

**AFRICAN DEVELOPMENT BANK  
AFRICAN DEVELOPMENT FUND**



**THE GAMBIA**

**COUNTRY PORTFOLIO PERFORMANCE REPORT**

**REGIONAL DEPARTMENT WEST II  
October 2009**

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## CURRENCY EQUIVALENTS

(30 September 2009)

Currency Unit: Gambia Dalasi (GMD)

1 UA = USD 1.58

1 UA = EURO 1.08

1 UA = GMD 42.67

Fiscal Year

1 January - 31 December

## ABBREVIATIONS AND ACRONYMS

ADB	African Development Bank
ADF	African Development Fund
APPR	Annual Portfolio Performance Review
BADEA	Arab Bank for Economic Development in Africa
CAR	Commitments at Risk
CPIP	Country Portfolio Improvement Plan
CPPR	Country Portfolio Performance Review
CSIP	Community Skills Improvement Project
CSP	Country Strategy Paper
DO	Development Objective
MOFEA	Ministry of Finance and Economic Affairs
GOTG	Government of the Gambia
IP	Implementation Progress
IsDB	Islamic Development Bank
JAS	Joint Assistance Strategy
M&E	Monitoring and Evaluation
MTR	Mid Term Review
NTF	Nigeria Trust Fund
PAR	Projects at Risk
PIU	Project Implementation Unit
PP	Problem Project
PCC	Project Coordination Committee
PPP	Potentially Problematic Project
PRSP	Poverty Reduction Strategy Paper
PSC	Project Steering Committee
SDF	Social Development Fund
SWAp	Sector Wide Approach
UA	Unit of Account
WB	World Bank

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This document has been prepared following a CPPR mission to the Gambia (27 June - 4 July 2009), led by Mr. J. Zayid, Senior Country Economist, ORWB, assisted by Ms. C. Bivar Segurado, Senior Country Program Officer, ORWB and Mr. A.N. Issahaku, Senior Governance Expert, OSGE.1, Mr. J. Mochache, Education Specialist, OSHD.2 and Mr. E. Mohammed, Principal Agricultural Economist, OSAN.2. Mr. P. Dougna, Social Sector Expert, OSHD/SNFO, joined the mission during the review of the social sector projects.

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## I. Introduction

1.1 The last Country Portfolio Review Report for the Gambia was presented to CODE in June 2006 (reference: ADF/BD/WP/2006/153). The report showed an overall satisfactory portfolio performance rating of 2.01. The 2009 Country Portfolio Performance Review (CPPR) mission was conducted in the Gambia from June 27 to July 4, 2009 to review the performance of the portfolio and to recommend measures for portfolio improvements. The CPPR report has benefited from dialogue with the Government of the Gambia (GOTG), Development partners and other stakeholders, in the context of the 2008-2011 AfDB/WB Joint Assistance Strategy (JAS) for the Gambia. It benefited also from the Bank's supervision mission reports and information provided by the Project Implementation Units (PIUs) representing the active portfolio in the country.

1.2 The Bank Group commenced its lending operations in the Gambia in 1974 and to-date has approved 56 operations with total commitments, net of cancellations, amounting to UA 213.82 million. The sectors with the largest relative allocation of Bank Group's cumulative commitments are the transport and social sectors, which accounted each for about 24 %, followed by the agricultural sector (22%), public utilities (12%) and multi-sector (10%). Intervention in support of the environment has accounted for 6% of the net commitments, whereas the remaining 2 % has gone to the industry sector. About 85% of the Bank Group's net commitments are in ADF resources, 9% in ADB resources, whereas 6% are in NTF resources. As at June 30, 2009, 42 operations were completed, 12 are ongoing including three multinational agricultural projects, while two have been canceled at the Government's request.

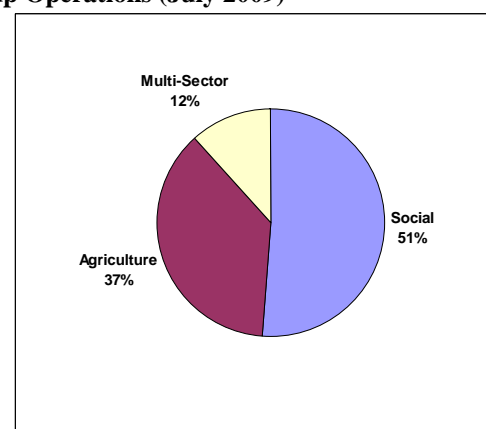
## II. Overall Review of the On-going Projects

### A. Key Characteristics of Ongoing Projects

2.1. **Portfolio distribution.** The on-going portfolio under examination, excluding multinational operations, consists of 9 operations (8 projects and 1 program), with a total commitment of UA 46.66 million and a disbursement amount of UA 26.88 million (57.6%), as of June 30<sup>th</sup>, 2009. The sectoral distribution is: 51% social sector (3 projects), 37% agriculture (4 projects), 12% multi-sector (2 operations) – as shown by Table/Chart 1 below.

**Table and Chart 1: Sectoral distribution of Bank Group Operations (July 2009)**

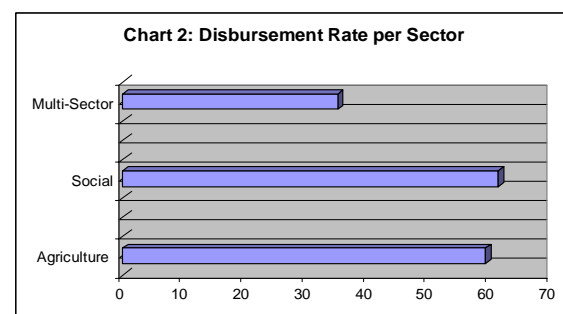
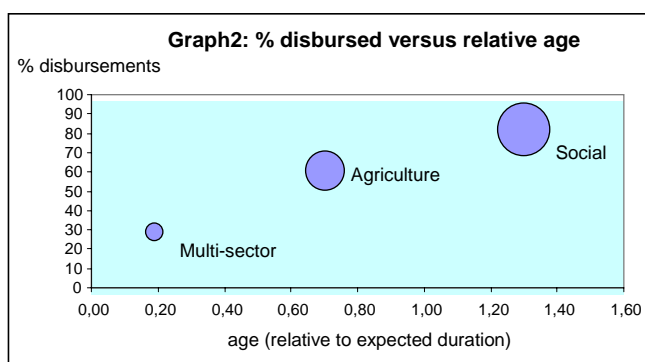
Sector	Numb. Projects	Commitments (UA Million)	Disbursements (UA Million)	Share of Total (%)
Social	3	23.89	14.68	51
Agriculture	4	17.37	10.3	37
Multi-sector	2	5.4	1.90	12
<b>TOTAL</b>	<b>9</b>	<b>46.66</b>	<b>26.88</b>	<b>100%</b>



2.2. **Age of portfolio.** As of June 30<sup>th</sup>, 2009 the average age of the portfolio from approval is 4.4 years – more than the Bank-wide average of 4.2 years – and slightly more than the 4.3 years calculated for the 2006 CPPR which included a number of studies. This is explained by the fact that 2 projects are now categorized as ageing, namely the Community Skills Improvement Project (9.3 years) and the Artisanal Fisheries Development Project which has come to an end on 30 June 2009 (9.1 years). The average age of on-going projects in the social sector is the highest, with 6.2 years, followed by agriculture (4.7 years) and multi-sector (1.6 years). The portfolio age basically reflects slippages in the early stages of project implementation, especially delays in fulfilling loan and grant conditions, that later require multiple extensions. The average for the on-going operations from approval to effectiveness is 6 months (up to 10 months for the Farmer managed Rice irrigation project), with no progress on average since the preceding 2006 CPPR. The total time lapse between approval and disbursement is 14 months also with no change since the last CPPR. Although high, this is less than the Bank-wide average of 16 months reported in the 2007 APPR. These delays are caused by the excessive number of conditions for some earlier projects and by the failure of Government to negotiate effectively during loan negotiations. There has been some progress, however, in reducing grant conditions and making them more realistic. The entrepreneurship Promotion and Microfinance Development Project, approved on 15 November 2006, entered into force in three months while the Livestock and Horticulture development project, signed on January 9 2009, has become effective in less than six months.

2.3. **Absorption Capacity v/s relative Age.** The disbursement ratio of 57.6% is acceptable given the age of the portfolio of 4.4 years if we compare it to the Bank-wide average disbursement ratio of 25% for 2007 taken with the Bank-wide average project age of 4.2 years. The annual disbursement rate remains relatively low at 12%, explained by delays in procurement and weak adherence to Bank procedures. The disbursement average in the social sector (61.4%) would have been higher if not for the low disbursement of the Entrepreneurship Promotion and Microfinance Development Project (8.4%). Disbursement in the agricultural sector at 59.3% is constrained by the Livestock and Horticulture Development Project which has not disbursed yet. The newly approved Poverty Reduction Budget Support Program, 25% disbursed on 30 June 2009, also impacts on the disbursement rate of the multi-sector (35.2%). However, the program became fully disbursed in July 2009.

2.4. Graph and chart 2 illustrate the disbursement rate per project and sector, taking into account the relative respective age. This particularly highlights the delays in meeting conditions precedent to effective disbursement with lapse between entry into force and first disbursement averaging 8 months. The Institutional Support project for Economic and Financial governance appears to be an exception in this regard, with a disbursement ratio of 64.4% for 1.6 years of age. The other multi-sector operation, the Poverty reduction Budget support Program having fully disbursed in July 2009 is a good example that budget support programs, are fast disbursement vehicles as opposed to stand-alone projects.



## B. General Assessment of Portfolio Performance

2.5. **Overall Performance of the Portfolio.** The overall portfolio performance is considered satisfactory with a rating of 2.55 for 8 rated projects out of the 9 on-going operations, as shown in table 2 below; quite an improvement over the 2.01 rating of the 2006 CPPR. The main factors behind this improvement in performance are: (i) the increase in supervision frequency from 1.5/year in 2006 to 1.7/year in 2009 and (ii) the role played by SNFO since its establishment in 2006.

**Table 2: Portfolio Performance (ratings out of 3)**

Sector / Operation	Compliance w/conditions	Procurement	Financial Performance	Activities & Outputs (IP)	Impact on Development (DO)	Overall Assessment	Risk
<b>Comparison 2006 CPPR</b>	<b>2.12</b>	<b>2.02</b>	<b>2.21</b>	<b>1.75</b>	<b>2.02</b>	<b>2.01</b>	<b>4 PPP/12</b>
<b>Overall 2009 CPPR</b>	<b>2.58</b>	<b>2.50</b>	<b>2.51</b>	<b>2.50</b>	<b>2.67</b>	<b>2.55</b>	<b>3 PPP/9</b>
<b>Agriculture</b>							<b>1/4</b>
Particip. Watershed Management	2.33	3.00	3.00	3.00	2.75	2.86	Non-PP
Artisanal Fisheries Development	3.00	2.00	2.50	2.00	2.75	2.50	<b>PPP</b>
Farmer-Managed Rice Irrigation	3.00	3.00	2.80	2.5	3.00	2.83	Non-PP
Livestock & Horticulture Dev.	n/a	n/a	n/a	n/a	n/a	n/a	Non-PP
<b>Social Sector</b>							<b>2/3</b>
Basic Education III	2.00	2.50	2.40	2.25	2.33	2.33	Non-PP
Community Skills Improvement P	2.67	2.50	2.00	3.00	3.00	2.63	<b>PPP</b>
Entrepreneurship Promotion	2.00	1.50	1.40	1.75	1.50	1.63	<b>PPP</b>
<b>Multi-Sector</b>							<b>0/2</b>
Institutional Support Project	2.67	2.50	3.00	2.50	3.00	2.75	Non-PP
Poverty Reduct. Budget Support	3.00	3.00	3.00	3.00	3.00	3.00	Non-PP

2.6. **Potentially Problematic Projects (PPP).** There are three potentially problematic projects (PPP) in the portfolio, one in the agriculture sector (Artisanal Fisheries Project) and two projects in the social sector: the Community Skills Improvement Project and the Entrepreneurship Promotion and Microfinance Development Project. This gives rise to a projects-at-risk (PAR) rate of 33.3% which is the same achieved in the 2006 portfolio review. However, it should be noted that Artisanal Fisheries Project has come to an end on 30 June 2009 and CSIP has produced remarkable

results on the ground as indicated by the overall assessment of 2.63. It should also be noted that the PPP status for two of the three projects stems from delays in the early stages of project implementation. It is reassuring, however, that there are no problem projects (PP) in the on-going portfolio.

2.7. The Artisanal Fisheries Development Project is classified as PPP as it encountered implementation delays at the early stages –due to delays by the co-financer- and is now an ageing project. All measures have been taken for the completion of the project by June 30 2009. The payment of the undisbursed balance will bring disbursement up to 98% within the next 3 months. It is to be noted that a supplementary NTF loan has been approved by the Bank to finance the hardware component that was to be initially financed by the co-financer and the Government has expressed commitment to take all necessary actions for the smooth implementation of this supplementary loan. The social sector appears, as in the last 2006 CPPR, as the worst performing sector of the portfolio, with a 67% PAR rate. The Community Skills Improvement Project (CSIP), approved in February 2000, is now an ageing project as indicated in 2.6 although it has produced remarkable results on the ground in terms of outputs and accordingly the disbursement deadline for the project has been extended through March 2010 to allow completion of project activities. Physical implementation stands at 90%, while financial implementation is at 89% and 88% on the ADF loan and grant, respectively. The CPPR mission communicated to government the importance of avoiding early slippages and completing projects according to the timelines outlined at appraisal to obviate the need for subsequent requests of extension of the disbursement deadlines. The Entrepreneurship Promotion and Microfinance Development Project, approved in November 2006, has a disbursement ratio of only 8.4 per cent and has not disbursed since March 2007 and is, therefore, eligible for cancellation. The recruitment of the project coordinator was unjustifiably protracted and constrained the project for a long time. The project is being reevaluated currently and a decision will be taken shortly by the Bank to restructure the project or cancel the grant. The project stayed for a long time without a coordinator until the present one was recruited in February 2009 but to date there are no results on the ground. The situation is made worse by recent doubts regarding the high repayment rate claimed by SDF and it is not certain that SDF can handle the microfinance component of the project. Overall linking the project to SDF has not served the project well and it remains to be seen if changes in SDF staff made by government during the CPPR mission will have a positive impact. On the Bank's side frequent changes of task managers have certainly not helped the situation.

A particular attention is needed on follow-up to avoid the project slipping into the Problem Project (PP) category.

2.8. **Non-Problem Projects.** 6 projects are in the non-PP category, including 2 which are planned to be completed in 2010 (Basic Education III project; Institutional Support Project for Economic & Financial Governance). The multi-sector has performed very well led by the Institutional Support Project for Economic and Financial Governance for which a second phase is already under discussion, as the project has served as a good example of cooperation between the Bank and Government. The agriculture sector continues to be a well-performing sector, (rating of 2.73) led by the Farmer-Managed Rice Irrigation Project and the Participatory Integrated Watershed Management Project, which exhibit good physical implementation and satisfactory results on the ground. In terms of sectoral portfolio performance, multi-sector leads with a

performance rating of 2.88 followed by agriculture with a rating of 2.73 and finally the social sector with a rating of 2.2.

2.9. **Main generic Problems identified.** A number of generic problems, some of which were identified in the last portfolio review, have been found to continue to adversely affect the smooth implementation of projects. The most significant include the *delays in ratifying and fulfilling loan and grant conditions*. There has been some progress made with recent projects but more efforts should be exerted to shorten the time lag between approval and effective disbursement. *Insufficiency of or delays in providing counterpart funds* is another issue where an improvement has been noted, except for the Community Skills Improvement Project and the Entrepreneurship Promotion and Microfinance Development Project which have been managed by SDF with weak coordination with MOFEA. Delays in submission of audit reports is another generic problem identified, although there has been an improvement in this regard and 2008 audits have been submitted for some projects and are in progress for the rest. Another problem is the *weakness of the administrative capacity of some executing agencies*, in particular the failure to provide competent counterpart staff for technical assistance and to maintain project audits. Failure of the Project Steering/Coordination Committees to meet regularly is a reflection of the capacity weaknesses in the country and is another constraint. On the part of the Bank, frequent changes of task managers have also constrained the smooth implementation of projects. Multiple and complex loan and grant conditions have likewise been a problem in the past with some recent progress following improvements in project design.

### C. Comparison of Portfolio Performance

2.10. Some of the difficulties and problems identified in the 2006 CPPR are still in force although there have been some improvements, as illustrated in table 3 below. It is to be noted that the Gambia portfolio indicators are generally acceptable compared to the Bank-wide averages and the World Bank indicators for the Gambia.

**Table 3 : Comparative Performance Indicators**

Performance Indicators		Evolution		Internal Comparison		External Comparison	
		2006	2009	The Gambia	Bank ADF	The Gambia	World Bank (Gambia)
Implementation & Impact	From Approval to Effectiveness (months)	6	6	6	n/a	6	9.8
	Annual Disbursement rate (%)	9	12	12		12	n/a
	Disbursement rate (%)	39	57.6	57.5	25	57.6	56.2
	Average size of Portfolio	3.9	5.2	5.2	16.9	5.2	10.75
	Project's Overall Evaluation (Scale 0-3)	2.01	2.55	2.55		2.55	n/a
	Projects-At-Risk (%)	33.3	33.3	33.3	45	33.3	50
	Age (years)	4.3	4.4	4.4	4.2	4.4	3.4

### III. Assessment of Management implementation Capacity and Coordination with Other Donors

3.1. **At the Government level.** Many parallel and integrated PIUs are still weak on project management, fiduciary management and M&E reporting, requiring proper staffing and training in key aspects of project management. Project preparation and implementation should include a strong component of capacity building. The Ministry of Finance and Economic Affairs (MOFEA),

which oversees all the loans and grants does not have the database, the resources or the capacity to effectively monitor the work of PIUs. However, the establishment of the Directorate of Project Management and Aid Coordination in MOFEA is a step in the right direction and has started compiling data on project management and aid coordination. The directorate should continue to get support from the ISP for Economic and Financial Governance.

**3.2. At the Bank Group level.** The projects need to be appraised and supervised by teams with the right skill mix. There is also need to strengthen further the role of SNFO by delegating more responsibilities in project supervision. There have been delays on the part of the Bank in granting no objection and processing of disbursement requests which have contributed to delays in implementation of project components.

**3.3. Donor Coordination.** There is a lack of donor coordination mechanism in the Gambia which does not facilitate joint interventions and the situation is aggravated by the absence of Bank country representation in Banjul. Donors have traditionally played an active role in the economic development of the Gambia, with over 80% of Gambia's development budget being contributed by the international donor community. Major donors include the AfDB Group, the World Bank, IMF, EU, DFID, OPEC, UNDP, IsDB, BADEA, Taiwan and Japan. Although the UNDP undertakes some donor coordination on an ad hoc basis, there is still no formal mechanism set up by the Government (MOFEA). As stated earlier, the project management and aid coordination directorate in MOFEA established with assistance from the Institutional Support Project for Economic and Financial Governance is a good step towards both project management and donor coordination. Coordination with the World Bank led last year to a Joint Assistance Strategy (JAS) for the period 2008-2011, aligning strategies and conducting joint missions which are important steps in the harmonization process.

#### **IV. Potential Future Problems and Lessons for CSP and Portfolio Management**

4.1. The analysis in this report has indicated that there has been some improvement in portfolio performance since the last review in 2006 especially in the overall performance rating from 2.01 to 2.55.

4.2. The Bank needs to continue organizing training sessions and workshops for PIUs so as to familiarize them with Bank Rules and Procedures in issues of procurement, tendering and disbursement applications. Useful sessions have been conducted by the Bank between 2007 and 2009 in procurement, disbursement, and general aspects of project management.

4.3. Future projects will have to limit the number of effectiveness conditions to a minimum so as to reduce the time between project approval by the Boards and effectiveness. Conditions which are strategic/critical for the operation should be fulfilled prior to or upon negotiation.

## V. Conclusions and Recommendations

5.1. **Conclusions.** The overall performance of the portfolio is satisfactory with an overall rating of 2.55, which represents a notable improvement over the 2.01 overall rating of the 2006 Portfolio Review. There have been positive developments over the last three years but the proportion of projects at risk remains unchanged.

Close project follow-up requires intensified supervision missions from Headquarters and proactive engagement of SNFO in Dakar, especially now in the absence of country representation for the Bank Group. The supervision frequency has increased from 1.5/year in the last CPPR to 1.7/year in the current CPPR.

5.2. **Recommendations.** The main recommendations for the improvement of the portfolio performance in the Gambia are as follows:

### Government:

- Improve compliance with loan agreements and general conditions to ensure compliance with approved implementation schedules.
- Ensure timely and regular provision of adequate counterpart funds to projects.
- MOFEA to play a central role in portfolio management and to conduct quarterly portfolio reviews. Government needs to put in place a regular schedule for project visitations in order to enable line ministries to monitor and evaluate achievements.
- MOFEA should ensure that PIU recruitment guidelines, including the timing of recruitment and key post competencies, for hiring sector PIU staff are shared with all line ministries.
- Encourage regular meetings of the project steering committees PSCs and activate the existing forum for PIUs to exchange views and share experience.

### Bank:

- The Bank needs to further improve on its projects' quality-at-entry and ensure that the necessary baseline information is adequate and properly used in project design. Issues of project coordination and associated staff identification within line ministries should be addressed during appraisal.
- Supervision mission reports have too often been compartmentalized away from results reporting. They need to record assessment on progress for all project indicators, and task teams need to document and track project progress, including any changes in the project design.
- In response to the need to coordinate portfolio interventions and monitoring more closely with other development partners, it is recommended to undertake a joint CPPR in 2011 with the World Bank. Such a CPPR should be results based.

- Improve project design for new projects 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 and executing agencies (EAs) to loan conditions during preparation/appraisal missions.

5.3. The Board of Directors is invited to consider and approve the recommendations above which seek to improve the quality of the Bank Group's portfolio in the Gambia.

## Annex 1: On-going Portfolio as at 30 June 2009

Sector/Project	Approval Date	Completion Date	Remarks	Financing Source	Amount Approved (UA million)	Disbursements (UA million)	%	Latest Supervision	Age (years)
<b>Agriculture</b>									
1. Participatory. Integrated Watershed Management.	09/06/04	31/12/11		NTF Loan	4.95	4.37	88.3	10/11/08	5.05
2. Artisanal Fisheries <b>Development PPP</b>	17/05/00	30/06/09	Completed	NTF Loan	2.90	1.9	65.5	10/11/08	9.1
3. Farmer Managed Rice Irrigation Project	26/04/05	30/04/11		ADF Loan	5.00	3.67	73.7	25/06/09	
				ADF Grant	0.50	0.37	73.9		4.2
4. Livestock and Horticulture Development	26/12/08	31/12/14		ADF Grant	4.02	0.0	0.0	Not yet	0.5
<b>Total Agriculture</b>					<b>17.37</b>	<b>10.3</b>	<b>59.3</b>		<b>4.7</b>
<b>Social Sector</b>									
5. Basic Education III	11/09/02	30/06/10	Extended	ADF Loan	10.00	8.76	87.6	27/06/09	6.7
6. Community Skills Improvement Project <b>PPP</b>	16/02/00	31/03/10	Extended	ADF Loan	4.44	3.97	89.5	21/06/09	
				ADF Grant	1.45	1.28	88.3		9.3
7. Entrepreneurship Promotion and Microfinance Development Project <b>PPP</b>	15/11/06	31/12/12		ADF Grant	8.0	0.67	8.4	29/06/09	2.6
<b>Total Social Sector</b>					<b>23.89</b>	<b>14.68</b>	<b>61.4</b>		<b>6.2</b>
<b>Multi-sector</b>									
8. Institutional Support Project for Economic and Financial Governance	21/11/07	31/12/10		ADF Grant	1.4	0.90	64.4	13/04/09	1.6
9. Poverty Reduction Budget Support Program	12/01/09	31/12/12		ADF Grant	3.0	0.0		22/6/09	
				ADB Grant	1.0	1.0			0.5
<b>Total Multi-sector</b>					<b>5.4</b>	<b>1.90</b>	<b>35.2</b>		<b>1.6</b>
<b>Total Ongoing Portfolio</b>					<b>46.66</b>	<b>26.88</b>	<b>57.6</b>		<b>4.4</b>

**Annex 2A**  
**Country Portfolio Improvement Plan (CPIP) – The Gambia**  
**GENERIC ISSUES**

<i>MAJOR ISSUES</i>	<i>ACTION REQUIRED</i>	<i>RESPONSIBILITY</i>	<i>TIMELINE</i>
<b>Quality-at-Entry</b>			
<b>Inadequate stakeholders' participation in the preparation stage</b>	<ul style="list-style-type: none"> <li>- Mandatory participatory workshops to cover project cycle for all stakeholders</li> <li>- Ensure that local governments are willing to monitor project activities in their districts</li> </ul>	GVT (MOFEA, Line Ministries)/Bank (ORWB, Sectoral Departments)	Ongoing  Periodic
<b>Delayed effectiveness and start up</b>	<ul style="list-style-type: none"> <li>- Better use of lessons learnt from PCRs in designing new operations</li> <li>- PIUs and staffing arrangements to be established during appraisal</li> <li>- Ensure that launching take place immediately after Board approval</li> </ul>	GVT (Line Ministries)/Bank (Sectoral Departments)  GVT (MOFEA, Line Ministries)/Bank(Sectoral Departments)	2009  All new projects
<b>Lack of hands-on guidance in start-up phase</b>	- Increase number of supervision missions led by SNFO	Bank(SNFO, Sectoral Departments)	On-going
<b>Fiduciary Assurance</b>			
<b>Late Audits</b>	- Audit firms to be appointed 9 months prior to submission of audits for periods of 3 years and renewable.	GVT(MOFEA)/PIUs  Bank (ORWB, OAGL, SNFO, Sectoral Departments)	On-going  début project – permanent
<b>Poor procurement management</b>	<ul style="list-style-type: none"> <li>- Ensure that coordinating units in ministries have procurement specialists</li> <li>- Introduce more regular procurement audits</li> </ul>	Line Ministries  Bank(ORWB,ORPF, SNFO)	Once a year
<b>Slow disbursement</b>	- Speed up disbursement reviews in MOFEA	MOFEA	
<b>Implementation Management</b>			
<b>Weak PIUs</b>	<ul style="list-style-type: none"> <li>- Select Project Steering Committee members who can commit themselves to meet regularly</li> <li>- Ensure that PIU staff are evaluated annually on</li> </ul>	Line Ministries, MOFEA	Ongoing

<i>MAJOR ISSUES</i>	<i>ACTION REQUIRED</i>	<i>RESPONSIBILITY</i>	<i>TIMELINE</i>
	performance		
<b>M&amp;E Arrangements and Harmonization &amp; Alignment</b>			
<b>Poor Monitoring &amp; Evaluation System</b>	<ul style="list-style-type: none"> <li>- M&amp;E function to be included in the Coordinating Units</li> <li>- Strengthen GOTG M&amp;E capacities</li> </ul>	Line Ministries	<p>All new projects</p> <p>Ongoing</p>
<b>Uneven progress towards the Paris Declaration</b>	<ul style="list-style-type: none"> <li>- Prepare a donor division of labor exercise based on comparative advantages</li> <li>- Better identification of joint financial opportunities</li> </ul>	Government (MOFEA, NPC)/Bank (ORWB, Sector Departments)	Ongoing

## Annex 2B: Country Portfolio Improvement Plan (CPIP) – The Gambia

### SPECIFIC ISSUES

<i>MAIN PROBLEMS IDENTIFIED</i>	<i>RECOMMENDATIONS</i>	<i>RESPONSABILITY</i>	<i>TIMELINE</i>
<b>PARTICIPATORY INTEGRATED WATERSHED MANAGEMENT</b>			
Until about two weeks ago, the project was doing well. However, Government has unilaterally changed the mangement and composition of the Project Mangement witout informing the Bank and IFAD (the two funding agencies). This is against the loan covenants signed with the Bank. All activities are now stalled and this may erode the achievement made in the past.	The Ministry of Finance as the borrower should ensure that the Ministry of Agriculture complies with the loan covenants.	Ministry of Finance	Immediately
<b>ARTISANAL FISHERIES DEVELOPMENT</b>			
Although the signing of the supplementary loan agreement has been done, the Government is delaying in the signing of the contracts for Lots 2 and 3 with the identified contractors.	Ministry of Fisheries and Water Resources should sign the contracts without further delays.	Ministry of Fisheries	Immediately
<b>FARMER-MANAGED RICE IRRIGATION PROJECT</b>			
No problem identified and implementation is progressing very well.	The project will finish one year ahead of time. There may be no need for MTR and preparations for PCR should go ahead.	Ministry of Agriculture	Immediately
<b>LIVESTOCK &amp; HORTICULTURE DEVELOPMENT</b>			
The project has just started and implementation is going on smoothly.		Ministry of Agriculture	

<i>MAIN PROBLEMS IDENTIFIED</i>	<i>RECOMMENDATIONS</i>	<i>RESPONSABILITY</i>	<i>TIMELINE</i>
<b>BASIC EDUCATION III</b>			
<b>Slow pace of contract implementation as result of weak capacity among contractors and consultants in the country.</b>	Capacity development and strengthening of educational and training institutions is necessary.	Govt and partners	continuous
<b>Government has difficulties in meeting its counterpart funds for major contracts.</b>	Since the country is grants only under ADF, perhaps in future most activities should be 100% funded by grants and only operational costs are counterpart funded.	Development partners	continuous
<b>Start up of project was very slow as there was a delay in fulfilling loan conditions.</b>	Reduce loan conditions now that the Country mainly benefits from grants only.	Development partners	continuous
<b>COMMUNITY SKILLS IMPROVEMENT PROJECT</b>			
<b>Low performance of microfinance subcomponent</b>	Implement the strategy of recovering including legal actions	Government/ Microfinance institutions	December 2009
<b>Increase sustainability of project outcomes</b>	Creating management committees of Multi Purpose centers and transferring these Centers to beneficiaries	Government/Project Management	December 2009
<b>Exit strategy</b>	justification of previous replenishment and request for a last replishment	project Management	October 30th 2009
<b>ENTREPRENEURSHIP PROMOTION &amp; MICROFINANCE DEVELOPMENT PROJECT</b>			
<b>Poor performance of the Project Management</b>	Change ok key personnel and training new staff	Government/ADB	October 2009
Severe deterioration of in the microfinance sector performance	Recruit consultant to assess the current status of the subsector and elaborate appropriate strategy	Government/ADB	December 2009
higher Increase of the costs of all planned activities	Redesign some components and refocus on core activities	Governement/ADB	December 2009
<b>INSTITUTIONAL SUPPORT PROJECT FOR ECONOMIC &amp; FINANCIAL GOVERNANCE</b>			
<b>Project proceeding well with no implementation difficulties</b>			
<b>POVERTY REDUCTION BUDGET SUPPORT PROGRAM</b>			
Program is 100% disbursed			