> Initial: 30 June 2004 Actual: 30 December 2005
<u>Date of Last Supervision</u> June 2005		
<u>Project Objectives/Components:</u> The primary objective of the project is to encourage economic growth in the country by providing continuous power supply to 46 towns and villages outside the Greater Banjul Area thereby contributing to the reduction of poverty in the areas covered. The project also aims to develop the initial stage of a national grid, which will eventually be connected to the Greater Banjul system. The components of the project financed by the ADF are (i) networks in Bansang, (ii) service connections, (iii) environmental equipment and (iv) consultancy services. The other components of the project are power stations, financed by BADEA and networks in Farafenni and four other locations, financed by the Islamic Development Bank (IDB).		

**2.2.28 *Project Progress Assessment:*** Loan conditions precedent to entry into force and to first disbursements were satisfied within one year of loan approval. The Government has however not yet fulfilled the other conditions of the loan. Quarterly project reports are regularly submitted to the Bank. The project has not been audited but the selection of the auditor is under process. Overall, compliance with loan conditions is unsatisfactory.

**2.2.29 *Procurement Performance:*** The project is being implemented through 4 contracts: (i) consultancy services for project supervision, (ii) the supply and erection of networks in Bansang and the supply of service connections and environmental equipment, (iii) the supply and erection of power stations, and (iv) the supply and erection of networks in Farafenni and 4 other locations. Only the first contract was procured in a reasonable time. The signature of the second and third contracts were delayed by 22 months and that of the fourth contract by 31 months on the implementation schedule as a result of protracted negotiations between the Government and the contractors and the re-tendering of the fourth contract. Procurement performance is unsatisfactory.

**2.2.30 *Financial Performance:*** Disbursements of UA2.75 million (92.5%) on the ADF loan match the status of implementation of the ADF financed components. The main problem is a shortfall to the tune of Euro 1 million on the total project cost due to exchange rate variations and contract award delays. Financial performance is unsatisfactory. In a meeting with the co-financers during 23-24/03/06 in Banjul, the Bank advised the government to claim liquidated damages from the contractors who are liable on account of their delays.

**2.2.31 *Activities and Outputs:*** Works have progressed satisfactorily on the power stations component which has been completed and on the networks in Bansang component which is 85% complete. The component on networks in Farafenni and four other locations is 20% completed and will suffer a delay of one more year on the contract schedule due to the unsatisfactory performance of the contractor. The Consultant supervising the project has performed well but the consultancy contract must be extended to enable the supervision of the delayed contract until completion. Activities and outputs are unsatisfactory.

**2.2.32 *Impact on Development:*** Project delays and shortfall of funding notwithstanding, the project will supply electricity to the beneficiaries after completion of the networks. The project is expected to impact positively on development.

2.2.33 *Overall Performance*: The project is likely to be completed with a delay of 4 years on the implementation schedule. Project objectives are expected to be met but the overall performance is judged to be unsatisfactory and the project is classified as a PPP.

***Project Performance Rating Summary for 2005***

Compliance with Loan Conditions	Procurement Performance	Financial Performance	Activities and Outputs	Impact on Development	Overall Assessment
1.67	1.50	1.80	1.75	2.0	1.79

***Summary of Problems and Recommended Actions***

Problems	Recommended Actions
Additional funds are needed to finance the extension of the consultancy services contract.	A joint supervision by BADEA, IDB and the Bank should be fielded to settle the issue. (Joint meeting took place 23 <sup>rd</sup> -24 <sup>th</sup> March 2006 in Banjul.
The completion of the contract on networks in Farafenni and four other locations has been delayed by one year.	The performance of the contractor should be monitored by the Government.
No submission of technical and financial audit reports	The Bank has already given notice to Government to submit the audit reports by end of February or face suspension of disbursement.
Financial shortfall	Government to claim liquidated damages from contractors.

## C.2 Renewable Energy Study

### *Basic Data and Study Objectives*

<u>Approved Amount</u> : UA 749,000 <u>Cancelled Amount</u> : N/A <u>Net Commitment</u> : UA 749,000	<u>Source</u> : Grant	<u>Disbursed Amount</u> : UA 243.620.44
<u>Date Approved</u> : 30 October 2002 <u>Date Signed</u> : 26 November 2002 <u>Entry into Force</u> : 26 November 2002	<u>Accounts Audits (yearly)</u>	<u>Last Disbursement deadline</u> : Initial: 31 December 2007 Actual: 31 December 2007
<u>Date of last Supervision</u> : November 2005	<u>Progress reports</u> : October progress report submitted	
<u>Study Objectives</u> :		
The specific objectives of the study are to (i) assess the renewable energy resources of The Gambia and prepare a master plan for the development of the country's renewable energy sub sector, (ii) formulate policies, strategies and the institutional framework for the development of the renewable energy sub sector, and (iii) prepare a feasibility study and tender documents for the priority projects which can be implemented in the medium term.		

2.2.34 *Study Progress Assessment*: The conditions precedent to first disbursement of the grant were fulfilled 2 years after grant approval. As a result, the commencement of Study implementation was delayed. Quarterly reports are regularly submitted. The project has not been audited as activities only commenced in February 2005. Overall, compliance with grant conditions is unsatisfactory.

2.2.35 *Procurement Performance*: There were no major procurement problems. The Consultancy Contract was awarded with a delay of 21 months on the implementation schedule agreed at appraisal because of the late fulfillment of grant conditions. Procurement performance is satisfactory.

2.2.36 *Financial Performance*: There have been no difficulties in mobilizing the funds from the Government of The Gambia and the ADF, which represent 5% and 95% of the total cost of the Study respectively. The level of disbursement is 32 % and matches the status of Study implementation. The financial performance is, therefore, considered highly satisfactory.

2.2.37 *Activities and Outputs*: The Consultant has accomplished nearly one third of his tasks and is

performing according to the implementation schedule in his contract. The outputs are as expected and include the installation of equipment for data collection and the first draft report. Activities and outputs are satisfactory.

2.2.38 *Impact on Development:* The Study is still addressing development, environmental and poverty issues identified at appraisal. The impact on development will therefore be positive.

2.2.39 *Overall Performance:* Though starting difficulties will delay the completion date agreed at appraisal by 2 years, the Study will achieve its objectives. The overall performance is therefore satisfactory.

***Study Performance Rating Summary for 2005***

Compliance with Grant Conditions	Procurement Performance	Financial Performance	Activities and Works	Impact on Development	Overall Assessment
1.50	2.00	3.00	2.33	3.00	2.54

***Summary of Problems and Recommended Actions***

Problems	Recommended Actions
	N/A

### C.3 Water Supply and Sanitation Study

***Basic Data and Study Objectives***

<u>Approved Amount:</u> UA 1,775,000 <u>Cancelled Amount:</u> N/A <u>Net Commitment:</u> UA 1,775,000	<u>Source:</u> Grant	<u>Disbursed Amount:</u> UA 214,496.81
<u>Date Approved:</u> 12 June 2002 <u>Date Signed:</u> 8 August 2002 <u>Entry into Force:</u> 8 August 2002	<u>Accounts Audits (yearly)</u> No audited accounts received., <u>Progress reports:</u> Submitted regularly	<u>Last Disbursement deadline:</u>  Initial: 31 December 2004 Actual: 31 December 2006
<u>Date of last Supervision:</u> May 2005		
<u>Study Objectives/Components:</u>  The objectives are to prepare the medium and long term development plans for the water supply and sanitation services in The Gambia as well as to determine the technically sound projects which are of immediate priority for the growth of the towns and villages in the eight administrative centers.		

2.2.40 *Study Progress Assessment:* Grant conditions precedent to entry into force and to first disbursements were satisfied within ten months of loan approval. Quarterly project reports are regularly submitted to the Bank. The project has not been audited but the selection of the auditor is under process. Overall, compliance with loan conditions is satisfactory.

2.2.41 *Procurement Performance:* The procurement process was slow and the Consultancy Contract was awarded with a delay of 21 months from the schedule agreed at appraisal. The delay was due to protracted procurement and this has negated on the procurement performance, which is judged to be unsatisfactory.

2.2.42 *Financial Performance:* The Study is being financed from ADF grant resources and the Government, 86 % and 14 % respectively. The Fund and the Executing Agency of the Study, the National Water and Electricity Company (NAWEC), are meeting their financial obligations. The disbursement rate of 18% matches the implementation level. Financial performance is barely satisfactory.

2.2.43 *Activities and Outputs:* The study commenced 25 months after its approval and is

progressing slowly. Quarterly progress reports are regularly submitted. The Consultant has submitted the first reports on the Study. These were not of good quality and had to be extensively revised. The Consultant will not be able to finish his assignment within the contractual deadline. Activities and outputs are not satisfactory.

2.2.44 *Impact on Development:* The objectives of the study which is to prepare the medium and long term development plans for the water supply and sanitation services in The Gambia as well as to determine the technically sound projects which are of immediate priority for the growth of the towns and villages in the eight administrative centers are likely to be fully achieved.

2.2.45 *Overall Performance:* The Study is progressing slowly and will be completed with a long delay from the deadline agreed at appraisal. Actual performance during implementation is unsatisfactory. The study is potentially problematic.

***Study Performance Rating Summary for 2005***

<b>Study Implementation</b>	<b>Procurement Performance</b>	<b>Financial Performance</b>	<b>Activities and Works</b>	<b>Impact on Development</b>	<b>Overall Assessment</b>
<b>2.50</b>	<b>1.00</b>	<b>2.30</b>	<b>1.00</b>	<b>2.00</b>	<b>1.95</b>

***Summary of Problems and Recommended Actions***

Problems	Recommended Actions
Slow Implementation of the Study.	The Bank and the Executing Agency should closely monitor progress with a view to accelerating study implementation.
No submission of financial audit reports.	The Bank has already given notice to Government to submit the audit reports by end of February or face suspension of disbursement.

**D. Social Sector**

2.2.46 **Overview:** In the social sector, the Bank has to date approved 11 projects for the Gambia, totaling about UA 46.000 million. 8 Projects have been completed and closed and the current portfolio comprises three on-going projects amounting to UA 22.85 million (47.9% of the active portfolio). The projects are: a) Health Services Development Project, b) Community skills Improvement Project, and c) Basic Education Project [Education III]. The on-going projects, like all Bank operations, have a poverty reduction focus. Both the Health and education projects contribute to poverty reduction through improved services. The Community Skills Improvement project aims to contribute by reducing illiteracy and by increasing income-generating capacity

2.2.47 The last Portfolio Review of 1996 covered 6 on-going social sector projects, which are all now completed. The Health Project, approved in December 1997 is still in the active portfolio. It is, however, anticipated that this project will be completed by the end of 2006. The major problems that have hampered the smooth implementation of the sector portfolio include delays in fulfillment of loan conditions

## D.1 The Health Services Development Project

### *Basic Project Data and Project Objectives*

<u>Approved Amount:</u> UA 7.0 million <u>Cancelled Amount:</u> N/A <u>Net Commitment:</u> UA 7.0 million	<u>Source:</u> ADF	<u>Disbursed Amount:</u> * ADF: UA 3.47 million
<u>Date Approved:</u> 10/12/1997 <u>Date Signed:</u> 13/01/1998 <u>Entry into Force:</u> 26/10/1998	<u>Accounts Audits (years)</u> Latest 2002, 2003, 2004 <u>Progress Reports:</u> Latest 3 <sup>rd</sup> Quarter 2005	<u>Last Disbursement Deadline:</u> 31.12.2006
<u>Date of Last Supervision</u> November 2005		
<u>Project Objectives and Description:</u> The overall objective is to contribute to strengthening the institutional capacity of the DOSH to deliver appropriate health care services to the entire population. Specific objectives are: (i) to enhance increased accessibility of adequate primary and secondary health care services; (ii) to improve essential laboratory and support services; and, (iii) to ensure effective planning and management of health resources and services. The project comprises four components: health services delivery; strengthening laboratory and support services; management strengthening and project management.		

2.2.48 *Project Progress Assessment:* The critical concerns in the project are the slow rate of implementation of contracts, especially the civil works and the procurement process for equipment, which is tying down most of the undisbursed funds. The fixed contract for Civil works in the development of the Central Medical Stores (CMS), and the Public Health Laboratory (PHL) was signed and commenced on 16.11.2005. This would run for 13 months. With these contracts signed, the ADF funds have been committed to 77%. It is therefore programmed that all funds would be disbursed by the end of 2006.

2.2.49 *Consultancy and Management Strengthening:* The project has also suffered from weak consultancies, leading to termination of the services of the first and second civil works consultants for both Components I and II civil works, and the delay in the recruitment of a project architect, after the first one resigned, led to slow civil works supervision from the borrower's side. The nature and location of the civil works in remote parts of the country has also made the attainment of civil works contracts slow, especially under the current poor state of transport infrastructure. Two technicians (Clerk of Works) appointed on contract in January 2005 have improved supervision in the remote sites of Basse and Kuntaur the largest health facilities being rehabilitated. DOSH has taken up recommendations of the National Health Policy developed with the assistance of the WHO under this project. A Director has been recruited at the Directorate of Planning and Information, and this would greatly assist in the coordination of general policy development and review.

2.2.50 *Procurement Performance Assessment:* Procurement for all technical assistance has been completed. The PIU Deputy Project Manager (UNESCO consultant) was procured in January 2001 for 18 months, but was on the project for 48 months, till 31 December 2005. This necessitated two amendments to the UNESCO contract to meet the extra costs. The Project Architect was recruited in January 2004 for 36 months, the previous one having resigned in 2001. Consultants for the supervision of the rehabilitation of six health facilities countrywide and also for the design of the Public Health Laboratory and Central Medical Store were procured in 2002. Their performance was less than satisfactory and Government terminated their contract in January 2005. No equipment procurement has been made except for the three project vehicles and office equipment done in 2000. Delay in procuring of medical equipment was necessary as the buildings being rehabilitated were not yet ready. Tenders for medical equipment and non-medical furniture for Component I have been invited, and contracts would be concluded by 30/05/2006, while those for CMS and PHL

\* There has been a disbursement of UA 274,476.22 on 20/01/06. The disbursement ratio for the project now stands at 53.5%.

would be concluded by 30/08/2006. A procurement plan for all outstanding activities has been agreed in the supervision Aide Memoire of 30/11/2005. The performance in this activity is generally not satisfactory.

*2.2.51 Activities and Works Performance.* The rehabilitation and construction of five health facilities and one dispensary are in various stages of implementation. The civil works contracts are in two lots. Lot 1 is 80.2% complete, while Lot 2 is estimated at 89% completion. Lot 1 contract is disbursed to 94.28% while Lot 2 contract is 100% disbursed. The PIU has procured services of a Quantity Surveyor consultant to re-evaluate the two contracts in Component I for possible compensation on price escalation. The re-evaluation draft report was presented to Government on 31/12/2005. Site supervision has significantly improved as a result of engaging two clerk of works located in the remote sites. Technical supervision is done once per month, as activities on all the sites are reduced due to declined funds in the contracts, this will increase once more funds have been allocated to meet the cost of price escalation in the civil works contracts.

*2.2.52 Financial Performance:* A total of UA 3.47 million (49.62%) has been disbursed as at 31 December 2005 out of the ADF Loan of UA 7.0 million. The Government counterpart funds of GMD 16.4 million (UA 0.4 million), constituting 53.0% of the appraised UA 0.77 million have been disbursed. These rates of disbursements are less than satisfactory for a project on its seventh year from declaration of effectiveness. Furthermore the slow pace in disbursement of counterpart funds has impacted negatively on the rate of implementation of civil works contracts. The PIU has spent only 23.5% of its allocation under the ADF project as there was cost sharing from other funded projects run through the PIU. This will, however, change as the PIU staff initially paid by World Bank supported project have now signed contracts under the ADF account since 15/09/2005. DOSFEA has already requested two extensions to the last date of disbursement, the last extension being till 31/12/2005. The borrower requested a final extension to the project to 31/12/2006 so that all commitments could be finalized. This extension was granted by the Bank on 30/12/2005.

*2.2.53 Impact on Development:* The project is yet to achieve major impacts as most activities are yet to be accomplished. The human resource sector has improved as 22 trainees have completed their studies and are now working in the Gambia. Health Policy and Health Sector Human Resource Policy have been developed and Clinical Guidelines for treatment of major diseases are done. One health center is completed and operational. The project still has possibilities for attaining its objectives but under the current date of last disbursement there is much which will be left undone. The completion of the health centers under rehabilitation and the construction of the CMS and the PHL, which is on going, would significantly impact on the health services delivery in the country.

*2.2.54 Overall Assessment:* Project implementation has to date been less than satisfactory. There has been weak adherence to deadlines and government oversight activities on the PIU have been weak. The services of the technical assistants were not evaluated based on output and as such their overall contribution is not clear. The civil works contractors were also not well supervised and their weak performance was enhanced by lack of regular payment of Government Counterpart funds on the contracts. The last date of disbursement is 31/12/2005. The borrower has requested a last extension to 31/12/2006. On the basis of a strict deadline of activities provided to the last supervision mission and the CPPR mission. The project will become an ageing one quite soon.

### Project Performance Rating Summary for 2005

Generally weak project implementation but expected to attain most of its objectives once all the civil works and equipment procurement are concluded in 12 months as expected.

Project Progress	Procurement performance	Financial performance	Activities and outputs	Impact on Development	Overall assessment
1.5	1.5	1.5	1.4	1.5	1.57

#### *Summary of Problems and Recommended actions*

<b>Problems</b>	<b>Recommended Actions</b>
The slow rate of civil works implementation.	Maintain weekly project supervision of all sites.
The slow rate in the procurement process	Maintain strictly the procurement schedule in Aide Memoire of 30.11.2005.
Weak performance in training under UNESCO especially in reporting.	Borrower and the bank to notify UNESCO of the need to have mandatory quarterly project reports and yearly audited accounts.
Poor performance and absence of critical consultancies in the project's civil works sector	Consultancies for CMS and PHL construction to be appointed by 23.01.2006.
The remote nature and location of the sites, and the poor state of the country's transportation infrastructure.	Clerk of works to be maintained on main remote sites till completion of works.
High turn over of Permanent Secretaries in DOSH, leading to lack of follow up on project oversight issues.	DOSH to ensure that oversight activities to the PIU are maintained.
Weakness in project management as result of frequent change of PIU Project Managers.	Current project management at PIU to be maintained to end of the project based on regular performance evaluation.
Irregular contribution of counterpart funding thereby affecting performance of civil works contracts.	Borrower to pay all outstanding counterpart funds by 28/02/2006 and thereafter maintain regular payment to all contractors' interim certificates.

## D.2 Education III Project

### *Basic Project Data*

Approved Amount: UA 10.0 million Cancelled Amount: N/A Net Commitment: UA 10.0 million	Source: ADF	Disbursed Amount: ADF: UA 1.7 million
Date Approved: 11/09/2002 Date Signed: 26/11/2002 Entry into Force: 12/05/2003	Accounts Audits (years) Not yet received.  Progress Reports: Latest 3rd Quarter 2005	Last Disbursement Deadline: 31/01/2007
<u>Date of Last Supervision</u> November 2005		
<p><b>Project Objective and Description:</b> To improve the management capacity of the Department of State for Education. The project aims at increasing the number of Gambians who have access to education, in order to acquire the ability to read, write and undertake computations. The specific objectives of the project are:</p> <ul style="list-style-type: none"> <li>-To provide more inputs to the education sector in terms of classrooms, learning materials and trained teachers;</li> <li>-To provide linkages between the formal and non-formal education system through a literacy and functional skills training program to the out-of-school population; and</li> <li>-To strengthen the Ministry of Education's capacity to deliver education services especially to the decentralized levels.</li> </ul> <p><b>Project Description:</b> The project components are: Expansion of Access to basic education, literacy and functional skills training and capacity building.</p>		

*2.2.55 Project Progress Assessment:* The ADF loan of UA10.0 million for the Education III Project was approved on 11 September 2002 and was signed on 26 November 2002. There were delays in the fulfillment of conditions for effectiveness due to problems encountered in the implementation of civil works through a Delegated Management Contractor of USD 8.5 million for construction and rehabilitation of primary schools. This was signed in August 2004, and the design and supervision was packaged into various tender lots for which contracts have been approved. The project is structured such that more than 70% of the costs are on civil works, and this is handled by the contractor. The progress of the project is therefore dependent on the rate at which the DMC is able to procure services for subcontracts in design and supervision and the construction contractors themselves.

*2.2.56 Procurement Performance Assessment:* Procurements of Design and supervision consultants for facilities at the Gambia College, and for the rehabilitation of school facilities, is on going. Report for responses to the Request for Proposals has been approved and bids are awaited. Tenders for the procurement of laboratory equipment for the Gambia College have also been processed and no objection granted. An MOU between WHO and the Department of State for Education on the School Health Package has been forwarded to the Bank for review. Tenders for procurement of motor vehicles have been finalized and contracts awarded.

*2.2.57 Activities and Works Performance:* The Education III Project was launched in June 2005. The DMC has signed design contracts and supervision consultants to embark on the design for construction and renovation of the school facilities. Implementation plans for works for both facilities at the Gambia College and schools designs have been finalized and submitted to the Bank as part of the QPR for 2<sup>nd</sup> Quarter of 2005. The PIU at DOSE was reorganized by DOSE and services of new project manager procured. A list of key staff at the PIU initially paid under World Bank supported project have been submitted to the Bank for consideration under ADF funding since the World Bank project has been closed.

2.2.58 *Financial Performance Assessment:* An amount of UA 1.7 million, of which UA 1.53 million is an advance to the DMC and UA 0.16 million in revolving fund to the PIU have been disbursed. No audit report for the project has been received yet, but the Quarterly Progress Reports for 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> Quarter 2005 have been received by the Bank.

2.2.59 *Impact on Development assessment:* The project has had a late start due to slow process in the fulfillment of loan and disbursement conditions. It is, however, expected to meet its objective of providing access to basic education and improvement of educational management as the PIU and the DMC are well prepared to address the issues.

2.2.60 *Overall Assessment:* Project implementation since loan signing has been slow with a delay of 2 years. It is expected that with the conclusion of the design and supervision consultancies, the project will pick up and the civil works will be implemented within the next 18 months. The issue of capacity for both technical design and supervision staff, and the actual technicians to implement the civil works is critical in the Gambia, and as such DOSE has entrusted much of the responsibility of the project implementation to the DMC, which at the moment is well staffed. Supervision however has to keep a close eye to ensure that no laxity is entertained. At 17.02% disbursement rate on its third year, the project is less than satisfactory in performance so far but the planned activities for which tenders have been concluded would move the disbursement rate to more than 50% in the next 12 months.

**Project Performance Rating Summary for 2005**

Project Progress	Procurement performance	Financial performance	Activities and outputs	Impact on Development	Overall assessment
2.0	2.0	1.4	1.5	2.0	1.8

**Summary of problems and recommended actions**

<b>Problems</b>	<b>Recommended Actions</b>
The slow rate of civil works implementation resulting from the DMC's weak capacity during the period of loan conditions fulfillment.	The DMC has beefed up its operations capacity and has been urged to keep program deadlines. The Bank on the other hand urged to improve its turn around time for documentation and disbursement requests, mainly as a result of inadequacy of personnel.
Weakened capacity at PIU during the reorganization initiated by the DOSE.	Although new management has been put in place, the rate of implementation has not been accelerated as many actions are being undertaken without full mastering of the procurement rules of the Bank, which has led to slow rate in turn around of documents from the Bank.
With 70% of the loan's activities being implemented through a DMC, the state has not put in place fast tracking of all activities so as to avoid risk of being delayed by the DMC.	DOSE has taken it up to organize a monitoring mechanism to ensure that the DMC is at pace in all the activities being implemented.
General lack of capacity local consultancies and technical personnel is a risk which is anticipated to affect the rate of implementation of the civil works.	The DMC has been given strict warning to keep to deadlines, failure to which liquidated compensation will be demanded. The PIU on the other hand has requested to have in place construction monitors to be located in remote areas to supervise works which are directly under their responsibility.
Weak follow up from the oversight Project Steering Committee as result of the high turnover in the Permanent Secretary Post.	This is a generic problem in all the projects. Current DOSE senior personnel assured CPPR Mission that oversight of the project would be intensified.

### D.3 Community Skills Improvement Project

#### *Basic Project Data*

Approved Loan Amount: UA 4.4 million Cancelled Amount: N/A Net Commitment: UA 4.4 million	Source: ADF	Disbursed Amount: ADF Loan: UA 1.63 million (37.21%)
Approved Grant Amount: UA 1.45 million Cancelled amount: N/A Net commitment: UA 1.45	Source: ADF	Disbursed Amount: ADF Grant: UA 0.34 million (23.71%)
Date Approved: 16/02/2000 Date Signed: 24/03/2000 Entry into Force: 15/12/2000	Accounts Audits (years) 2001, 2002, 2003, 2004  Progress Reports: Latest 3rd Quarter 2005	Last Disbursement Deadline: 30/06/2006
<u>Date of Last Supervision</u> November 2005		
<p><u>Project Objectives and Description:</u> The overall objective is to contribute significantly to strengthen capacity of partner implementing agencies; to provide functional literacy and income generating skills to women (80%) and out of school youths, and to ensure their success to micro finance activities. The four project components are: Institutional strengthening and capacity building, functional literacy and income generating skills training; the skills development fund and project management.</p>		

**2.2.61 *Project Progress Assessment:*** The project is going on well although the pace is slow. Current physical implementation is about 60% although the disbursement is less than 40% mainly because most of the activities are being paid for in local currency which is half its value at appraisal against the UA. The delay in the literacy and skills component resulted from slow pace of the delegated management contractor (DMC) for civil works in constructing the 21 Multi purpose Skills Centers. The project was designed to be implemented under the Department of Community Development (DCD) in the Department of State for Local Government and Lands (DOSLG&L). The Department of Adult and Non-Formal Education (ANFED) which implements the literacy component, while the micro credit component is implemented by the Social Development Fund (SDF), and the Women's Bureau for advocacy aspects. Institutional weaknesses in all these institutions, particularly unavailability of adequate human resources, and inefficiencies in operational systems have had a negative impact on the rate of implementation of the project.

**2.2.62 *Procurement Performance Assessment:*** The procurement has generally been done in compliance with the Bank's procurement procedures in all cases. 15 motor vehicles and 55 motorcycles as specified in the appraisal report have been procured, 6 computers and accessories, 2 air conditioners. Equipments are kept in serviced condition. A monitoring and evaluation consultant was procured in 2002 and provided technical support to the project for 18 months. External auditors were procured and have provided the services to 31/12/2004. The difficulty facing the project is the attrition of key staff due to poor salaries. The procurement officer resigned in February 2004, and three finance officers have been appointed and resigned after short term service. The Bank supervision has continued to provide support to the procurement sub-component in the absence of properly trained personnel on the project.

**2.2.63 *Activities and Outputs:*** All the planned activities are on going in 250 project villages. Village development committee systems have been enhanced through the project activities. A total of 12,417 people are regularly attending the literacy classes. The credit fund has been accessed by 18,237 people, 84% being women. The community development staff in the project divisions has been provided with motorcycles to facilitate the activities, and the component coordinators together

with the monitoring and evaluation consultant are in regular field trekking to provide backstopping and supply the necessary literacy and skills training materials. Outputs from the skills activities are now available in the market even though the marketing strategies and standardization of products is not yet well structured. Partnership with other funded projects and NGOs has enhanced skills development and micro-credit disbursement. The micro finance window managed by SDF has disbursed GMD 7.6 million to beneficiaries out of the UA 170,000 received from CSIP. This performance is less than satisfactory as marketing of the resources has been weakly structured.

*2.2.64 Financial Performance Assessment:* A total of UA 1.647 million (37.21%) has been disbursed from the ADF Loan, and UA 343,827(23.71%) from the ADF Grant. Government counterpart funds amounting to GMD 5.9 million (UA 0.32 million), which is 53.89 %, has been disbursed. The borrower believes that the low disbursement rate has been maintained because of the decline in value of the Gambian Dalasi (GMD). According to the Audit Reports of 2003 and 2004, reporting has been satisfactory. Although reports indicate some weaknesses in control due to lack of separation of accountability at project management level. Overall financial management is satisfactory. The last date of disbursement is 30/06/2006. As the commencement date was February 2001, the borrower requests that the planned last date of disbursement be adjusted to allow for a total of six years of implementation as appraised.

*2.2.65 Impact on Development assessment:* The project is already having noticeable impact on the communities. Literacy in local languages is moving up and the skills development is a household issue now. The tourism sector is particularly responding very well in the sales of the tie and dye and batik dressings made by those who have been trained under the project. The gains were lopsided to women as male folk have not fully integrated into the project activities.

*2.2.66 Overall Assessment:* Project implementation has to date been satisfactory. The delay in civil works has been overcome and all 21 multi purpose centers are now ready for occupation. The availability of the multi-purpose centers would activate the literacy and skills components thereby enabling faster utilization of the resources. The project therefore is on course to achieving its objectives, and has created awareness among women in the country of the significance of literacy and skills development as strategies for poverty reduction.

#### Project Performance Rating Summary for 2005

Project Implementation	Procurement Performance	Financial Performance	Activities and Works	Impact on Development	Overall Assessment
2	2	2	2	2.5	2.1

*Summary of problems and recommended actions*

<b>Problems</b>	<b>Recommended Actions</b>
The slow rate of civil works implementation by DMC.	Future civil works to be implemented through Community Based Procurement methods.
Difficulty in attaining 40,000 literacy trainees +from the 250 villages.	MTR proposed expansion of the project to other villages in the neighborhood of the current project villages.
Literacy component has not been graduating the learners.	Tool for graduation has been completed and the learners will be graduated and set on different grades so as to encourage continuity.
Literacy and skills facilitators have had little commitment due to low stipend paid.	Review of the stipend would be done to reflect net present value in GMD.
MPCs so far completed have not been put to mu use yet.	Communities would be facilitated to fence the facilities and improve their outlook. Furniture, and solar powered lighting, water wells will be installed to make the centers usable day and night.
Laxity and lack of commitment of the Project Steering Committee (PSC) reduced the oversight role expected in the FMU.	Institutional arrangement for implementation would be strengthened, roles and responsibilities clarified; leadership, accountability and ownership enhanced by First quarter 2006
The current orientation of the project has not attracted male participants and youths in larger numbers.	Reorientation is being done to make the project attractive and in particular to support youth who have literacy levels sop that they can go directly into skills training. Facilities to support youth technical skills training will be supported.
Civil works category has exhausted funds allocated in the List of Goods and Services.	Revision of LOGS will be done as proposed in the MTR to avail more resources in this category to meet the programmed activities.

## **E. Multi-sector**

**2.2.67 Overview:** There is currently one project in this sector which is the Institutional Support for Capacity Building Project financed through an ADF grant (TAF) of UA 0.76 million constituting only 1.6% of the on-going portfolio

### **E.1 Institutional Support Project for Capacity Building**

**2.2.68 *Project Progress Assessment:*** There was an initial delay of 16 months caused by sluggish fulfillment of grant conditions but as of now all project components have been fully implemented with outputs exceeding physical targets for some components such as the RIFT training and external training in project and debt management. Office equipment and logistical support have been installed with a noticeable effect on the conduct of economic and policy management. With better PIU management, and more supervision, this operation should have been closed by now. Audit Reports have been characterized by delays with the 2004 report still outstanding, but the government was given an extension deadline until March/ 31<sup>st</sup> / 2006 and so far the audit report has not been delivered and the Bank Group has taken the decision to cancel the undisbursed balance.

**2.2.69 *Procurement performance:*** Computers, office equipment, and vehicles were all properly procured through IAPSO as stipulated in the project appraisal document. A physical inspection of the assets in September 2005 revealed no significant irregularities in the procurement process the bulk of which was completed during the two years following the first disbursement.

**Basic Data and Project Objectives**

<u>Approved Amount:</u> UA 0.76 million <u>Cancelled Amount:</u> N/A <u>Net Commitment :</u> UA 0.76 million	<u>Source:</u> ADF Grant	<u>Disbursed Amount:</u> UA 639,131.83 (84%)
<u>Date Approved:</u> 28/10/1998 <u>Date Signed:</u> 22/01/1999 <u>Entry into Force:</u> 19/11/1999 <u>First Disbursement</u> 18/05/2000	<u>Accounts Audits (yearly):</u> Submitted for 2000,2001,2002,2003 For 2004 deadline is 31/03/2006 <u>Progress Reports:</u> Last submitted in June 2003, Bi-annual.	<u>Last Disbursement:</u> <u>07/11/ 2003</u>  <u>Undisbursed Balance Cancelled 31/03/2006</u>
<u>Date of last Supervision:</u> <u>September 2005</u>		
<u>Project Objectives/Components:</u>  The broad objectives of the project were to strengthen the capacity of the Loans & Debt Management Unit (LDMU) and the Project Evaluation and Monitoring Unit (PEMU) of the Department of State for finance and Economic Affairs (DOSFEA) of the Gambia. The project was designed also to augment the supply of trained female teachers for primary and secondary school levels. The Gambia had in the late 1990s witnessed a massive quantitative expansion of basic education. The output of teachers had failed to cope with the rapid expansion of the education system, hence the need to train more teachers at the time. Targeting female teachers in particular, was intended to reduce the gender imbalance in teachers' training through the Remedial Initiative for Female Trainees (RIFT), which is a component of the project.  The main components of the Project are :  <ol style="list-style-type: none"> <li>1. Project Management Capacity Building through training and logistical support.</li> <li>2. Aid and Debt Management Capacity Building through training especially in the use of the commonwealth secretariat debt recording and management system (CS-DRMS)</li> <li>3. RIFT training Program for female teachers.</li> <li>4. Project implementation for management and logistic support needed to coordinate activities of the project.</li> </ol>		

**2.2.70 *Financial Performance:*** The Government contributes 5% of the total cost. From May 2000 to November 2003 84% of the grant amount had been disbursed leading to full implementation of the project components. Counterpart funds have been provided regularly as evidenced by the annual audit reports. Inadequate management and supervisions, absence of progress reports and the delay in submitting the 2004 audit report are the main culprits responsible for not concluding the project upon full implementation of its components. There are savings of over UA 121,000, which, was cancelled in March 2006.

**2.2.71 *Activities and Outputs:*** In addition to the office equipment including Hardware and software, training has been the crux in all components of the project. To this end seventeen (17) staff from DOSFEA and other departments received Short-term training abroad in various areas of economic management (exceeding the original target of 7) with most of them returning to their posts. From a target of 180, 177 received local training provided by Deloitte and Touche. Over 500 female teachers have been trained through the RIFT component exceeding the target of 500 stipulated in the project document, with 4 computer sets procured for Gambia College school of Education which housed the training. The PIU had procured 3 vehicles two of which are functional and under use by DOSFEA.

**2.2.72 *Impact on Development:*** The project has impacted positively on development by creating a more trained staff in the areas of economics and policy practice required for informed decisions that can foster sustained economic development.

**2.2.73 Overall Performance:** Overall performance is less than satisfactory as indicated by the rating of less than 2, but, on the other hand, all the project components have been fully implemented with physical targets exceeding 100%. In respect of progress made towards achieving overall project objectives, it can be argued that the project objectives are largely met by the project. Improvements are already evident as a result of procured office equipment and as a result of more trained personnel which has led to a noticeable effect on capacity which is a real bottleneck in the Gambia. As regards sustainability of the achieved goals, the medium to long-term prospects are promising since most of those trained externally have returned to their jobs (13 out of 17). The existence of the RIFT component brings a gender dimension into the project since it aims at training specifically female teachers. This, by design addresses gender imbalance in the project.

### Project Performance Rating Summary for 2005

Project Progress	Procurement performance	Financial performance	Activities and outputs	Impact on Development	Overall assessment
1.60	2.0	1.75	1.75	2.5	1.92

### Problems and Suggested Solutions

No.	By DOSFEA	By the Bank
1	Should submit outstanding Audit Report for 2004 by February 2006.	Deadline for Audit Report from <b>already extended to 31 March 2006.</b>
2.	Every effort should be made to complete this project by as soon as possible. DOSFEA should start preparation of borrower's PCR as soon as possible.	Need to prepare PCR after audit report and Borrower's PCR have been completed.
3.	For future similar projects submit Audit Reports and Progress Reports regularly	More regular Supervision Missions and Reports for similar future projects.
4.	For future similar projects, secure the required project staff specially the accountant and office space for the entire duration of the project	
5.	GOTG should reinforce capacity building projects by a comprehensive civil service reform to ensure sustainability and to reduce attrition rates.	In view of the prevailing capacity bottleneck, Bank needs to continue targeting institutional support for economic management as a strategic area of intervention in the Gambia

## 2.3 Ageing, Potentially Problematic and Problem Projects

2.3.1 The definition of Ageing, Potentially Problematic, and Problem Projects in this report follows the standard definitions used by the Bank in its APPR Reports<sup>§</sup>. Ageing projects are those that have not been completed after eight years from the date of approval or technical assistance operations that are at least 5 years old. Potentially problematic operations are ones, with a low probability of achieving satisfactory performance in the future. Examples of PPPs are: (i) those with less than 10% of the loan disbursed 2 years after loan effectiveness or if less than 50% of the loan have been disbursed within 5 years after loan effectiveness (ii) projects not completed after 8 years from approval (5 years for TAF/Grants), and loan or grant operations not yet declared effective 12 months following signature. Problem Projects are those whose average score of development objectives (DO) rating or the average implementation progress (IP) is less than 1.5.

2.3.2 In this context, with an average portfolio age of 4.3 years compared to the Bank-wide average of 4.2, there is no project which is yet ageing although the Health Services Development Project aged 7.7 years with a disbursement ratio of only 49.6% is likely to become ageing quite soon. The Tourism Master Plan (TAF) is not yet ageing. The study is in its final stages and the undisbursed balance reflects substantial savings. The Rural Electrification Project, PIWAMP,

<sup>§</sup> See Document ADF/BD/WP/2004/180/REV.1 10 May 2005

Water Supply and Sanitation Project, are potentially problematic projects (PPPs). The rural electrification project has a shortfall of roughly 1 million Euro and PIWAMP has not started effective disbursement after 12 months of loan approval with one more condition to fulfill. Projects at risk (PAR) in the rated operations are 4 projects, giving rise to a PAR rate of 33.3% \*\*. (For PAR-related data, see Annex VII).

The time lapse between loan signature and entry into force is 6 months while the gap between entry into force and effective disbursement is 8 months. This means that the average duration between loan approval and effective disbursement is 14 months. This is similar to the situation in other RMCs but nonetheless signifies slow progress at the early stages of project implementation.

## 2.4 Assessment of Supervision Frequency and Quality

2.4.1 In the agriculture sector, supervision has been adequate in quantitative and qualitative terms. There have been 8 supervision missions for the Peri-Urban project since it came into force in 2000 thus satisfying the Bank's recommended 1.5 missions / year. As for Artisanal Fisheries, there have been seven missions since 2002 which is more than adequate. The Participatory Integrated Watershed Management Project (PIWAMP) was supervised once in September 2005 and several field meetings were held in November 2005 to solve the problems delaying effective disbursement. The Supervision in the agricultural sector is quite satisfactory.

2.4.2 Regarding the three studies, the Tourism Master Plan has been supervised 5 times since 2002, while The Water Supply and Sanitation Study has been supervised 3 times in 2 years. Supervision missions for the Renewable Energy Study were fielded twice once in 2004 and again in 2005 but there have been several Desk supervisions and the implementation of the study has been progressing smoothly.

2.4.3 The Rural Electrification Project has been supervised 8 times in 5 years and the unsatisfactory progress of implementation has been caused by inadequate procurement and financial performance and not inadequacy of supervision frequency or quality. In fact, the supervision missions did predict and stress the current problems previously, especially the current financial shortfall exceeding Euro 1 million and the unsatisfactory performance of the consultant.

2.4.4 For the social sector, the three projects have been supervised at an average rate of 1.5 missions per year and the issues recurrently raised have been (i) delays in getting project documents approved and in awarding civil works, (ii) inadequate counterpart funding, and (iii) weakness in monitoring training activities.

2.4.5 The Institutional Support Project for Capacity building in multi-sector has been under supervised according to the SAP and available records, with only 3 missions since grant signature. That has been responsible for not closing the project on time.

2.4.6 In terms of the skill mix in supervision missions across the sectors, an observation is that it is limited to the sectoral task managers. More use should be made of audit and disbursement experts, country economists, and gender experts, especially with the current strategy followed by the Bank and most RMC PRSPs of mainstreaming Gender and cross-cutting issues into development operations.

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\*\* PAR rate is 33.3% if the two non-disbursing projects are included.

## 2.5 Cross-Cutting Issues

**2.5.1 Poverty Reduction:** In terms of the human development index (HDI), the UNDP 2003 *Human Resources Development Report* ranks The Gambia as the 155<sup>th</sup> country among a list of 177 countries and the 81<sup>st</sup> poorest country among a list of 95 developing countries. The 1998 Household Budget Survey<sup>††</sup> estimated that 33% of the households and 46.9% of the population are poor. Of the poor population, 29.7% is classified as extremely poor. The incidence of poverty is higher in the rural areas, where 34.8% of the households are classified as being extremely poor, and 15.2% as poor. The corresponding ratios for the urban areas are 19.2% as being extremely poor and 26.7% as being poor. The PRSP Progress Report (July 2002-December 2003) has indicated that the poverty head count index in 2003 was 47% , whereas the proportion of the population below the food poverty line was 30%. The causes of poverty are complex and inter-related. The main factors behind poverty in The Gambia are: relatively high population and fertility rates, low gross domestic savings and investment, and high reliance on rain-fed, subsistence agriculture and women in rural areas in particular.

2.5.2. All Bank Group Projects reviewed have a poverty reduction focus. The Bank Group portfolio's contribution to poverty reduction can be assessed by progress that has been made in implementation of the components directed at addressing poverty reduction in each sector. The agriculture and social sectors are the most designed to enhance poverty reduction. Support in the agriculture sector is aimed at enhancing food security and raising rural incomes through project and programme interventions, in the areas of peri-urban agriculture, small scale irrigation and lowland agriculture, Artisanal fisheries management and watershed management, each of which has production and capacity building components. The health and education projects should contribute to poverty reduction through improved services but it will take time especially for the health project which is characterized by implementation difficulties. The community skills development project has had an impact through its functional literacy and income generating component by reducing literacy and increasing income generating capacity.

2.5.3 **Gender:** Most Bank operations reviewed mainstream gender issues into their activities (see ANNEX VI). Available data suggest that gender differences and disparities persist in access to and control over resources, in the labor market, in accessing social services and in participation in decision-making. Roles and responsibilities in productive and household work are segregated along the gender lines. Agriculture is the predominant economic activity in which Gambian women are engaged (78% of women and 57% of men are in this sector). While men are engaged in groundnut production, women grow 99 percent of the rice in the country (primarily for consumption). Women play a significant role in the fishing industry; accounting for 80 percent of the fish loaders, and 99 percent of the fish processors. Noting the predominant presence of women in fisheries and agriculture, the Artisanal Fisheries and peri-urban project have a majority of women as clients. The Farmer-managed rice irrigation project is likely to have a similar impact once it becomes operational. The Community skills Development Project has trained women in rural development and gender issues and has held three workshops on Gender Policy through its Institutional Strengthening and capacity building component. It has also disbursed skills funds to village women through its skills fund component. The institutional Support Project for Capacity Building has a built-in Gender component: the remedial initiative for female trainees (RIFT) which has successfully provided training to over 500 female primary and secondary school teachers. In short all Bank Group operations examined, have mainstreamed, to varying degrees, the issues of gender.

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<sup>††</sup> The results of the 2003 Household Budget survey are not yet released.

**2.5.4 HIV/AIDS:** None of the on-going projects has a component related to HIV/AIDS, perhaps because the government is yet to produce a national policy against HIV/AIDS. The infection rates for HIV-1 and HIV-2 are estimated at 1.2 percent and 0.9 percent respectively. Prevalence rate for HIV-1 has increased from 0.7 percent in 1995 to 1.2 percent in 2001. Young girls in the 15-24 age group are the most vulnerable. Traditional practices such as wife inheritance, sharing blades for circumcision ceremonies, mother to child transmission and unprotected sex are listed among the contributing factors to the spread of HIV/AIDS. The country's HIV/AIDS policy is under formation, and was planned to have been completed by the end of 2005. The HIV/AIDS secretariat was formed in 2001 and has a coordinating role. A new demographic and household survey, which includes information on HIV/AIDS will be completed early in 2006. The Health Services Development project, however addresses other communicable diseases such as malaria.

**2.5.5 Governance:** So, far the Bank has not prepared a Country Governance Profile for the Gambia but it is planning for one to be started during the second half of 2006. Political governance in the Gambia has overall been unsatisfactory. The World Resources Institute has assessed political governance in The Gambia as being "partly free" with political rights and civil liberties each rated as 5 out of an index ranging from 1 (most free) to 7 (least free). Also, the record of transparency and accountability has not been satisfactory. The Government accounts for 1991-1999 were not closed and audited until the second quarter of 2005 and there have been delays in the closing of the public accounts for subsequent years. Another instance of weakness in accountability is the provision of misleading data to the IMF by the Central Bank in 2003. As for corruption, the Government's launching of "*Operation no Compromise*" in October 2003 was a major effort to fight corruption and unfair business practices although political opponents have indicated that the campaign was mainly an attempt by the government to find scapegoats and eliminate political opposition. An important measure, however, in the fight against corruption was the passing of the Financial Institutions, Insurance and Money Laundering Act in July 2003. The Government, with the help of the UNDP established a National Governance Program (NGP) in 2000 and a National Commission on Good Governance (NCGG) to oversee the implementation of the program. Implementation has witnessed delays arising from lack of capacity. Despite this discouraging overall governance situation, the Institutional Support for Capacity Building Project and its predecessors have contributed noticeably in the improvement of economic governance in the Gambia.

**2.5.6 Regional Integration:** The multinational projects with regional integration elements have not been included in this review by convention, but the Bank has in the past implemented projects that promote regional integration and plans to execute more in the future. The Gambia, in recognition of its strategic location, has developed a liberal trade policy framework and has invested relatively substantial amounts in its physical infrastructure, particularly in ports and handling facilities to serve the trade needs of its neighbors. As a result the Gambia currently enjoys a substantial comparative advantage in transit regional trade enhanced by its liberalized exchange-rate policy. The Gambia has also been an important partner in The West African Monetary Zone (WAMZ). In support of Gambia's regional trade and development, the Bank has financed two projects for the development of the Banjul Port and one environmental study in support of the *Natural Resource Management for the Development of the Gambia River Basin Organization* (OMVG). The Bank is currently preparing a Regional Integration Assistance Paper (RIAS) for West Africa, which will seek to improve trade links and enhance the economic integration of African Countries, using existing regional institutions such as ECOWAS. The Bank is also considering financing two technical studies within the transport sector, one for up-dating the studies of the *Gambia River Bridge* and the other one is the "*Detailed Design for Banjul Port III Project*". The Bank has recently contacted the Governments of Gambia and Senegal about starting the process in preparation for construction of the bridge. In terms of direct assistance to ECOWAS, the

Bank has already financed the following: (i) The Industrial Line of Credit and Rural Development Line of Credit and Technical Assistance to ECOWAS Fund; (ii) Invasive Aquatic Weeds Study and Project; (iii) ECOWAS Peace and Development Project; (iv) NERICA Rice Dissemination Project.

## 2.6 General Assessment of Portfolio Performance

**2.6.1 Overall Assessment:** There has been an improvement in the implementation of the on-going operations since last year as can be seen in the rating comparison tables in ANNEX IV. A Bank audit mission visited the Gambia in September and October 2005 and has now produced an Audit Report with several recommendations on how to improve Portfolio Performance, especially in areas of procurement and disbursement. Those recommendations are detailed and will be referred to in the next sub-sections.

**2.6.2 Compliance with Loan/Grant Conditions:** There have been considerable delays in meeting conditions precedent to entry into force. The average for the on going operations was 6 months ranging from 0 for the tourism master plan and WSS studies to 10 months for the ISP for capacity building. There have also been delays in meeting conditions precedent to effective disbursement with an average lapse between entry into force and effective disbursement of 8 months. The average duration for loan effectiveness after approval is 14 months for the on-going portfolio, which is rather lengthy but within bounds compared to Bank portfolios in other RMCs. The delays are caused by the quantity and quality of the conditions and also by the slow responses on the part of the government especially in cases of grants which are not taken as seriously as loans. In general, the more the number of conditions, the longer are the delays. Also, some of the conditions are not realistic or stringent at best. For the PIWAMP, for example, there is a condition that an auditor be recruited prior to first disbursement. This condition has been fulfilled only recently after considerable delay. The delays can be minimized if the Regional Office in Dakar (SNRO) takes a more proactive role in following up Bank portfolio issues with the government. This is suggested by the observation that the other Development partners with representation in the country do not suffer from these lengthy delays.

**2.6.3 Procurement:** The average rating for procurement performance in agriculture (for the two operating projects) is 2 while it is 2.5 for industry. Social sectors are rated at 2.1, multi-sector at 2 while public utilities trail the list with a rating of 1.8, which is below the overall average of 2.02. Although the overall procurement performance is satisfactory, more is needed from the PIUs to familiarize themselves with Bank Procurement Rules and Procedures, which would reduce time spent in tendering and awarding contracts. The relatively weak performance in the Public Utilities sector is due to protracted negotiations in the rural electrification project and the re-tendering of its 4<sup>th</sup> contract. Studies taken alone have, understandably, performed better in terms of procurement with an average of 2.2.

**2.6.4 Financial Performance:** The disbursement ratio of the on-going portfolio of 39% is on the low side but higher the Bank-wide average of 14%. This figure might have been lower had there been new commitments under ADF X. The rather high average financial performance rating of 2.21 reflects the good performance of the studies and the exclusion of the agricultural projects that have not started disbursement. Social sectors trail the list with an average performance rating of 1.5 and a low disbursement ratio of only 31.5% and this in turn is primarily caused by the unsatisfactory performance of the Health Services Project which achieved a rating of only 1.5\*. The second weakest performer in terms of disbursement is agriculture, but the situation has improved this year and as at the end of December 2005, disbursement for the two active projects in the sector is 40%.

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\* Financial performance rating should be slightly better for this project because there has been a recent disbursement of UA 274,476 on 20/01/06, so disbursement now is 53.5%.

However, it should be noted that for the cumulative portfolio, disbursement is quite satisfactory standing at 81.5% as at 31 December 2005. Inadequate auditing is a problem common to most operations and has adversely affected financial performance.

**2.6.5 Activities and Output:** The average performance rating for all sectors is 1.8 but with relatively weak performance in the social sector (1.5) and agriculture (1.75). The civil works component has been lagging behind in most of the projects reflecting weak performance by the contractor in the social sector and two consultants in the Rural electrification project.

**2.6.6 Impact on Development:** The average performance rating for impact on development is 2.06 which is satisfactory indicating a relatively high probability that the development objectives will be achieved in the medium to long terms. Weak performers are the social sector (1.67) and agriculture sector (1.88) in view of the problems already described. Notwithstanding, the performance in industry, multi-sector, and public utilities studies have been strong at ratings of 3, 2.5, and 2.67, respectively.

**2.6.7 Overall Performance:** The overall rating for performance has averaged 2.01 which is satisfactory. In what seems to be a mere coincidence, this is suspiciously close to the overall rating of the 1996 Portfolio Review (2.02) although not a single operation is common to both reviews! The leading performer is the Tourism Master Plan (industry) with an overall rating of 2.7 while the social sector trails the list with a rating of 1.72. The studies, as usual, have outperformed projects as the studies rated 2.47 on average.

**2.6.8 Comparison with the previous Portfolio Review:** The last approved portfolio review was undertaken in 1996. At that time the on-going portfolio consisted of thirteen operations including three studies and 10 projects which are all completed now. The amount committed was UA 70.86 million which is 48% higher in current terms compared to the present commitment but this simply reflects the high share of transport operations in the last Portfolio review where the sectoral distribution was: 1 agriculture; 4 transport, 2 public utilities, and 6 social sector. As at present, the bulk of the operations were financed through ADF/TAF and one through NTF, so there has been no shift in terms of window or financial instruments. Disbursement was slightly better at 50%. A definite improvement that has taken place is the decline in Problem Projects from 8 to 4 projects at risk, with varying degrees of problems. This reduction has taken place despite the fact that the definitions of problem and potentially problematic projects have become more rigorous and stringent over time. This improvement is, to a large extent, attributable to improvements in IP and DO ratings.

## 2.7 Generic Problems

2.7.1 The merely satisfactory portfolio performance is primarily caused by a number of generic problems that have impeded smooth implementation of the portfolio in the country. These include issues that need attention from the government and others which need attention from the Bank. The most important issues needing attention from the Government include: (i) delays in ratifying and fulfilling loan and grant conditions; (ii) non-adherence to the Bank Group's procedures for procurement and disbursements; (iii) delays in submitting regular audit and quarterly progress reports; (iv) failure of the Project Steering/ Coordination Committees (PSC)/(PCC) to meet regularly and assess implementation issues and address emerging problems; (v) weak capacity of the PIU staff; and (vi) the absence of a forum for active interaction and exchange of information between PIUs coupled with poor coordination and collaboration between the PIU staff and Senior Staff within Departments entrusted with the responsibility of overseeing the PIUs. Generic Problems needing attention from the Bank include: (i) frequent changes of Task Managers, and the

insufficiency of back-up Task Managers; (ii) the unrealistic nature of loan conditions, which are often too many, and some of which have proved to be unnecessary or stringent, and (iii) relatively low frequency of supervision and disbursement missions, especially prior to 2004 which need to be maintained at the required minimum in the future;

2.7.2 The lengthy procedures for processing contract awards basically reflects deficiencies in the government procedures and lack of familiarity with Bank rules and procedures as stressed by the recent Bank Audit mission referred to earlier.

2.7.3 The delays in fulfilling the conditions precedent to effectiveness and disbursement arise generally from generic problems and suggestions for the treatment of generic problems will be provided in the summary of the country portfolio improvement plan (CPIP) in ANNEX VIII.

## 2.8 Examples of project-specific problems:

2.8.1 For agriculture the following specific problems were observed: beneficiary contributions sometimes exceed the limits of local beneficiary capacity. For the Peri-Urban Project, for instance, there is a current implementation problem whereby construction material expected from the beneficiary clients is not accessible within reasonable costs. Also, the high interest rate at which micro credit is passed on from the Social Development Fund (SDF) to clients is making it unaffordable to poor farmers. For instance, the implementation of the Credit Component of the Artisanal Fisheries Project has almost come to a stand still due to high interest rates. The absence of a child-care facility is a social, economic, and environmental problem since women bring their children along to work at the project site. It would be quite fitting to erect a child day-care facility near the project site.

2.8.2 As for the Rural Electrification Project, it has been noted that there was a shortfall in funding amounting to EUR 848,839.68 in Package 1 of the project financed by the Arab Bank for Economic Development in Africa (BADEA) and EUR 205,000 in Package 3 financed by the ADF giving rise to a total shortfall of over one million Euros. The shortfall in package 1 resulted from the continuous depreciation of the dollar against the Euro which is the currency in which the BADEA loan was negotiated while the shortfall in package 3 resulted from depreciation of the Euro (the currency used for contracting the consultant) against the UA. The borrower has been advised by the Bank to claim liquidated damages from the contractors in order to cover the shortfall.

2.8.3 Regarding the social sector, it has been observed that the government needs to provide greater support to the Health project PIU. The services of the technical assistants need to be reevaluated against output and be of fixed contracts rather than continuous extensions. The civil works contractor needs to be given stricter programs and government is to take action when these are not adhered to. Also, for the same project, the borrower needs to work on the revision of LOGS as soon as possible to enable engagement of the civil works for the public health labs and the Central medical store. Procurement for medical equipment and furniture has also to be undertaken immediately. Attrition of health personnel to private sector and overseas is a key problem. The newly developed health policy completed under this project has critically addressed the issues in the human resource sector and this need to be implemented in order to alleviate the situation. For Community skills Improvement Project, interest charges differ between the NGOs and village savings and credit associations (VISACAs). Whereas NGOs like Village AID charge 16%, VISACAs charge 30% interest. NGOs therefore could be a better conduit for marketing of the micro finance at village level, although their capacity is weak at the moment.

## 2.9 Disbursements

2.9.1 Table III shows the commitments, disbursement and their ratios by sector for the cumulative portfolio. The total net signed commitments amounted to UA 199.29 million against disbursements of UA 161.97 giving rise to a disbursement ratio of 81.5%

**Table III: Status of Cumulative Disbursements by Sector as at 31/12/2005**

Sector	Commitment UA Million	Disbursement UA Million	Disbursement Ratio (%)
Agriculture	47.23	28.40	60.10
Industry	4.27	3.79	88.65
Power	11.45	10.72	93.64
Social Sector	42.80	27.11	63.34
Multi-sector	18.14	18.02	99.33
Transport	51.47	51.45	99.95
Water Supply/Sanit.	13.67	12.71	92.98
Environment	10.26	10.23	99.67
<b>Grand Total</b>	<b>199.29</b>	<b>162.41</b>	<b>81.49</b>

2.9.2 Table IV below summarizes the disbursement status for the on-going portfolio by operation. It should be noted that the social sector and agriculture are primarily responsible for the relatively low disbursement average for the on-going portfolio in view of the fact that many agricultural projects are relatively new and some have not started disbursing, on the one hand, and the poor performance of the social sector especially the Health Services Development Project, on the other.

**Table IV: On-going Portfolio Disbursement by Operation as at 31/12/2005**

	Age in Years	Amount Approved	Disbursements	%
<b>Agriculture</b>				
1. Peri-Urban Agric. Develop Project	5.9	5.07	2.86	56.4
2. Participatory. Integrated Watershed Managemt.	1.3	4.95	NA	NA
3. Artisanal Fisheries Development	4.8	2.90	0.33	11.5
4. Farmer-Managed Rice Irrigation Project		5.00	NA	NA
	0.5	0.50	-	-
<b>Total Agriculture</b>	<b>3.1</b>	<b>18.42</b>	<b>3.19</b>	<b>40.0*</b>
<b>Industry</b>				
5. Tourism Master Plan Study	4.8	0.815	0.330	40.5
<b>Total Industry</b>	<b>4.8</b>	<b>0.815</b>	<b>0.330</b>	<b>40.5</b>
<b>Public Utilities</b>				
6. Rural Electrification Project	4.9	2.97	2.75	92.5
7. Water Supply and Sanitation Study	3.2	1.18	0.21	18.0
8. Renewable energy Study	3.0	0.75	0.24	32.0
<b>Total Public Utilities</b>	<b>3.7</b>	<b>4.90</b>	<b>3.20</b>	<b>65.3</b>
<b>Social Sector</b>				
9. Basic Education III	3.0	10.00	1.71	17.1
10. Health Services Development Project	7.7	7.00	3.47	49.6
11. Community Skills Development Project	5.7	4.40	1.64	37.2
		1.45	0.34	27.6
<b>Total Social Sector</b>	<b>5.5</b>	<b>22.85</b>	<b>7.19</b>	<b>31.5</b>
<b>Multi-Sector</b>				
12. I. Support for Capacity Building	6.8	0.760	0.639	84.04
<b>Total Multi-Sector</b>	<b>6.8</b>	<b>0.760</b>	<b>0.639</b>	<b>84.04</b>
<b>Total On-Going Portfolio</b>	<b>4.3</b>	<b>47.74</b>	<b>14.55</b>	<b>39.0*</b>

\* Excluding the Farmer-managed rice irrigation and PIWAMP agricultural projects.

### 3. **ASSESSMENT OF MANAGEMENT CAPACITY**

#### 3.1 **Government Performance**

3.1.1 The Department of State for Finance and Economic Affairs (DOSFEA)), which oversees all the loans and grants does not have the database, the resources, nor the capacity to effectively monitor the work of PIUs. Against this backdrop, the government has submitted a request to the Bank to assist in the establishment of a Project Management and Aid Coordination Directorate within DOSFEA. Such a directorate will represent a big step forward in strengthening the Government's performance in portfolio management.

3.1.2 The PIUs have generally performed well except for those of the Health Services Development and the Institutional Support Project for Capacity Building over the last year and a half. A real handicap is that the PIUs have no forum for getting together so as to exchange ideas and experience and hence find solutions for their problems which are common and generic for the most part.

3.1.3 Provision of adequate government counterpart funding is a problem in the Gambia but the main problem is that DOSFEA does not have written procedures to facilitate a continuous and proactive monitoring of compliance with Bank loan/grant conditions. The current practice depends to a large extent on the experience and familiarity of their senior staff with the Bank's requirements.

3.1.4 A problem common to all PIUs is the delay in audit reports. This is largely due to the operation and rules of the National Audit Office (NAO) which operates under the constitution of the Republic of The Gambia and the Audit Act of 1964. These laws empower NAO, headed by the Auditor-General (AG) to carry out the audit of public service organizations including partial government entities. NAO is certainly aware of its responsibility with regard to the audit of public entities. However as a result of the large number of public service organizations, including multilateral financed projects, it simply does not have the adequate capacity to undertake these audits. At the moment, the involvement of NAO ends with the appointment of auditors.

3.1.5 The Government issued a cabinet directive imposing a ceiling on the honoraria to be received by PIU coordinators. The ceiling is GMD 12,000 which at the current exchange rate is \$400 which may not motivate PIU staff well enough to discharge their duties. This directive caused some problems and some PIUs chose not to enforce it but it is currently being revised because of the disincentive effects it has had.

#### 3.2 **Bank Performance**

3.2.1 The Bank has recently intensified its supervision, audit, and disbursement missions but it would be a good idea to effect better coordination between these missions with a view to enhancing the skill mix needed in assessing project performance as opposed to independent stand-alone missions. At any rate, the Bank target of 1.5 supervisions per year should be maintained.

3.2.2 There have been delays on the part of the Bank in granting no objection and processing of disbursement requests. This has contributed to delays in timely implementation of project components.

3.2.3 The Bank has not been an active participant in SWAPs but this has been caused by the lack of a donor coordination mechanism in the Gambia and the lack of Bank country representation. The issue of representation should be enhanced for the time being by SNRO which has the advantage of proximity to the Gambia.

#### 4. **COORDINATION WITH OTHER DONORS**

##### 4.1 **Assessment of the Government's Aid Coordination Capacity**

4.1.1 Aid coordination at the Government level is the responsibility of DOSFEA which is not capable of handling the task as remarked earlier. Donors have traditionally played an active role in the economic development of the Gambia especially before 1994 when annual ODA disbursements were as high as \$115 million. Even now, over 80% of Gambia's development budget is contributed by the international donor community. Major donors include the ADB Group, the World Bank, IMF, EU, DFID, OPEC, UNDP and USAID (until 1994), Taiwan, and Japan. Cuba provides technical assistance especially in the health sector. The UNDP undertakes some donor coordination on an ad hoc basis.

4.1.2 The idea of the Government to establish a new directorate in DOSFEA for Project Management and Aid Coordination seems quite fitting and is worthy of support from the Bank. Actually, such a directorate can be accommodated in the tentative project: Institutional Support for Economic Management proposed in the draft CSP for the second half of 2006.

##### 4.2 **Assessment of the Bank Group's Capacity to coordinate with other donors**

4.2.1 ADB Group Coordination with other Donors has primarily been through exchange of views during Bank Missions to the Gambia, through bilateral consultation meetings at the Bank Headquarters or at donor Headquarters and round-table conferences and sectoral consultation meetings. The Bank's capacity to coordinate with other donors on the ground will be facilitated by establishing the new Project management and Aid Coordination directorate in DOSFEA including an ADB Desk officer. Also, the presence of SNRO should have an appreciable effect in this regard.

##### 4.3 **Assessment of Performance of other Donors in Co-financed Projects**

4.3.1 There are currently three projects which are co-financed with other development partners: the Artisanal Fisheries with BADEA, the PIWAMP with IFAD, and the Rural Electrification Project with BADEA and the IDB. BADEA was slow in implementing its component at first in the Artisanal Fisheries project but is beginning to catch up now. IFAD collaborated closely with the Bank. The BADEA Package in the Rural Electrification Project has a shortfall of about Euro 850,000 caused by unfavorable exchange-rate movements following delays of the consultants coming on board. With an additional shortfall of Euro 205,000 from the ADF package, the total shortfall is over Euro 1 million for which an urgent solution needs to be found. The three donors had a meeting in Banjul in March 2006 and the Bank's advice was for the government to claim liquidated damages.

## 5. **LOAN REPAYMENT AND ARREARS**

5.1 The Gambia has no arrears on capital subscription or on loan repayment for the Bank Group. Gambia has been prudent in external debt management but it received a set back when the PRGF went off track in 2003 and the HIPC relief was suspended. The country had reached the enhanced HIPC decision point in December 2000, at which point the debt relief at the completion point would have amounted to US\$66.6 million in net present value (NPV) terms. Interim relief had been provided by the IMF, the African Development Bank, the European Investment Bank, and the OPEC Fund. The Paris Club in 2003 also provided debt relief in the form of a flow rescheduling on Cologne terms. However, following the suspension of the PRGF the HIPC relief was suspended as of January 2004 and the Paris Club informed the Gambian authorities that the second tranche of the rescheduling covering the period July 2003-July 2004 will not be forthcoming. The government is not expecting any exceptional financing in 2005 but is expected to be current on its debt service payments. Arrears for the Bank should not be a concern under ADF X as Gambia is treated as a Grants-only recipient.

## 6. **PROACTIVE MANAGEMENT OF THE PORTFOLIO**

6.1 **Potential Problems and Solutions:** This CPPR report has indicated that there are a number of generic problems that have impeded the smooth implementation of some projects. Some of the problems require attention from the Government and others from the Bank Group. The most important issues needing attention from both sides are mentioned in detail in sub-section 2.7 (P 30). These issues and problems have not changed much over time which shows that little has been done to tackle them and implement recommendations in previous reports.

### 6.2 **Summary of Country Portfolio Improvement Plan (CPIP)**

6.2.1 **Problem Projects:** The 2005 CPPR has indicated the presence of 4 projects with various problems: Rural electrification, PIWAMP, Health Service Development Project, and Water Supply and Sanitation Study. The Health Services Development Project has been potentially problematic and is now about to become an ageing project. The number of potentially problematic projects has gone down since last year due to intensified supervision and the solution of some pending problems.

6.2.2 **Solution to Problems From the Government Side:** In order to further improve on the soundness and development effectiveness of The Gambia's portfolio, the CPIP in ANNEX VIII makes some recommendations, which need to be taken by both the Government and the Bank Group:

### 6.3 **Lessons learnt for the future CSP and portfolio Management**

6.3.1 The previous analysis has indicated that there has been some improvement in the portfolio performance since the last review in 1996 especially in the reduction in the number of problem projects from 8 to 3 potentially problematic projects (PPPs) and 1 potentially ageing project which has been a PPP.

6.3.2 The Bank needs to organize training sessions and workshops for PIUs so as to familiarize them with Bank Rules and Procedures in issues of procurement, tendering and disbursement applications. This is in line with the findings of the recent Bank Audit Mission.

6.3.3 The Government procurement and accounting systems need to be overhauled as indicated earlier. This will minimize the delays that characterize the tendering and contract award processes.

6.3.4 Provision of counterpart funding is a problem in the Gambia. The Gambia has developed a medium term expenditure framework (MTEF) with code reclassification to be used as a planning and budgeting tool. The country is also in the final stages of putting together an integrated financial management information system (IFMIS) which will link the budgets of all line ministries and localities. The Bank should increasingly use these developments to ensure that government project commitments are adequate and regular. It can also use the MTEF as a tool that can help the Bank to place itself in the pooled funding with other donors for SWAPs within the MTEF.

6.3.5 Both the Bank and the Government should work for the establishment of the Directorate of Project management and Aid Coordination within DOSFEA with an ADB Desk Officer included in it. This will play the dual role of improving portfolio management and enhancing donor coordination. At the same time, SNRO should play a more proactive role in the portfolio management.

6.3.6 Despite the reduced number of PPPs, serious steps have to be taken by the government to reduce portfolio problems in the future. This includes maintaining the minimum 1.5 supervision missions per year and improving the skill mix of missions.

6.3.7 The average age of the on-going portfolio is 4.3 years, which is not very different from the Bank-wide average of 4.2, but more projects are likely to age in the medium term if remedial measures and intensified supervision are not put in place and maintained.

6.3.8 An important lesson is that the Bank should ensure high quality at entry in project preparation and appraisal. In doing so, the Bank should mainstream cross-cutting issues into its projects especially environment, child care facilities, and HIV/AIDS. This is particularly important in view of the fact that the new Gambia Draft PRSP (2006-08) mainstreams important cross-cutting issues into each of its four pillars instead of having a stand-alone fifth pillar relegated to mainstreaming cross-cutting issues as in the current PRSP.

## **7. CONCLUSIONS AND RECOMMENDATIONS**

### **7.1 Conclusions**

7.1.1 The overall performance of the portfolio is just satisfactory with an average rating of 2.01 which is close to the 2.02 overall rating of the 1996 Portfolio Review although not a single operation is common to both reviews. There have been positive developments over the last decade, however, notably the reduction in the number of problem and potentially problematic projects. Agriculture and the social sector are the weaker performers in the on-going portfolio.

7.1.2 Delays in the civil works components and closing of inactive projects require intensified supervision missions from the Headquarters and proactive engagement of the SNRO in Dakar, especially now in the absence of country representation for the Bank Group.

7.1.3 The Generic problems of the portfolio especially the irregular and delayed audit reports require implementation of the CPIP presented in section 6.2. The Bank Group may want to consider a gradual shift from the project approach to the program approach and harmonize its efforts with other donors who have generally been dealing with SWAPs. The idea is to strike some balance between projects and SWAPs.

7.1.4 In regard of the issue of how much the Bank operations have contributed to the progress towards achieving MDG targets, the effect is likely to be minimal in view of the low implementation rate of the PRSP 2003-05 of only 25% as reported by the latest PRSP APR (August 2005) with the only progress made being in the **social services indicators**. The poverty head count ratio has actually increased according to the APR. The Bank's CSP 2002-04 chose as two pillars for Bank intervention: improving services in the social sector and the macroeconomic environment. So despite the unsatisfactory performance of the social sector in this review, the Bank has certainly chosen the right area of intervention as implied by the APR results. The second CSP target, however, was compromised by the country's PRGF with the IMF going off-track in 2003, which led to the cancellation of a Balance of Payments support loan that the Bank was about to approve.

## 7.2 Recommendations

### **Government:**

7.2.1 It is important to stress that DOSFEA should not be just a funds and mail distributor. It should expedite the establishment of the Directorate for project management and aid coordination within DOSFEA. An ADB-Desk Officer should be part of that directorate and should be strengthened by the government.

7.2.2 The Government needs to put in place more effective procurement, accounting, and auditing systems and provide the necessary training for PIU Staff. The Bank would also help in such training through capacity building project components and independent projects. Auditing is to be treated as a major portfolio problem and the recommendations in the CPIP of this document (Annex VIII) and those of the February 2006 Report of the Bank Audit Mission to the Gambia should be taken seriously by the GOTG.

7.2.3 The Government and the PIUs should take advantage of the presence of the Regional Office in Dakar, Senegal, for issues related to procurement, disbursement and project management. The Regional Office has the advantage of proximity to the country and hence can play a more active role in matters related to the portfolio and aid coordination.

7.2.4 Incorporate adequate provisions for counterpart funds in the MTEF and expedite the process of finalizing the IFMIS.

7.2.5 Encourage regular meetings of the project steering committees PSCs and provide a forum for PIUs to exchange views, preferably through its proposed directorate of project management and aid coordination.

### **Bank Group:**

7.2.6 Maintain the target of 1.5 missions per year to enable close monitoring of on-going operations especially those with implementation difficulties. This should be complemented with training workshops on Bank rules and procedures.

7.2.7 Support the Government's on-going structural reforms especially privatization and private sector development in order to diversify the Bank Group portfolio. Of particular importance are also the institutional reforms designed to improve the efficiency of the civil service, through capacity building projects, since capacity is a real constraint in the Gambia.

7.2.8 Engage the Government in a dialogue on the most appropriate channels of communication between the Bank, Departments of State and EAs/PIUs; the awareness of Bank procedures, especially in respect of procurement and disbursement should be increased through more training of EA staff; the Bank should also inform the various Departments and agencies of planned missions and involve them in project management activities and discussions of findings and conclusions.

7.2.9 Appraisal reports for new projects should engage the Auditor General's Office (AG) in project audit and management early enough so that they facilitate and expedite project audits, which are always delayed and constitute a real problem area in the Gambia portfolio.

7.2.10 Improve quality of projects at entry point, among other things, through more thorough analysis of the institutional and technical capabilities of the PIUs; this should include an assessment of the adequacy of EA/PIU accounting systems for adequate monitoring and control as well as of the capacity of project staff to manage funds through special accounts; sensitize the Government EAs to loan conditions during preparation/ appraisal missions.

7.2.11 Harmonize Bank interventions and align procedures with those of other donors, including reporting requirements, in order to reduce the workload for EAs / PIUs.

7.2.12 Assist the Government in establishing the new Directorate of Project Management and Aid Coordination to be complemented with a stronger role by SNRO in portfolio management.

7.2.13 Bank task managers should ensure that the procurement, audit and supervision data are duly entered into SAP and keep it current and updated.

7.2.14 Finally, the Bank Group should improve upon the composition (skill-mix) of Bank supervision missions.

7.2.15 The Board of Directors is invited to take note of the findings of this Country Portfolio Performance Review Report for The Gambia.

**ANNEX I**

**Gambia: Statement of Loans as at 31 December 2005**

Sector name	Source of Finance	Project title	Approval date	Signature date	Amount Approved	Amount Signed	Amount Cancelled	Net Amount Signed	Disbursements	Undisbursed Balance	Disbursement ratio
Agriculture	ADB	FISHERIES DEVELOPMENT	23-Aug-83	12-Sep-83	3,437.00	3,437.00	3,437.00	-	-	-	0.00%
	<b>ADB Total</b>				3,437.00	3,437.00	3,437.00	-	-	-	0.00%
Agriculture	ADF	COTTON PRODUCTION DEVELOPMENT	9-Oct-74	20-Nov-74	1,842.10	1,842.10	556.19	1,285.91	1,285.91	-	100.00%
Agriculture X	ADF	FARMER MANAGED RICE IRRIGATION	27-Apr-05	19-May-05	5,500.00	5,500.00	-	5,500.00	-	5,500.00	0.00%
Agriculture	ADF	FISHING DEVELOPMENT PROJECT	25-Aug-83	6-Feb-84	7,318.68	7,318.68	5,598.12	1,720.56	1,720.56	-	100.00%
Agriculture X	ADF	INVASIVE AQUATIC WEEDS – GAMBIA	22-Sep-04	9-Dec-04	310.00	310.00	-	310.00	-	310.00	0.00%
Agriculture	ADF	JAHALY PACHARR RICE	18-Mar-82	13-Aug-82	4,236.84	4,236.84	5.23	4,231.61	4,231.61	-	100.00%
Agriculture	ADF	LIVESTOCK DEVELOPMENT	27-Jan-83	7-Feb-83	8,593.42	8,593.42	24.72	8,568.70	8,568.70	-	100.00%
Agriculture	ADF	LIVESTOCK DEVELOPMENT STUDY	14-Jul-99	12-Oct-99	576.95	576.95	216.93	360.02	360.02	-	100.00%
Agriculture X	ADF	NERICA DISSEMINATION PROJECT – GAMBIA	26-Sep-03	3-Nov-03	1,560.00	1,560.00	-	1,560.00	141.92	1,418.08	9.10%
Agriculture X	ADF	OMVG GESTION RESSOURCES NATURELLES	14-Jun-01	28-May-02	2,030.55	2,030.55	0.55	2,030.00	155.61	1,874.39	7.67%
Agriculture X	ADF	PERI-URBAN AGRICULTURAL DEVELOPMENT PROJECT	27-Oct-99	8-Nov-99	5,070.00	5,070.00	-	5,070.00	2,858.84	2,290.36	56.39%
Agriculture	ADF	PROGRAMME D'AMENAGEMENT AGRICOLE DES BAS-FONDS	19-Nov-96	20-Dec-96	4,000.00	4,000.00	0.35	3,999.65	3,999.65	-	100.00%
Agriculture	ADF	RICE DEVELOPMENT PROJECT	23-Feb-88	29-Mar-88	4,798.68	4,798.68	58.95	4,739.73	4,739.73	-	100.00%
	<b>ADF Total</b>				45,837.22	45,837.22	6,461.05	39,376.18	27,983.35	11,392.83	71.07%
Agriculture X	NTF	ARTISANAL FISHERIES DEVELOPMENT PROJECT	17-May-00	19-Jan-01	2,900.00	2,900.00	-	2,900.00	333.56	2,566.44	11.50%
Agriculture X	NTF	Participatory Integrated Watershed Manag	9-Jun-04	9-Dec-04	4,950.00	4,950.00	-	4,950.00	-	4,950.00	0.00%
	<b>NTF Total</b>				7,850.00	7,850.00	-	7,850.00	333.56	7,516.44	4.25%
<b>Agriculture Total</b>					<b>57,124.22</b>	<b>57,124.22</b>	<b>9,898.05</b>	<b>47,226.18</b>	<b>28,396.11</b>	<b>19,046.46</b>	<b>60.12%</b>
Environment	ADF	COASTAL PROTECTION PROJECT	13-Sep-01	3-Oct-01	9,590.00	9,590.00	-	9,590.00	9,556.29	33.71	99.65%
Environment	ADF	COASTAL PROTECTION STUDY	4-Sep-97	13-Oct-97	830.00	830.00	159.48	670.52	670.52	-	100.00%
	<b>ADF Total</b>				10,420.00	10,420.00	159.48	10,260.52	10,226.81	33.71	99.67%
<b>Environment Total</b>					<b>10,420.00</b>	<b>10,420.00</b>	<b>159.48</b>	<b>10,260.52</b>	<b>10,226.81</b>	<b>33.71</b>	<b>99.67%</b>
Ind/Mini/Quar	ADF	GROUNDNUT PROCESSING INDUSTRY (PHASE I)	29-Nov-79	3-Dec-79	4,605.26	4,605.26	1,150.83	3,454.43	3,454.43	-	100.00%
Ind/Mini/Quar X	ADF	TOURISM MASTER PLAN STUDY	22-Nov-00	19-Jan-01	815.00	815.00	-	815.00	330.27	484.73	40.52%
	<b>ADF Total</b>				<b>5,420.26</b>	<b>5,420.26</b>	<b>1,150.83</b>	<b>4,269.43</b>	<b>3,784.70</b>	<b>484.73</b>	<b>88.65%</b>

Sector name	Source of Finance	Project title	Approval date	Signature date	Amount Approved	Amount Signed	Amount Cancelled	Net Amount Signed	Disbursements	Undisbursed Balance	Disbursement ratio
<b>Ind/Mini/Quar Total</b>					5,420.26	5,420.26	1,150.83	4,269.43	3,784.70	484.73	88.65%
Multi-Sector X	ADF	INSTITUTIONAL SUPPORT PROJECT FOR CAPACITY BUILDIN	28-Oct-98	22-Jan-99	760.50	760.50	-	760.50	639.13	121.37	84.04%
Multi-Sector	ADF	MULTI SECTORAL REHABILITATION	29-Oct-86	12-Dec-86	9,210.52	9,210.52	0.00	9,210.52	9,210.52	-	100.00%
Multi-Sector	ADF	SECOND STRUCTURAL ADJUSTMENT LOAN	16-Jan-90	25-Jan-90	6,447.36	6,447.36	248.56	6,198.81	6,198.81	-	100.00%
Multi-Sector	ADF	SOCIAL DIMENSION OF ADJUSTMENT	20-Sep-88	13-Feb-89	1,998.68	1,998.68	29.65	1,969.03	1,969.03	-	100.00%
	<b>ADF Total</b>				18,417.07	18,417.07	278.21	18,138.86	18,017.49	121.37	99.33%
<b>Multi-Sector Total</b>					<b>18,417.07</b>	<b>18,417.07</b>	<b>278.21</b>	<b>18,138.86</b>	<b>18,017.49</b>	<b>121.37</b>	<b>99.33%</b>
Power	ADB	ELECTRICITY DISTRIBUTION IN BANJUL	14-Oct-75	5-Jan-76	2,000.00	2,000.00	4.36	1,995.64	1,995.64	-	100.00%
Power	ADB	ELECTRICITY PROJECT (PHASE II)	23-Jan-79	21-Feb-79	5,000.00	5,000.00	20.47	4,979.53	4,979.53	-	100.00%
	<b>ADB Total</b>				7,000.00	7,000.00	24.83	6,975.17	6,975.17	-	100.00%
Power	ADF	ENGINEERING STUDY OF RURAL ELECTRIFICATION PROJECT	21-Oct-93	4-Jan-94	1,370.00	1,370.00	620.71	749.29	749.29	-	100.00%
Power X	ADF	Renewable Energy Study	30-Oct-02	26-Nov-02	749.00	749.00	-	749.00	243.62	505.38	32.53%
Power X	ADF	RURAL ELECTRIFICATION PROJECT	14-Dec-00	19-Jan-01	2,970.00	2,970.00	-	2,970.00	2,747.38	222.62	92.50%
	<b>ADF Total</b>				5,089.00	5,089.00	620.71	4,468.29	3,740.29	728.00	83.71%
<b>Power Total</b>					<b>12,089.00</b>	<b>12,089.00</b>	<b>645.54</b>	<b>11,443.46</b>	<b>10,715.46</b>	<b>728.00</b>	<b>93.64%</b>
Social X	ADF	BASIC EDUCATION PROJECT (EDUCATIION III)	11-Sep-02	26-Nov-02	10,000.00	10,000.00	-	10,000.00	1,701.88	8,298.12	17.02%
Social X	ADF	COMMUNITY SKILLS IMPROVEMENT PROJECT (WID II)	16-Feb-00	24-Mar-00	5,850.00	5,850.00	-	5,850.00	1,981.14	3,868.86	33.87%
Social	ADF	EDUCATION PROJECT II	24-Aug-92	12-Oct-92	4,973.68	4,973.68	1,036.09	3,937.59	3,937.59	-	100.00%
Social	ADF	FEASIBILITY STUDY OF EDUCATION PROJECT	23-Jun-83	15-Jul-83	635.53	635.53	247.34	388.19	388.19	-	100.00%
Social	ADF	HEALTH SECTOR STUDY	11-Sep-92	18-Oct-92	690.79	690.79	-	690.79	690.79	-	100.00%
Social X	ADF	HEALTH SERVICES DEVELOPMENT PROJECT II	10-Dec-97	13-Mar-98	7,000.00	7,000.00	-	7,000.00	3,473.30	3,526.70	49.62%
Social	ADF	POVERTY REDUCTION PROJECT	10-Dec-97	13-Jan-98	3,210.00	3,210.00	27.77	3,182.23	3,182.23	-	100.00%
Social	ADF	PRIMARY EDUCATION IMPROVEMENT	27-Nov-86	12-Dec-86	4,144.73	4,144.73	0.00	4,144.73	4,144.73	-	100.00%
Social	ADF	REHABILIT.OF HEALTH TRAINING FACILITIES	27-Jan-92	23-Mar-92	7,092.10	7,092.10	1,622.72	5,469.38	5,469.38	-	100.00%
Social	ADF	WOMEN IN DEVELOPMENT PROJECT	14-Mar-90	27-Mar-90	460.53	460.53	261.35	199.18	199.18	-	100.00%
Social	ADF	WOMEN IN DEVELOPMENT PROJECT (GRANT)	14-Mar-90	27-Mar-90	1,943.42	1,943.42	1.54	1,941.88	1,941.88	-	100.00%
	<b>ADF Total</b>				46,000.78	46,000.78	3,196.80	42,803.97	27,110.29	15,693.68	63.34%
<b>Social Total</b>					<b>46,000.78</b>	<b>46,000.78</b>	<b>3,196.80</b>	<b>42,803.97</b>	<b>27,110.29</b>	<b>15,693.68</b>	<b>63.34%</b>

Sector name	Source of Finance	Project title	Approval date	Signature date	Amount Approved	Amount Signed	Amount Cancelled	Net Amount Signed	Disbursements	Undisbursed Balance	Disbursement ratio
Transport	ADB	BANJUL SEA PORT	22-Jun-82	13-Aug-82	7,000.00	7,000.00	17.62	6,982.38	6,982.38	-	100.00%
Transport	ADB	BANJUL SERREKUNDA HIGHWAY PROJECT	29-Aug-79	3-Dec-79	3,900.00	3,900.00	-	3,900.00	3,900.00	-	100.00%
	<b>ADB Total</b>				10,900.00	10,900.00	17.62	10,882.38	10,882.38	-	100.00%
Transport	ADF	BANJUL PORT PROJECT II	14-Dec-93	4-Jan-94	16,000.00	16,000.00	447.57	15,552.43	15,526.71	25.73	99.83%
Transport	ADF	BANJUL-SEREKUNDA HIGHWAY(SUPPLEMENTARY)	22-May-89	28-May-89	2,109.21	2,109.21	4.37	2,104.84	2,104.84	-	100.00%
Transport	ADF	INSTITUT.SUPPORT TO MWC - E.F ROAD(GRANT	30-Oct-91	31-Jan-92	2,763.16	2,763.16	7.33	2,755.83	2,755.83	-	100.00%
Transport	ADF	LAMINKOTO-PASSIMUS ROAD	28-Aug-80	17-Sep-80	8,000.00	8,000.00	8,000.00	-	-	-	0.00%
Transport	ADF	ROAD REHABILITATION	22-Nov-89	4-Dec-89	14,506.57	14,506.57	28.78	14,477.79	14,477.79	-	100.00%
	<b>ADF Total</b>				43,378.93	43,378.93	8,488.04	34,890.89	34,865.17	25.73	99.93%
Transport	NTF	YUDUM AIPORT CONSTRUCTION	28-Oct-76	11-Mar-77	2,000.00	2,000.00	17.80	1,982.20	1,982.20	-	100.00%
Transport	NTF	YUDUM AIRPORT CONSTRUCTION(PHASE IV)	8-Jun-82	13-Aug-82	4,500.00	4,500.00	785.41	3,714.59	3,714.59	-	100.00%
	<b>NTF Total</b>				6,500.00	6,500.00	803.21	5,696.79	5,696.79	-	100.00%
<b>Transport Total</b>					<b>60,778.93</b>	<b>60,778.93</b>	<b>9,308.88</b>	<b>51,470.06</b>	<b>51,444.33</b>	<b>25.73</b>	<b>99.95%</b>
Water Sup/Sanit	ADF	BANJUL SEWERAGE AND DRAINAGE PROJECT	24-Apr-80	24-Jun-80	7,368.42	7,368.42	266.62	7,101.80	7,101.80	-	100.00%
Water Sup/Sanit	ADF	GREATER BANJUL WATER SUPPLY	25-Nov-87	20-Apr-88	5,618.42	5,618.42	221.87	5,396.55	5,396.55	-	100.00%
Water Sup/Sanit X	ADF	WATER SUPPLY & SANITAT STUDY FOR PHASE	12-Jun-02	8-Aug-02	1,175.00	1,175.00	-	1,175.00	214.50	960.50	18.26%
	<b>ADF Total</b>				14,161.83	14,161.83	488.49	13,673.35	12,712.84	960.50	92.98%
<b>Water Sup/Sanit Total</b>					14,161.83	14,161.83	488.49	13,673.35	12,712.84	960.50	92.98%
<b>Grand Total</b>					<b>224,412.09</b>	<b>224,412.09</b>	<b>25,126.27</b>	<b>199,285.82</b>	<b>162,408.03</b>	<b>3,6956.99</b>	<b>81.49%</b>

**ANNEX I-B****Gambia: Summary of Net Commitments and Disbursements for on-going Operations (31/12/05)**

	Approval Date	Date Signed	Entry into Force	Effective Disbursement	Financing Source	Age in Years	Amount Approved	Disbursement.	%
<b>Agriculture</b>									
1. Peri-Urban Agric. Develop Project	27/10/99	08/11/99	18/12/00	21/05/01	ADF Loan	5.9	5.07	2.86	56.4
2. Participatory Integrated Watershed Managemt.	09/06/04	09/09/04	30/07/05	-----	NTF Loan	1.3	4.95	NA	NA
3. Artisanal Fisheries Development	17/05/00	19/01/01	22/10/01	27/06/02	NTF Loan	4.8	2.90	0.33	11.5
4. Farmer-Managed Rice Irrigation Project	27/04/05	19/05/05	----	-----	ADF Loan ADF Grant	0.5	5.00 0.50	NA -	NA -
<b>Total Agriculture</b>						<b>3.1</b>	<b>18.42</b>	<b>3.11</b>	<b>40.0*</b>
<b>Industry</b>									
5. Tourism Master Plan Study	22/11/00	19/01/01	19/01/01	11/07/01	ADF Grant	4.8	0.815	0.330	40.5
<b>Total Industry</b>						<b>4.8</b>	<b>0.815</b>	<b>0.330</b>	<b>40.5</b>
<b>Public Utilities</b>									
6. Rural Electrification Project	14/12/00	19/01/01	14/09/01	26/10/01	ADF Loan	4.9	2.97	2.75	92.5
7. Water Supply and Sanitation Study	12/06/02	08/08/02	08/08/02	20/05/04	ADF Grant	3.2	1.18	0.21	18.0
8. Renewable energy Study	30/10/02	26/11/02	26/11/02	21/09/04	ADF Grant	3.0	0.75	0.24	32.0
<b>Total Public Utilities</b>						<b>3.7</b>	<b>4.90</b>	<b>3.20</b>	<b>65.3</b>
<b>Social Sector</b>									
9. Basic Education III	11/09/02	26/11/02	12/05/03	05/11/04	ADF Loan	3.0	10.00	1.71	17.1
10. Health Services Development Project	10/12/97	13/01/98	26/10/98	25/06/99	ADF Loan	7.7	7.00	3.47	49.6
11. Community Skills Development Project	16/02/00	24/03/00	15/12/00	26/02/01	ADF Loan ADF Grant	5.7	4.40 1.45	1.64 0.34	37.2 27.6
<b>Total Social Sector</b>						<b>5.5</b>	<b>22.85</b>	<b>7.19</b>	<b>31.5</b>
<b>Multi-Sector</b>									
12. Institutional Support for Capacity Building	28/10/98	22/01/99	19/11/99	18/05/00	ADF Grant	6.8	0.760	0.639	84.04
<b>Total Multi-Sector</b>						<b>6.8</b>	<b>0.760</b>	<b>0.639</b>	<b>84.04</b>
<b>Total On-Going Portfolio</b>						<b>4.3</b>	<b>47.74</b>	<b>14.55</b>	<b>39.0*</b>

\* Excluding the Farmer-managed rice irrigation and PIWAMP agricultural projects.

**ANNEX II****Summary of Project Ratings Compared to the Ratings of the CPPR 1996**

<b>Sector</b>	<b>Project Progress</b>	<b>Procurement Performance</b>	<b>Financial Performance</b>	<b>Activities/ Outputs</b>	<b>Impl. Progress (IP)</b>	<b>Impact on Develop. (DO)</b>	<b>Overall Assessment (OA)</b>	<b>1996 Proj. Prog.</b>	<b>1996 DO</b>	<b>1996 OA</b>
<b>A. Agriculture</b>	<b>2.60</b>	<b>2.0</b>	<b>2.0</b>	<b>1.75</b>	<b>2.21</b>	<b>1.75</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.3</b>
<b>B. Social</b>	<b>1.83</b>	<b>2.1</b>	<b>1.5</b>	<b>1.50</b>	<b>1.76</b>	<b>1.83</b>	<b>1.8</b>	<b>1.4</b>	<b>2.0</b>	<b>1.72</b>
<b>C. Public Utilities</b>	<b>1.95</b>	<b>1.8</b>	<b>2.6</b>	<b>1.80</b>	<b>2.19</b>	<b>2.23</b>	<b>2.20</b>	<b>2.0</b>	<b>2.0</b>	<b>2.3 *</b>
<b>D. Multi-Sector</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>1.92</b>	<b>2.50</b>	<b>1.92</b>	<b>2.0</b>	<b>1.7</b>	<b>2.1</b>
<b>Average Portfolio</b>	<b>2.12</b>	<b>2.02</b>	<b>2.21</b>	<b>1.75</b>	<b>2.05</b>	<b>2.02</b>	<b>2.01</b>	<b>1.67 *</b>	<b>1.97 *</b>	<b>2.02 *</b>

\* The rating of the portfolio 1996 includes sectors that are not indicated in the above table (transport, and the present portfolio includes industry which is not shown here).

**Ratings per On-going Project** (*Core Projects excluding studies and non-disbursing*

*projects)*

**ANNEX III**

Criteria	Project	A.1 Peri-Urban	A.2 Artisanal Fisheries	C.1 Rural Electrification Project	D.1 Health Services Development	D2 Basic Education III	D.3 CSIP	E.1 IS P for CB	Total	Total Without Health Project
<b>A. <u>Project Progress</u></b>		<b>2.67</b>	<b>2.67</b>	<b>1.67</b>	<b>1.5</b>	<b>2.0</b>	<b>2.0</b>	<b>1.6</b>	<b>2.45</b>	<b>2.54</b>
1.	Compliance with loan conditions prior to entry into force	3.0	3.0	3.0	1.5	2.0	2.0	2.0	2.67	2.8
2.	Compliance with general conditions	3.0	3.0	0.0	1.5	2.0	2.0	1.0	2.67	2.8
3.	Compliance with other conditions	2.0	2.0	2.0	1.5	2.0	2.0	2.0	2.0	2.0
<b>B. <u>Procurement performance</u></b>		<b>2.0</b>	<b>2.0</b>	<b>1.5</b>	<b>1.5</b>	<b>2.0</b>	<b>3.0</b>	<b>2.0</b>	<b>1.75</b>	<b>1.9</b>
1.	Procurement of consultancy services	2.0	2.0	2.0	2.0	2.0	3.0	2.0	1.83	2.0
2.	Procurement of goods and services	2.0	2.0	1.0	1.0	2.0	3.0	2.0	1.67	1.8
<b>C. <u>Financial Performance</u></b>		<b>2.4</b>	<b>1.6</b>	<b>1.8</b>	<b>1.5</b>	<b>1.8</b>	<b>1.5</b>	<b>1.75</b>	<b>1.90</b>	<b>2.0</b>
1.	Availability of foreign exchange	3.0	2.0	1.0	2.0	2.0	1.0	2.0	2.17	2.0
2.	Availability of local currency	3.0	2.0	2.0	1.0	2.0	2.0	2.0	2.17	2.4
3.	Disbursement flows	2.0	1.0	2.0	1.0	1.0	2.0	2.0	1.83	2.0
4.	cost management	2.0	2.0	2.0	2.0	2.0	1.0	1.0	1.80	1.8
5.	Performance of co-financiers	2.0	1.0	2.0	0.0	-	-	-	1.50	2.0
<b>D. <u>Activities and Works</u></b>		<b>1.75</b>	<b>1.75</b>	<b>1.75</b>	<b>1.5</b>	<b>1.5</b>	<b>1.5</b>	<b>1.75</b>	<b>1.57</b>	<b>1.64</b>
1.	Adherence to implementation schedule	1.0	1.0	1.0	1.0	1.0	2.0	2.0	1.33	1.40
2.	Performance of consultants or technical assistance	2.0	2.0	3.0	1.0	2.0	1.0	2.0	1.67	1.80
3.	Performance of contractors	2.0	2.0	1.0	2.0	2.0	1.0	-	1.40	1.75
4.	Performance of project management	2.0	2.0	2.0	2.0	1.0	2.0	1.0	1.83	1.80
<b>E. <u>Impact on Development</u></b>		<b>2.0</b>	<b>1.75</b>	<b>2.0</b>	<b>1.5</b>	<b>2.0</b>	<b>2.0</b>	<b>2.5</b>	<b>1.85</b>	<b>1.92</b>
1.	Likelihood of achieving project objectives	2.0	2.0	2.0	2.0	2.0	2.0	3.0	2.0	2.0
2.	Likelihood of benefits beyond investment stage of the project	2.0	2.0	2.0	2.0	2.0	2.0	3.0	2.17	2.2
3.	Likely contribution of the project towards an increase in institutional capacity	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.83	1.80
4.	Expected rate of return	2.0	1.0	2.0	0.0	2.0	-	2.0	1.40	1.50
<b>F. <u>Overall Assessment</u></b>		<b>2.04</b>	<b>1.97</b>	<b>1.79</b>	<b>1.57</b>	<b>1.82</b>	<b>2.0</b>	<b>1.94</b>	<b>1.90</b>	<b>1.95</b>
1.	At Present	2.17	1.89	1.78	1.44	1.82	2.0	1.94	1.89	1.94
2.	Trend Over Time	1.91	2.05	1.80	1.69	-	2.0	1.94	1.91	1.95

## ANNEX IV

### Project Ratings

#### A.1 Peri-Urban Small Holder Improvement Project

Project Performance Indicators	Previous Rating	Current Report 2005
<b>A. <u>Project Progress</u></b>	<b>2.67</b>	<b>2.67</b>
1. Compliance with loan conditions precedent to entry into force	3	3
2. Compliance with general conditions	3	3
3. Compliance with other conditions	2	2
<b>B. <u>Procurement performance</u></b>	<b>2.0</b>	<b>2.0</b>
1. Procurement of consultancy services	2	2
2. Procurement of goods and services	2	2
<b>C. <u>Financial Performance</u></b>	<b>1.8</b>	<b>2.4</b>
1. Availability of foreign exchange	3	3
2. Availability of local currency	2	3
3. Disbursement flows	2	2
4. cost management	2	2
5. Performance of co-financiers (where applicable)	0	2
<b>D. <u>Activities and Works</u></b>	<b>1.25</b>	<b>1.75</b>
1. Adherence to implementation schedule	1	1
2. Performance of consultants or technical assistance	0	2
3. Performance of contractors	2	2
4. Performance of project management	2	2
<b>E. <u>Impact on Development</u></b>	<b>1.75</b>	<b>2.0</b>
1. Likelihood of achieving project objectives	2	2
2. Likelihood that benefits will be realized and sustained beyond the investment stage of the project	2	2
3. Likely contribution of the project towards an increase in institutional capacity	2	2
4. Expected rate of return	1	2
<b>F. <u>Overall Assessment</u></b>	<b>1.84</b>	<b>2.03</b>
1. At Present	1.83	2.15
2. Trend Over Time	1.84	1.91
Code:     3 = Highly Satisfactory 2 = Satisfactory: Occasional Problems: Bank should monitor 1 = Unsatisfactory: Problems: Bank should monitor closely but no immediate action required 0 = Highly unsatisfactory: serious problems: Bank action required		

## A.2 Artisanal Fisheries Development Project

Project Performance Indicators	Previous Rating	Current Report 2005
<b>A. <u>Project Progress</u></b>	<b>2.67</b>	<b>2.67</b>
1. Compliance with loan conditions precedent to entry into force	3	3
2. Compliance with general conditions	3	3
3. Compliance with other conditions	2	2
<b>B. <u>Procurement performance</u></b>	<b>2.0</b>	<b>2.0</b>
1. Procurement of consultancy services	2	2
2. Procurement of goods and services	2	2
<b>C. <u>Financial Performance</u></b>	<b>2.2</b>	<b>1.6</b>
1. Availability of foreign exchange	3	2
2. Availability of local currency	2	2
3. Disbursement flows	2	1
4. cost management	2	2
5. Performance of co-financiers (where applicable)	2	1
<b>D. <u>Activities and Works</u></b>	<b>1.0</b>	<b>1.75</b>
1. Adherence to implementation schedule	2	1
2. Performance of consultants or technical assistance	0	2
3. Performance of contractors	0	2
4. Performance of project management	2	2
<b>E. <u>Impact on Development</u></b>	<b>2.0</b>	<b>1.75</b>
1. Likelihood of achieving project objectives	2	2
2. Likelihood that benefits will be realized and sustained beyond the investment stage of the project	2	2
3. Likely contribution of the project towards an increase in institutional capacity	2	2
4. Expected rate of return	2	1
<b>F. <u>Overall Assessment</u></b>	<b>1.99</b>	<b>1.97</b>
1. At Present	1.94	1.89
2. Trend Over Time	2.03	2.05
Code:     3 = Highly Satisfactory 2 = Satisfactory: Occasional Problems: Bank should monitor 1 = Unsatisfactory: Problems: Bank should monitor closely but no immediate action required 0 = Highly unsatisfactory: serious problems: Bank action required		

### B.1 Tourism Master Plan Study

Study Performance Indicators	Previous Rating	Current Report 2005
<b>A. <u>Study Progress</u></b>	<b>2.67</b>	<b>2.67</b>
1. Compliance with loan conditions precedent to entry into force	3	3
2. Compliance with general conditions	2	2
3. Compliance with other conditions	3	3
<b>B. <u>Procurement performance</u></b>	<b>2.0</b>	<b>2.5</b>
1. Procurement of consultancy services	2	3
2. Procurement of goods and services	2	2
<b>C. <u>Financial Performance</u></b>	<b>2.33</b>	<b>2.0</b>
1. Availability of foreign exchange	3	2
2. Availability of local currency	2	2
3. Disbursement flows	2	2
4. cost management	-	-
5. Performance of co-financiers (where applicable)	-	-
<b>D. <u>Activities and Works</u></b>	<b>1.33</b>	<b>2.0</b>
1. Adherence to implementation schedule	1	2
2. Performance of consultants or technical assistance	2	2
3. Performance of contractors	-	-
4. Performance of project management	1	-
<b>E. <u>Impact on Development</u></b>	<b>2.0</b>	<b>2.67</b>
1. Likelihood of achieving project objectives	2	3
2. Likelihood that benefits will be realized and sustained beyond the investment stage of the project	2	3
3. Likely contribution of the project towards an increase in institutional capacity	2	2
4. Expected rate of return	-	-
<b>F. <u>Overall Assessment</u></b>	<b>2.12</b>	<b>2.30</b>
1. At Present	2.07	2.38
2. Trend Over Time	2.16	2.22
Code:     3 = Highly Satisfactory 2 = Satisfactory: Occasional Problems: Bank should monitor 1 = Unsatisfactory: Problems: Bank should monitor closely but no immediate action required 0 = Highly unsatisfactory: serious problems: Bank action required		

**C.1 Rural Electrification Project**

<b>Project Performance Indicators</b>	<b>Previous Rating</b>	<b>Current Report 2005</b>
<b>A. <u>Project Progress</u></b>	<b>2.67</b>	<b>1.67</b>
1. Compliance with loan conditions precedent to entry into force	3	3
2. Compliance with general conditions	3	0
3. Compliance with other conditions	2	2
<b>B. <u>Procurement performance</u></b>	<b>1.5</b>	<b>1.5</b>
1. Procurement of consultancy services	2	2
2. Procurement of goods and services	1	1
3. Other procurement	-	-
<b>C. <u>Financial Performance</u></b>	<b>2.0</b>	<b>1.8</b>
1. Availability of foreign exchange	2	1
2. Availability of local currency	2	2
3. Disbursement flows	2	2
4. cost management	2	2
5. Performance of co-financiers (where applicable)	2	2
<b>D. <u>Activities and Works</u></b>	<b>1.25</b>	<b>1.75</b>
1. Adherence to implementation schedule	1	1
2. Performance of consultants or technical assistance	2	3
3. Performance of contractors	1	1
4. Performance of project management	1	2
<b>E. <u>Impact on Development</u></b>	<b>1.0</b>	<b>2.0</b>
1. Likelihood of achieving project objectives	1	2
2. Likelihood that benefits will be realized and sustained beyond the investment stage of the project	1	2
3. Likely contribution of the project towards an increase in institutional capacity	1	2
4. Expected rate of return	1	2
<b>F. <u>Overall Assessment</u></b>	<b>1.8</b>	<b>1.79</b>
1. At Present	1.67	1.78
2. Trend Over Time	1.92	1.80
Code: 3 = Highly Satisfactory 2 = Satisfactory: Occasional Problems: Bank should monitor 1 = Unsatisfactory: Problems: Bank should monitor closely but no immediate action required 0 = Highly unsatisfactory: serious problems: Bank action required		

## C.2 Renewable Energy Study

Study Performance Indicators	Previous Rating	Current Report 2005
<b>A. <u>Study Progress</u></b>	<b>2.0</b>	<b>2.0</b>
1. Compliance with loan conditions precedent to entry into force	2	2
2. Compliance with general conditions	2	2
3. Compliance with other conditions	2	2
<b>B. <u>Procurement performance</u></b>	<b>2.0</b>	<b>2.0</b>
1. Procurement of consultancy services	2	2
4. Procurement of goods and services	-	-
5. Other procurement	-	-
<b>C. <u>Financial Performance</u></b>	<b>1.2</b>	<b>2.4</b>
1. Availability of foreign exchange	2	3
2. Availability of local currency	1	3
3. Disbursement flows	1	3
4. cost management	-	3
5. Performance of co-financiers (where applicable)	2	-
<b>D. <u>Activities and Works</u></b>	<b>2.0</b>	<b>2.33</b>
1. Adherence to implementation schedule	-	2
2. Performance of consultants or technical assistance	-	3
3. Performance of contractors	2	-
4. Performance of project management	-	2
<b>E. <u>Impact on Development</u></b>	<b>3.0</b>	<b>3.0</b>
1. Likelihood of achieving project objectives	3	3
2. Likelihood that benefits will be realized and sustained beyond the investment stage of the project	3	3
3. Likely contribution of the project towards an increase in institutional capacity	3	3
4. Expected rate of return	-	-
<b>F. <u>Overall Assessment</u></b>	<b>2.08</b>	<b>2.45</b>
1. At Present	2.08	2.57
2. Trend Over Time	2.08	2.33
Code:     3 = Highly Satisfactory 2 = Satisfactory: Occasional Problems: Bank should monitor 1 = Unsatisfactory: Problems: Bank should monitor closely but no immediate action required 0 = Highly unsatisfactory: serious problems: Bank action required		

### C.3 Water Supply and Sanitation Study

Study Performance Indicators	Previous Rating	Current Report 2005
<b>A. <u>Study Progress</u></b>	<b>2.67</b>	<b>2.50</b>
1. Compliance with loan conditions precedent to entry into force	3	3
2. Compliance with general conditions	3	2
3. Compliance with other conditions	2	2
<b>B. <u>Procurement performance</u></b>	<b>2.0</b>	<b>1.0</b>
1. Procurement of consultancy services	2	1
6. Procurement of goods and services	2	1
7. Other procurement	-	-
<b>C. <u>Financial Performance</u></b>	<b>2.6</b>	<b>2.3</b>
1. Availability of foreign exchange	3	3
2. Availability of local currency	3	2
3. Disbursement flows	2	2
4. cost management	3	3
5. Performance of co-financiers (where applicable)	2	2
<b>D. <u>Activities and Works</u></b>	<b>1.5</b>	<b>1.0</b>
1. Adherence to implementation schedule	2	1
2. Performance of consultants or technical assistance	2	1
3. Performance of contractors	1	-
4. Performance of project management	1	-
<b>E. <u>Impact on Development</u></b>	<b>1.75</b>	<b>2.0</b>
1. Likelihood of achieving project objectives	2	2
2. Likelihood that benefits will be realized and sustained beyond the investment stage of the project	2	2
3. Likely contribution of the project towards an increase in institutional capacity	3	2
4. Expected rate of return	-	-
<b>F. <u>Overall Assessment</u></b>	<b>2.13</b>	<b>1.95</b>
1. At Present	2.11	1.78
2. Trend Over Time	2.14	2.12
Code:     3 = Highly Satisfactory 2 = Satisfactory: Occasional Problems: Bank should monitor 1 = Unsatisfactory: Problems: Bank should monitor closely but no immediate action required 0 = Highly unsatisfactory: serious problems: Bank action required		

### D.1 Health Services Development Project

Project Performance Indicators	Previous Rating	Current Report 2005
<b>A. <u>Project Progress</u></b>	<b>2.0</b>	<b>1.5</b>
1. Compliance with loan conditions precedent to entry into force	2	1.5
2. Compliance with general conditions	2	1.5
3. Compliance with other conditions	2	1.5
<b>B. <u>Procurement performance</u></b>	<b>1.0</b>	<b>1.5</b>
1. Procurement of consultancy services	1	2
8. Procurement of goods and services	1	1
9. Other procurement	-	-
<b>C. <u>Financial Performance</u></b>	<b>2.37</b>	<b>1.5</b>
1. Availability of foreign exchange	3	2
2. Availability of local currency	3	1
3. Disbursement flows	2	1
4. cost management	1.5	2
5. Performance of co-financiers (where applicable)	-	-
<b>D. <u>Activities and Works</u></b>	<b>1.25</b>	<b>1.4</b>
1. Adherence to implementation schedule	1	1
2. Performance of consultants or technical assistance	0	1
3. Performance of contractors	2	2
4. Performance of project management	2	2
<b>E. <u>Impact on Development</u></b>	<b>2.0</b>	<b>1.5</b>
1. Likelihood of achieving project objectives	2	2
2. Likelihood that benefits will be realized and sustained beyond the investment stage of the project	2	2
3. Likely contribution of the project towards an increase in institutional capacity	2	2
4. Expected rate of return	-	0
<b>F. <u>Overall Assessment</u></b>	<b>1.8</b>	<b>1.57</b>
1. At Present	1.8	1.44
2. Trend Over Time	1.75	1.69
Code:    3 = Highly Satisfactory 2 = Satisfactory: Occasional Problems: Bank should monitor 1 = Unsatisfactory: Problems: Bank should monitor closely but no immediate action required 0 = Highly unsatisfactory: serious problems: Bank action required		

### D.3 Community Skills Improvement Project

Project Performance Indicators	Previous Rating	Current Report 2005
<b>A. <u>Project Progress</u></b>	<b>2.67</b>	<b>2.0</b>
1. Compliance with loan conditions precedent to entry into force	3	2
2. Compliance with general conditions	3	2
3. Compliance with other conditions	2	2
<b>B. <u>Procurement performance</u></b>	<b>2.0</b>	<b>3.0</b>
1. Procurement of consultancy services	2	3
10. Procurement of goods and services	2	3
11. Other procurement	-	-
<b>C. <u>Financial Performance</u></b>	<b>2.0</b>	<b>1.5</b>
1. Availability of foreign exchange	2	1
2. Availability of local currency	2	2
3. Disbursement flows	2	2
4. cost management	2	1
5. Performance of co-financiers (where applicable)	-	-
<b>D. <u>Activities and Works</u></b>	<b>1.75</b>	<b>1.5</b>
1. Adherence to implementation schedule	2	2
2. Performance of consultants or technical assistance	1	1
3. Performance of contractors	2	1
4. Performance of project management	2	2
<b>E. <u>Impact on Development</u></b>	<b>2.25</b>	<b>2.0</b>
1. Likelihood of achieving project objectives	3	2
2. Likelihood that benefits will be realized and sustained beyond the investment stage of the project	3	2
3. Likely contribution of the project towards an increase in institutional capacity	2	2
4. Expected rate of return	1	-
<b>F. <u>Overall Assessment</u></b>	<b>2.0</b>	<b>2.0</b>
1. At Present	2.0	2.0
2. Trend Over Time	2.0	2.0
Code:    3 = Highly Satisfactory 2 = Satisfactory: Occasional Problems: Bank should monitor 1 = Unsatisfactory: Problems: Bank should monitor closely but no immediate action required 0 = Highly unsatisfactory: serious problems: Bank action required		

### E.1 Institutional Support Project for Capacity Building

Project Performance Indicators	Previous Rating	Current Report 2005
<b>A. <u>Project Progress</u></b>	<b>2.0</b>	<b>1.6</b>
1. Compliance with loan conditions precedent to entry into force	2	2
2. Compliance with general conditions	2	1
3. Compliance with other conditions	2	2
<b>B. <u>Procurement performance</u></b>	<b>1.5</b>	<b>2.0</b>
1. Procurement of consultancy services	1	2
12. Procurement of goods and services	2	2
13. Other procurement	-	-
<b>C. <u>Financial Performance</u></b>	<b>1.75</b>	<b>1.75</b>
1. Availability of foreign exchange	1	2
2. Availability of local currency	2	2
3. Disbursement flows	2	2
4. cost management	2	1
5. Performance of co-financiers (where applicable)	-	-
<b>D. <u>Activities and Works</u></b>	<b>1.67</b>	<b>1.75</b>
1. Adherence to implementation schedule	2	2
2. Performance of consultants or technical assistance	1	2
3. Performance of contractors	-	-
4. Performance of project management	2	1
<b>E. <u>Impact on Development</u></b>	<b>2.0</b>	<b>2.5</b>
1. Likelihood of achieving project objectives	2	3
2. Likelihood that benefits will be realized and sustained beyond the investment stage of the project	2	3
3. Likely contribution of the project towards an increase in institutional capacity	2	2
4. Expected rate of return	-	2
<b>F. <u>Overall Assessment</u></b>	<b>1.89</b>	<b>1.92</b>
1. At Present	1.88	1.94
2. Trend Over Time	1.90	1.89
Code:     3 = Highly Satisfactory 2 = Satisfactory: Occasional Problems: Bank should monitor 1 = Unsatisfactory: Problems: Bank should monitor closely but no immediate action required 0 = Highly unsatisfactory: serious problems: Bank action required		

**ANNEX V****Matrix of Common Problems**

<b>Problem</b>	<b>A.1 Per-Urban</b>	<b>A.2 Artisanal Fisheries</b>	<b>C.1 Rural Electrification</b>	<b>D.1 Health S Development</b>	<b>D.2 Education III</b>	<b>D.3 CSIP</b>	<b>E.1 ISP for CB</b>	<b>Frequency</b>
Weak Procurement			X	X	X	X		4
Poor Communication Between Bank and Executing Agencies & within Government			X			X	X	3
Delays in Fulfillment of General & Particular Conditions	X	X	X	X	X	X	X	6
Delays in Project Execution	X		X	X	X	X	X	6
Disbursement Delays	X	X	X	X		X		5
Weak implementation Capacity		X		X	X	X	X	5
Poor Quality at entry/Inadequate Preparation	X	X		X		X		4
Weak PIU Performance				X		X	X	3

**Cross Cutting Issues**

**ANNEX VI**

<b>Problem</b>	<b>Project</b>	<b>A.1 Per-Urban</b>	<b>A.2 Artisanal Fisheries</b>	<b>C.1 Rural Electrification</b>	<b>D.1 Health S Development</b>	<b>D.2 Education III</b>	<b>D.3 CSIP</b>	<b>E.1 IS for CB</b>	<b>Frequency</b>
Poverty Reduction		X	X	X	X	X	X	X	7
Environmental and Social Protection				X	X	X			3
Gender Mainstreaming		X	X		X	X	X	X	6
Capacity Building		X	X	X	X	X	X	X	7
HIV/AIDS									0
Core Labor Standard (Child Labor)			X						1
Regional Integration									0
Governance								X	1

**ANNEX VII**

**The Gambia Projects at Risk , according to the APPR Report 2004**

<u>Country</u>	<u>Projects Number</u>	<u>Commitments UAM</u>	<u>Actual Problem Projects(IP/DO) Number</u>	%	<u>Potential Problematic Projects(IP/DO) Number</u>	%	<u>Actual + Potential Projects(IP/DO) Number</u>	%	<u>At Risk Commitments UAM</u>	%
-	-	-								
GAMBIA	15	83.2	1	6.7%	6	40.0%	7	46.7%	42.8	51.4%
<b>BANKWIDE TOTAL</b>	<b>330</b>	<b>5,573.1</b>	<b>34</b>	<b>10.30%</b>	<b>109</b>	<b>33.0%</b>	<b>143</b>	<b>43.3%</b>	<b>2,077.5</b>	<b>37.3%</b>

Figures here are tentative. The number of projects is higher as it includes multinational projects.

Issues	Actions to be taken by the Government	Actions to be taken by the Bank
Lack of PIU Forum and weak donor coordination	There is an urgent need to set up a directorate for project management and aid coordination within the DOSFEA. The current situation is that the DOSFEA does not have a database nor does it have the capacity to effectively monitor and supervise on-going Bank Group funded projects. This situation erodes the oversight responsibilities of the DOSFEA with respect to the management and monitoring the implementation of Bank Group operations. The issue was discussed extensively during the 2005 CPPR mission and a general understanding was reached of the need to develop capacity with respect to monitoring and supervision in the DOSFEA.	The Bank Group can assist in the matter by providing support that focuses on strengthening capacity for monitoring the implementation of donor-funded projects. The proposed institutional support project is included in the Draft CSP 2005-09.
Irregular Audit and Progress Reports, and the role of the Auditor General's Office. (AG)  Delays in ratification and loan effectiveness and during implementation	The Government needs to review the vetting process of auditors with a view to putting in place an alternative mechanism that could be more efficient and which could speed up the process and improve on the quality of auditing that is undertaken on all on-going Bank Group's projects. Also the Auditor General's Office should be involved from the early stages of project design. Minimize the delays	The bank should continue to provide technical assistance (TA), training and capacity building, especially in the areas of economic policy management, project management, procurement, audit and project implementation, and general compliance with Bank Rules and procedures.  Expedite process of granting no objections once loans are effective
Improved Project follow-up and implementation monitoring.	Establish strong working links between the departments (Line ministries) and the PIUs. - Conduct Quarterly portfolio reviews by the country.	Maintain the frequency of supervision and disbursement Missions at the required minimum in the future for each operation with an enhanced skill mix, and engage the regional office in Dakar in a more proactive way;

**ANNEX VIII**

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<b>Issues</b>	<b>Actions to be taken by the Government</b>	<b>Actions to be taken by the Bank</b>
Inadequate internal control systems (accounting and audit) at State level	Improve internal control procedures, particularly on the State level, including the installation of adequate accounting systems and auditing mechanisms, and ensure timely availability of reliable information on project accounts	
Weak project appraisal/preparation and project design	Assess what has been done and what remains to be done about recommendations from previous CPPR missions and CPIPs.	Improve quality of project at entry point through more thorough analysis of the institutional and technical capabilities of EAs/PIUs; assessment of the adequacy of EA/PIU accounting systems for adequate monitoring and control as well as of the capacity of project staff to manage funds through special accounts; sensitize the Government/EAs to loan conditions already during preparation/appraisal missions.
Frequent changes of task managers		The Bank should continue its on-going efforts to revitalize and invigorate the Country Teams and the roles they should play in following up all portfolio-related issues, like identifying new projects and monitoring the on-going ones. The Bank should minimize to the extent possible frequent changes of task managers and give more responsibility to alternate task managers.
Inadequacy of counterpart funds	The government needs to put forth more counterpart funds for projects	The Bank may want to lower counterpart fund requirements at the project design stage
Lack of harmonization of Bank interventions and procedures with those of other donors		Harmonize Bank interventions and align procedures with those of other donors, including reporting requirements, in order to reduce the workload for EAs/PIUs