

PROJECT COMPLETION REPORT

P-ZI-HAA-008

A. PROJECT DATA AND KEY DATES

I. BASIC INFORMATION

Project Number	Project Name	Country	
P-ZI-HAA-008	Project to Reform System and Means of Payment in UEMOA Countries	UEMOA Zone: SENEGAL, MALI, Côte d'IVOIRE, BURKINA FASO, TOGO, NIGER, GUINEA, BENIN	
Lending Instrument(s)		Department	Environmental Category
Project Loan		OSGE	3
Original Commitment	Amount Cancelled	Amount Disbursed	Percent Disbursed
UA 6.2 million		UA 5.34 million	86%
Borrower			
The BCEAO – Central Bank of West African States			
Executing Agency (ies) [List the main ministries and project implementation unit, agencies and civil society organisations responsible for project implementation.]			
The BCEAO - Central Bank of West African States			
Co-financiers and Other External Partners [List all other sources and amounts of financing, technical assistance and other resources used in this project]			
IDA for UA 6.47 million, The BCEAO for UA 5.96 million, commercial banks for UA 2.08 million			

II. KEY DATES

Project Concept Note Approved by Ops. Com.	Appraisal Report Approved by Ops. Com.	Board Approval	
NA	NA	2.10.2002	
	Original Date DD/MM/YY	Actual Date DD/MM/YY	Difference in months (auto-calculated)
EFFECTIVENESS	26.06.2003	8.07.2003	0.5
MID-TERM REVIEW	X	X	0.0
CLOSING	31.12.2006	For active projects, please enter the date of achievement of 98% disbursement	48.0
		31.12.2010	

III. RATINGS SUMMARY

CRITERIA	SUB-CRITERIA	NOTES
PROJECT OUTPUT	Achievement of Outcomes	2.9
	Achievement of Outputs	4
	Timeliness	1
	OVERALL PROJECT OUTPUT	2.6
BANK PERFORMANCE	Design and Readiness	3
	Supervision	3.8
	OVERALL BANK PERFORMANCE	3.4
BORROWER PERFORMANCE	Design and Readiness	2
	Implementation	3.25
	OVERALL BORROWER PERFORMANCE	2.625

IV. RESPONSIBLE BANK STAFF

POSITIONS	AT APPROVAL	AT COMPLETION
Regional Director	TAYLOR-LEWIS	F. PERRAULT
Sector Director	R. RAKOTOBÉ	G. NEGATU
Sector Division Manager	W. HABTE-SELASSIE	KANGA
Project Manager	K. BA	MAHDI AHMED
PCR Team Leader		MAHDI AHMED
PCR Team Members		C. MBENG MEZUI/D.BURLEY

B. PROJECT CONTEXT

Summarise the rationale for Bank assistance. State:

- the project's development challenge,
- the Borrower's overall strategy to take up the challenge,
- the Bank's activities in the country and in the sector in the last year and performance, and
- ongoing activities financed by the Bank and other external sources which supplement, overlap or relate to this project.

Please cite relevant sources. Comment on the strength and coherence of this justification.

[300 words maximum. Any other narrative about the project's origin if needed, must be placed in Annex 6 Project Narrative]

The Project to Reform Systems and Means of Payment in UEMOA countries was formulated following design and technical studies conducted by a consulting firm and validated by a Committee of International Experts set up by the BCEAO, with the collaboration of the International Monetary Fund and the World Bank. It was to supplement the financial sector reforms undertaken in member countries in the wake of the economic crisis of the early 80s as well as inappropriate macro-economic policies and poor management of banks. Indeed, the implementation of a modern system of payment using cutting-edge technology should contribute to promoting scriptural currency transactions, strengthening banks, extending the regional financial sector and generally, further promoting regional integration, and development of trade and investment within and between member countries in a safe environment that meets basic BIS principles. Earlier on, in 2001, the BCEAO relied on IDA financing to achieve these objectives.

The IDA loan was used to finance implementation of the High Volume Automated Inter-Bank Clearing System (SICA) and Real Time Gross Settlement (RTGS) Systems, network infrastructure and supporting measures. The E-bank system planned originally with IDA funding was taken over by the banks. In 2002, THE BCEAO applied for an ADF loan to finance additional requirements of the said project which started in 2001, with IDA financing. The purpose of these operations or complementary studies was to strengthen security, enhance reliability, organise further training, and promote non-cash payment methods so as to reach the initial reform objectives.

C. PROJECT OBJECTIVE AND LOGICAL FRAMEWORK

1. State the Project's Development Objectives (as set out in the Appraisal Report)

The project's sector goal was to promote the growth and economic integration of UEMOA countries by upgrading basic infrastructure in the financial sector. Its specific objective was to put in place a set of national and regional payment mechanisms aimed at i) meeting the growing needs of all economic sectors in UEMOA, in a sure, sound, secure and timely manner at reasonable cost; and ii) ensuring that the new payment systems meet international standards and comply with basic BIS principles, and consequently, guaranteeing a high degree of consumer confidence in UEMOA financial systems.

2. Describe the main project components stating how each will contribute to the attainment of the project objectives

Component A: Establishment of a Real Time Gross Settlement System known as STAR-UMOA for large amount transactions.

Component B: Establishment of a new clearing system for bulk payments of small amounts known as SICA-UEMOA, based on inter-bank financial and bill transactions aimed at accelerating trade; the net calculated balance of the SICA is settled in the STAR system.

Component C: Establishment of an Inter-bank Cash Card System (Inter-bank Electronic Payment System) the objective of which is to give clients in the region the possibility of using a single inter-bank cash card in all UEMOA countries.

Component D: Implementation of a high quality, efficient, secure regional system that will serve the STAR and SICA systems.

Component E: Establishment of an Overall Management Unit for the Payment Systems Reform in UEMOA countries which will steer implementation of all systems and act as link for all players concerned, ensure external communication and promote scriptural currency transactions.

3. Provide a brief assessment (not more than two sentences) the project's objectives along the following three dimensions: rate the evaluation, using the scoring scale provided in Appendix 1.

PROJECT OBJECTIVES DIMENSIONS		ASSESSMENT	SCORE
RELEVANT	a) Relevant to the country's development priorities.	The project ensures the financial security of inter-banking flows by eliminating systemic risks, contributes to less use of cash by improving the conditions for clients using banking services, promotes the development of the economic sector by making payments between firms easier.	3
ACHIEVABLE	b) Objectives could in principle be achieved with the project inputs and in the expected timeframe	The objectives were rather ambitious given the necessary involvement of the banks (human and material mean) in implementing concurrently, several systems (SICA, STAR, electronic banking). Moreover, at BCEAO level, the scope of the UEMOA Zone (location in 8 countries of different cultures and infrastructure levels) made the task difficult to achieve within the initial timeframes.	2
CONSISTENT	c) Consistent with the Bank's national or regional strategy.	The project is consistent with Bank policy for financing multinational projects, in that it will have a significantly positive impact on consolidating regional cooperation and economic integration between member countries.	4
	d) Consistent with the Bank's general priorities.	The project is consistent with the Bank's general priorities to improve capital flow, the growing role of banks in the economies, and in the flow of trade and security.	4

4. Lay out the logical framework. In the absence of a logical framework fill out the table below stating the project ct's overall objective, the main project components, the main activities of each component, and the expected outcomes and outputs. Add additional rows if necessary.

COMPONENTS	ACTIVITIES	OUTCOMES	EXPECTED OUTPUTS	INDICATORS TO BE MEASURED
SECTOR GOAL: Promote The growth and economic integration of UEMOA countries by upgrading basic infrastructure in the financial sector.			Increase in the level of trade within and between member countries.	National and regional statistics
			The M2/GDP ratio reached 26% as of 2004	
			The annual private investment progression rate reaches 15% in countries of the Zone	
PROJECT OBJECTIVES: Establish a set of national and regional payment mechanisms to meet the growing needs of the economic sectors.			The progression rate of scriptural currency transactions exceeds 10% as of 2005	Reports and statistics of the BCEAO and commercial banks, national statistics, supervision mission, user satisfaction surveys
			Inter-banking financial transactions are carried out in real time as of 2005	
			The beneficiaries are satisfied with the new system	
Component A: Real time gross settlement system (STAR-UEMOA)	Acquisition of a secure trade and large amount settlement solution in all the banks of the UEMOA Zone.	An RTGS with connection platform installed for participants, is operational		Reports and statistics of the BCEAO, commercial banks, national statistics, supervision mission
	Acquisition of a system that enables management of daily internal advances from the BCEAO to the banks.	Settlement/Delivery system is installed		
Component B: Clearing System (SICA-UEMOA)	Designs and acquisition of an automated, secure	Remote clearing system (material and software)	Clearing deadlines down from 15 days to 2 days for	Reports and statistics of the BCEAO,

	and auto-protected inter-banking clearing solution involving small amounts	installed in each country of the UEMOA Zone and a regional clearing system installed.	out-of-town securities and from 25 days to 3 days for cross-border securities. The cost of transactions down by 25% in 2004	commercial banks, national statistics, supervision mission
Component C: Sub-regional Inter-banking Card Payment System	Designs for the implementation of a single inter-banking card solution in the UEMOA Zone.	Establishment of a regulatory framework and contractual mechanisms as well as a regional electronic banking centre.	Number of electronic cash cards reached 800 000 in 2004	
Component D: Telecommunications System	Procurement of a secure network linking the headquarters of the banks to the RTGS and clearing systems	Establishment of a radio connection between the BCEAO and the Banks.	Network availability reaches 95% and feedback time less than 1 s	

5. For each dimension of the **logical framework**, state briefly (up to two sentences) the extent to which the logical framework contributed to the attainment of the objectives mentioned below. Rate the assessment using the rating scale provided in Appendix 1. If no logical framework exists rate this section 1.

LOGICAL FRAMEWORK DIMENSIONS		ASSESSMENT	RATING
LOGICAL	a) Presents a logical causal chain for achieving the development objectives	The set indicators give a good visibility of the systems' efficiency for banks; conversely, concerning the efficiency of the user systems, the set indicators are not sufficiently detailed in the logical framework	2
MEASURABLE	b) Expresses objectives and outcomes in a way that is measurable and quantifiable.	The data measured shows achievement of the technical performance objectives of the systems put in place ; on the other hand, the benefits for users are yet to be measured (no survey has been conducted since 2006)	3
THOROUGH	c) States the risks and key assumptions.	The initial assumptions are not quantified; the main risks were identified in the original logical framework.	3


D. OUTCOMES AND OUTPUTS

I. ACHIEVEMENT OF OUTCOMES

In the table below for every key activity, assess the achievement of actual versus expected outcomes, based on the logical framework shown in Section C. Score the extent to which the expected outcomes were achieved. The overall score will be auto calculated as the average of working scores. Override the auto-calculated score if desired and provide justification.

KEY ACTIVITIES		Evaluation Score	Proportion of Project Costs in Percentage (as set out in the Appraisal Report)	Weighted Score (auto-calculated)
Expected Outcomes	Actual Outcomes			
Component A : Gross Real Time Settlement System (STAR)				
			29,79	
Recruitment of a settlement/delivery specialist	Recruitment of a specialist for 6 months who prepared the functional specifications, the bidding documents and the organisational plan	4	0,71	0,03
Settlement-Delivery System (package and servers)	System procured, start-up scheduled for January 2011 after on-going training.	4	12,90	0,52
The BCEAO participatory platforms	Implemented within the framework of IDA financing	NA	NA	NA
Renewal of the servers of the STAR-UEMOA Central Node	Implemented	4	1,52	0,06
Software changes of STAR-UEMOA: upgrade of 25 additional	Implemented	4	0,35	0,01
Securing flows into the BCEAO access system (main site + National Directorates)	Securing the central site: Implemented Securing the National Directorates: End of operations scheduled before end 2010.	4	14,33	0,57
Component B: SICA-UEMOA				
			5,67	
Procurement of servers for the BCEAO	Implemented within the framework of IDA financing	NA	NA	NA
Design of change-over to scanned image plan	Implemented	4	1,77	0,07
Study to define the regulations of the guarantee fund	Carried out although the BCEAO must implement the guarantee fund mechanisms	3	1,21	0,04
Study of the regulations for e-bank clearing	Implemented	4	0,49	0,02

Design for the implementation of the digital proof mechanism	Implemented	4	1,05	0,04
Assistance and training in conducting inter-bank operations	70% implemented, works completion scheduled before end of first semester 2010.	4	1,16	0,05
Component C Inter-bank Card System (Regional E-bank System)				
			2,17	
Recruitment of a card system specialist for the CTMI feasibility study and recruitment of the MD.	Implemented	4	2,17	0,09
Component D: Telecommunications System				
Procurement and installation of radio links between the BCEAO and the bank headquarters	Not Implemented taken charge of by the banks	NA	NA	NA
Component E: Overall Project Management				
			59,58	
Training activities – the BCEAO and banks	Implemented	4	24,45	0,98
Seminar on cooperation between the African Central banks and information tours	Implemented	4	8,69	0,35
Study on the Electronic Wallet	Implemented within the framework of the BCEAO financing		NA	NA
Audit of payment systems in light of international standards	Implemented, although the BCEAO should implement several corrective measures designed to comply with all BIS's fundamental principles.	4	4,55	0,18
Communication activities: communications campaign	Service providers recruited – Campaign to be conducted before end 2010	3	36,73	1,10
OVERALL OUTCOME SCORE [corresponds to the sum of the weighted marks]				2,91

 Check here to override the auto-calculated score

Provide justification for overriding the auto-calculated score

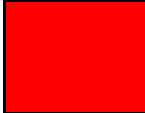
Insert the new score or re-insert the auto-calculated score 2,9

II. ACHIEVEMENT OF OUTPUTS

1. Using available monitoring data, assess the achievement of expected outputs. Import the expected outputs from the logical framework shown in Section C. Score the extent to which the expected outputs were achieved. The overall output score will be auto-calculated as an average of the evaluation score. Override the auto-calculated score if desired and provide justification.

OUTPUTS		Evaluation Score
Expected	Actual	
Sector Goal		
Increase in the level of trade within and between member countries	2004 : 4,7% 2005 : 17,9% 2006 : 17,5% 2007 : 18,8% 2008 : 18,1% 2009 : data not available	3
The M2/GDP ratio reaches 26% as of 2004	The M2/GDP ratio was 27% in 2005 and moves from 1 to 2% per annum	4
The progression of the annual private investment rate reaches 15% in the countries of the Zone	2004 : 8,9% 2005 : 12,4% 2006 : 11,3% 2007 : 11,4% 2008 : 14,2% 2009 : 11,9%	2
Project Objective		
The progression rate of scriptural currency transactions exceed 10% as of 2005	Start-up year 2002: progress calculated in relation to the previous year) 2003 : 12,0% 2004 : 8,98% 2005 : 2,55% 2006 : 13,75% 2007 : 23,18% 2008 : 7,57%	4
The inter-bank financial transactions are conducted in real time as of 2005	Implemented for transactions that go through the automated payment systems.	4
The beneficiaries are satisfied with the new system	Outcome consistent in 2006, no survey has been conducted since, especially for countries equipped after 2006	3
Component A: RTGS		
90% of payments are made in less than 15 minutes as of 2005	95% reached as of 2004, at the start-up of the system	4
Payment orders are processed by the system in less than 30 minutes	Processing takes less than one minute as of start-up	4
Rejections are less than 1%	In fact, rejections are less than 0.1%	4

Component B: Clearing		
Clearing time is down from 15 days to 2 days for out-of-town securities and from 25 days to 3 days for cross-border securities	Transfers are settled between banks D+1 regardless of where they are issued	4
Transaction costs fall by 25% in 2004	The CFAF 170 cost of operation in 2009 fell to CFAF 100 or a drop of 41.18 %	4
Component C: Regional Electronic Banking System		
The number of electronic cash cards reaches 800 000 in 2004	This number was reached only in 2008	2
Component D: Telecommunications		
Network availability reaches 95% with a feedback time of less than 1s	99% of availability since 2004	4
OVERALL OUTPUT SCORE [Corresponds to the sum of weighted evaluation marks]		4

 Check here to override the auto-calculated score

Provide justification for overriding the auto-calculated score	
Insert the new score or re-insert the auto-calculated	3

2. Other Outputs: Comment on additional outputs not mentioned in the logical framework and which concern cross-cutting issues (gender, for example).
The increase in the number of bank account holders at regional level is an outcome that is interesting to follow. It rose from 8.2% in 2004 to 8.9% in 2007. This slow progression, despite measures taken on the legal front, prompted the BCEAO to launch a communications campaign (in progress) for promoting the use of scriptural currency.
3. Risks to sustained achievement of outputs. State the factors that affect or could affect the long run or sustained achievement of programme outputs. Indicate if any new action or follow-up operation is recommended to help sustain outputs. The analysis should draw inspiration from the sensitivity analysis of Annex 3, if relevant.
The STAR system has been in use for 6 years now; the first system has been in use for 5 years. It can be considered as being functionally sustainable as it meets the expectations of the banks; however, given very rapid technological changes, systems become obsolete very quickly especially in terms of material, and already the ADF loan has been used to finance the renewal of the servers on the STAR. Moreover, it is not easy to secure the system as there is no back-up solution which means a risk to business continuity and therefore to sustainability of the advantages of the Reform for users. Measures of a technical nature must be undertaken to ensure systems sustainability. In terms of sustainability of the reform objectives for users, the banks must ensure that customer conditions are respected, particularly from the standpoint of cost and value date.

E. PROJECT DESIGN AND IMPLEMENTATION READINESS

1. State the extent to which the Bank and the Borrower ensured that the project was commensurate with the Borrower's capacity to implement by designing it appropriately and by putting in place the necessary implementation arrangements. Consider all major design aspects, such as: extent to which lessons learnt from previous PCR in the sector or in the country were taken into account (please cite key PCRs); the extent to which the project was informed by robust analytical works (please cite key documents); how well the Bank and Borrower assessed the capacity of the implementing agencies and the project implementation unit; scope of consultations and partnerships, project economic justification and provisions made for technical assistance.

[250 words maximum. Any additional narrative about implementation should be included at Annex 6: Project Narrative]

The Project to Reform Systems and Means of Payment was formulated following design and technical studies conducted by a consulting firm using a highly participatory method in which all players concerned in the various countries took part. The studies were validated by a Committee of International Experts set up by the BCEAO, with the collaboration of the International Monetary Fund and the World Bank. This mechanism ensured the quality of the solutions designed.

Regarding project management, a unit, attached to the BCEAO, known as MRSMP until early 2009, made it possible to steer all the measures to be implemented in the 8 countries (suppliers, banks, National Directorates), as well as prerequisites such a new legal framework.

The systems were implemented behind schedule because of telecommunication problems in some countries from the difficulty the banks faced to adapt their information systems and organisation to the new solutions and the problems they encountered in applying the new standards.

Owing to the delays, the systems were commissioned despite the fact that all the necessary security measures had not been taken although funds had been set aside for them (auto-protection of the clearing system, remote backup). d...).

The project is consistent with the Bank's governance policy. The Bank closely monitored progress of works and showed proof of flexibility and pragmatism in adapting the subject of its financing to deadlines, given the latest needs expressed by the BCEAO to ensure the best security level, compliance, service quality and efficiency for attaining the project's objectives, especially those concerning the end users and savings.

2. For each dimension of project design and readiness for implementation, provide a brief assessment (not more than two sentences). Insert a score using the scoring scale provided in Appendix 1.

PROJECT DESIGN AND READINESS FOR IMPLEMENTATION DIMENSIONS		ASSESSMENT	Evaluation Score
REALISM	a) Owing to its complexity the project is sub-tended by an analysis of the country capacity and political commitment.	The preliminary study was integrated into a comprehensive study of the sociological, economic and political context.	
RISK ASSESSMENT AND MITIGATION	b) Project design includes adequate risk analysis and mitigation measures.	All risks had been identified during the preliminary study. The expected risks which turned out to be accurate concerned the problem of adaptation of the banks, the problems certain countries encountered in upgrading network infrastructure. The BCEAO then provided its technical support to the banks so that the project could move forward. .	4

USE OF COUNTRY SYSTEMS	c) Financial management, procurement, monitoring and/or other systems are based on those already in use by Government and/or other partners	The BCEAO used the ADB's procurement systems which led to delays in the bid validation process; indeed, there was shuttling to and from the ADB since the BCEAO units required to manage bidding were not sufficiently familiar with Bank procedures.	2	
For the following dimensions, provide separate evaluation scores for Bank performance and Borrower performance:			Evaluation Score	
			Bank	Borrower
CLARITY	d) Responsibilities for programme implementation were clearly defined.	Responsibilities were clearly defined in the context of the MRSMP and by the Bank. However, the BCEAO's numerous restructurings following the dissolution of the MRSMP contributed to a loss of efficiency as the new project contributors had to be re-trained.	4	2
PROCUREMENT READINESS	e) Documents required for implementation (documents on specifications, design, procurement, etc.) were ready at appraisal.	All documents were ready but the departments in charge of validation in the BCEAO were sometimes not familiar with documents and procedures which meant major delays, as well as missions to and from ADB.	3	2
MONITORING READINESS	f) Monitoring indicators and plan were adopted.	Some indicators were not monitored during the project for lack of data.	2	2
BASELINE DATA	h) Baseline data was available or collected during project design Baseline data was available or collected during project design.	At the time the Appraisal Report, the ADB had a rather precise vision of the project's background and challenges because the project was well underway in the World Bank although assignments pending were not clear, and as such two requests for re-allocation were made during the project.	2	2

F. IMPLEMENTATION

1. State the major characteristics of project implementation with reference to: timing; quality of constructions and other works, performance of consultants, effectiveness of Bank supervision, and effectiveness of Borrower supervision. State to what extent the Bank and the Borrower complied with environmental protection measures.

[300 words maximum. [Any additional narrative on implementation should be given in Annex 5: Project Description]

ADB financing, as a supplement to the IDA loan, started in 2002, lasted 33 months and was scheduled to end late 2006. The RTGS started across the Zone in 2004 and clearing started country by country and ended with regional clearing which started in 2008. IDA's implementation of the financial systems started 3 years behind schedule causing a delay in the ADF-financed activities. This delay can be explained by: a very optimistic provisional implementation date since the 3 systems were to be implemented concurrently in the 8 countries, and in light of the problems encountered while applying the procurement procedure; the network problems faced in certain countries; the difficulties the banks met in adapting their Information Systems and organisation to the new standards and Clearing System. Furthermore, the systems were commissioned irrespective of all BIS fundamental principles (back-up plan, auto-protection of the Clearing System). Given this considerable project delay, the BCEAO did not maintain its project structure that was designed after 2009.

Project memory loss and resource allocation to operational functions and project management resulted in longer delays for the remaining contracts especially the communications campaign, and led to several requests for postponing the ADF loan completion date.

Bank supervision performance: the Bank organised 6 supervision missions over the disbursement period, i.e. an average of 1.5 missions a year. These missions tried to assess the rationale behind the requests for extension and re-allocation. The Bank was bent on adapting the subject of its financing to the project's background reality with a view to financing designs or material and software investments that would strengthen the security level of the systems as well as the quality of service for the beneficiaries.

Project surveillance by the Borrower: the Borrower put in place project structures that enabled proper project surveillance especially on the functional and organisational levels which were monitored by a project team assigned accordingly until early 2009.

2. Comment on the role of other partners (donors, NGOs, enterprises, etc.). Assess the effectiveness of co-financing arrangements and of donor coordination, if applicable.

The project started with IDA financing for UA 6.47 million. It was followed by an ADF loan of UA 6.2 million. There was no ambiguity over the award of contracts financed by both organisations. The IDA loan financed the crux of the RTGS and Clearing Systems (software and material), project management, the telecommunications network and the regional electronic currency systems and the ADF loan financed the Settlement/Delivery system, training, operating expenses, renewal of out-of-date servers, complementary studies and communication campaign. There was very good coordination between the two donors as they organised several joint supervision missions.

3. Harmonisation. State whether the Bank made explicit effort to harmonise instruments, systems and/or approaches with other partners.

The Bank conducted several missions jointly with the World Bank; during these missions it tried to meet the players concerned by the reform, i.e. the National Directorates of the BCEAO, commercial banks, GIM-UEMOA, and the Central Treasury. It also approached the IMF to determine the performance indicators for the systems

4. For each dimension of project implementation state briefly (up to two sentences) the extent to which the project contributed to the attainment of the objectives mentioned below. Give a brief assessment (not more than two sentences) and rate the evaluation using the rating scale shown in Appendix 1.

PROJECT IMPLEMENTATION DIMENSIONS		ASSESSMENT		EVALUATION SCORE
TIMELINESS	a) Extent of adherence to the original closing date. If the number on the right is less than 12, 4 is scored between 12.1 and 24, 3 is scored between 24.1 and 36, 2 is scored beyond 36.1, 1 is scored	Difference in months between original closing date and actual closing date or date of attainment of 98% disbursement <i>(auto-calculated)</i>	The project fell well behind schedule. The date of last disbursement passed from 31/12/2006 to 31/12/2010 or 48 months late.	1
		0,0		
BANK PERFORMANCE	b) Bank complied with:			
	Environmental safeguards	Not applicable		
	Fiduciary requirements	The fiduciary requirements were complied with. Audits were conducted regularly.		4
	Agreements signed under the project	The loan became effective in June 2003 after its signature on 11 December 2002. There was no major delay in signing or in effectiveness, at least theoretically.		4
	c) Bank provided quality supervision in the form of skills mix and practicability of solutions.	Bank supervision was satisfactory as of 2007 when Bank structures had adequate skills in the areas to be supervised (knowledge of the trade). This implied regular monitoring, reviewing each time the activities carried out and ongoing, as well as determining the priorities for future activities. Supervision made it possible to check all the justifications to the requests for extension of the closing date of the loan and for re-allocations.		3
d) Bank provided quality management oversight.	Bank project management oversight was satisfactory as from actual project start-up thanks to field missions and to the reports consulted.		4	

BORROWER PERFORMANCE	e) The Borrower complied with:		
	Environmental safeguards	Not applicable	
	Fiduciary requirements	THE BCEAO submitted regularly, justification for movements of its disbursement account through financial monitoring statements.	4
	Agreements signed under the project	There was no major delay in signing or in effectiveness, at least theoretically. However, the BCEAO requested several extensions and re-allocations because of the delay of the initial project financed by IDA.	2
	f) Borrower was attentive to Bank supervision findings and recommendations	The Borrower implemented the recommendations made by the Bank. However, there was delay in the award of some high value contracts following receipt of the Bank's lapse-of-time and not necessarily justifiable notice (e.g.: audit of the Payment Systems).	2
	g) Borrower collected and used monitoring information for decision making.	The Borrower used Bank briefs and the list of actions thereto-attached for monitoring its project. On the other hand, internal monitoring by the BCEAO left to be desired.	2

G. COMPLETION

1. Was the PCR delivered on a timely basis in compliance with Bank Policy?

Date of achievement of 98% of disbursement (or closing date, if applicable) (auto-calculated)	Date PCR was sent to pcr@afdb.org DD/MM/YY	Difference in months (auto-calculated)	EVALUATION SCORE (auto-calculated) If the difference is 6 months or less, a 4 is scored. If the difference is 6 months or more, 1 is scored
0/1/00		0,0	4

Briefly describe the PCR process. Describe the Borrower's and co-financiers' involvement in producing the document. Highlight any major differences of opinion concerning the assessments made in this PCR. Describe the team composition and confirm whether a site visit was undertaken. Mention any major collaboration from other development partners. State the extent of field office involvement in producing this report. Indicate whether comments from peer reviewers were provided in time (provide the names and positions of peer reviewers).

[150 words maximum]

The completion report was prepared after a last evaluation mission to the BCEAO. This mission focused on:

- monitoring the project's implementation (activities planned at appraisal and modifications made during implementation);
- the status of the special account based on the various contracts approved or being awarded;
- the project completion report covering assessment of the degree of attainment of the objectives and outcomes initially expected and achieved;
- an assessment of beneficiary performance and Bank performance.

The following peer reviewers: B. Mikponhoue (OSGE.2); C. Mollinedo (OSGE.2); S. Diop (OPSM) and S. Tape (FTRY.4) made a very valuable contribution to the project. [cf Annex 5]

The mission comprised Mr. Cedric A. Mbeng Mezui, Financial Economist OSGE.2, and Mrs. Dominique Mortelette, consultant, Payment Systems Specialist, accompanied by Mr. Christian SARR, Financial Expert in the Regional Office in Dakar. The mission held several working sessions with the Directorate of Banking Services (DSB), the project implementing agency and other Directorates involved in the project's implementation namely the Directorate of Information Systems, the Directorate of Financial Services, the Directorate of Contract Operations, the National Directorate of Senegal, the Electronic Money Inter-bank Group of UEMOA (GIM-UEMOA), the Association of Banks of Senegal and the IMF. This mission wrote an *aide mémoire* which was approved by the Borrower. Documents from the Bank and the Borrower (supervision reports, appraisal reports, financial monitoring reports, annual statement, contracts signed with suppliers...) were examined. All stakeholders have helped to work out areas for improvement of future projects.

H. LESSONS LEARNT FROM THE EVALUATION

Summarise key lessons for the Bank and the Borrower as suggested by the project outputs.

[300 words maximum. Any additional narrative about implementation should be included in Annex 6: Project Description]

In a concern to control ADF financing deadlines and to reach the project's objectives, the BCEAO must for future projects, endeavour to: '

- Maintain the same structures in charge of project implementation throughout the project's duration so as to preserve the memory and competence of the subjects dealt with;
- refrain from starting operations before all security regulations have been complied with (basic BIS principles);
- try to carry out the plan of actions resulting from studies financed with the ADF loan;
- communicate project challenges and outcomes to the beneficiaries and users, soon after the initial achievements; for example, launching the RTGS in 2004 would have enabled a more rapid use of the systems.

For future projects, the Bank must attempt to:

- audit the contract award system of the beneficiaries and if governance is acceptable, apply the beneficiary's procedures; that would mean a shorter lapse-of-time period and the assurance that procedures are well suited to all the beneficiary's contract types;
- monitor implementation of the BCEAO's actions attendant on studies financed with the ADF loan, for instance implementation of the guarantee systems that auto-protect the clearing system;
- ensure, prior to the loan agreement, that the project is feasible within the timeframes proposed by the client, in view of the number of projects implemented concurrently, the resources and skills have been mobilised for each of the projects, the pre-requisites (e.g. network availability), the number of players concerned (several countries, commercial banks), and the migration plan are in place. To that end, benchmarks of similar projects implemented in other countries must be used.

I. PROJECT RATINGS SUMMARY

All scores are auto-generated by the computer from the relevant section of the PCR.

CRITERIA	SUB-CRITERIA	Score
PROJECT OUTPUT	Achievement of outcomes	2,9
	Achievement of outputs	4
	Timeliness	1
	OVERALL PROJECT OUTPUT SCORE	2,6
BANK PERFORMANCE	Design and Readiness	
	Project objectives are relevant to country development priorities	3
	Project objectives could in principle be achieved with the project inputs and in the expected timeframe	2
	Project objectives are consistent with the Bank's national or regional strategy	4
	Project objectives are consistent with the Bank's overall priorities	4
	The logical framework presents a logical causal chain for achieving the project's development objectives.	2
The logical framework expresses objectives and outputs in a way that is measurable and quantifiable	3	

	The logical framework states the key risks and assumptions	3
	Project complexity is matched with country capacity and political commitment	4
	Project design includes adequate risk analysis	4
	Procurement, financial management, monitoring and/or other systems are based on those already in use by Government and/or other partners.	2
	Responsibilities for project implementation are clearly defined	4
	Documents required for implementation (specifications, design, procurement, etc.) were ready at appraisal	3
	Monitoring indicators and monitoring plan were agreed upon	2
	Baseline data was available or being collected	2
	PROJECT DESIGN AND READINESS SUB-SCORE	3
	Supervision:	
	Bank enforced:	
	Environmental safeguards	0
	Fiduciary requirements	4
	Agreements signed under the project	4
	Bank provided quality supervision in the form of skills mix and practicability of solutions	3
	Bank provided quality management oversight	4
	PCR was delivered on time	4
	SUPERVISION SUB-SCORE	3,8
	OVERALL BANK PERFORMANCE SCORE	3,4
	BORROWER PERFORMANCE	Design and Readiness
Responsibilities for project implementation are clearly defined		2
Documents required for implementation (specifications, design, procurement, etc.) were ready at appraisal		2
Monitoring indicators and monitoring plan were agreed upon; baseline data was available or being collected		2
PROJECT DESIGN AND READINESS		2
Implementation		
Borrower enforced:		
Environmental safeguards		
Fiduciary requirements		4
Agreements signed under the project		2
Borrower was attentive to Bank supervision findings and recommendations		2
Borrower based its decisions on monitoring information	2	
IMPLEMENTATION SUB-SCORE	2,5	
OVERALL BORROWER PERFORMANCE SCORE	2,25	

J. PROCESSING

STEP	SIGNATURE AND COMMENTS	DATE
Sector Manager Clearance		
Regional Director Clearance		
Sector Director Approval		

ANNEX 1: Project Cost and Breakdown of ADF Loan Application

1. Project Cost and Financing

Financing Sources (UA million) at the time of the Loan Signature 2002

Source	F.E.	L.C.	Total	% of Total
ADF	5.90	0.30	6.20	30
IDA	5.05	0.97	6.47	31
THE BCEAO	5.15	0.81	5.96	29
Commercial Banks	0.59	1.49	2.08	10
Total	17.14	3.57	20.71	100

Cost by Component and Financing Source (in UA million)

Component	Financing Source					% project cost
	ADF	IDA	THE BCEAO	Commercial Banks	Total	
A. RTGS	2.97	1.67	2.98	0.41	8.02	39
B. Mass clearing	0.37	1.43	1.69	1.28	4.76	23
C. Card system (Electronic)	0.16	0.18	0.15	0.03	0.52	3
D. Telecommunications	1.50	1.24	0.29	0.36	3.39	16
E. Overall Project Management	1.20	1.96	0.86	0.00	4.01	19
Total Project Cost	6.20	6.47	5.96	2.08	20.71	100

Loan Implementation Status as at 31/01/2010 (to be updated) Table Expected from the BCEAO

2. Breakdown of ADF Loan

Statement 1: budgetary allocation, major variations between budget breakdown by component at the origin of the project and the real applications as shown in the following table:

Component	Implemented in CFAF million	Weight of the Component against Outputs	Weight of the Component against Initial budget	Comparison
A : RTGS	1179	29.8%	48%	+18%
B : Clearing	224	5.7%	6%	Ditto
C : Electronic	86	2.1%	2.6%	Ditto
D : Telecommunication	0	0%	24%	No financing
E : Project management	2357	59.6%	19.35%	+40%
TOTAL	3956	100%	100%	

This was due to:

- Poor appreciation of the outstanding assignments at the time of evaluation and the breakdown of funds between IDA, BCEAO, the banks and ADF; this applies to the telecommunications component whose financing was taken over entirely by the banks, and to the RTGS platforms financed in the final analysis by IDA,
- The extension of the deadlines for the activities financed by IDA slowed down the ADF-financed activities which explains why new schedules had to be fixed and re-allocations made,
- Poor calculation of the budget resources: several lines were over-estimated which meant a supplementary budget for the other activities,
- The BCEAO's lack of resources to carry through all contract award procedures which require high charges, leading to a cancellation of certain tasks that were no longer covered by the project completion timeframe.

Statement 2: Several re-organisations of the tasks to be implemented

The two requests for re-allocations from the BCEAO meant significantly fewer tasks that were to be carried out under implementation of the systems except for the Settlement/Delivery System fully covered by the ADF loan, the renewal of the RTGS servers and securing the network.

Conversely, the project's Management Component included to a large extent the communication campaign and many operations such as the audit of the payment systems, the establishment of the guarantee fund, and the organisation of inter-bank operations.

Most of the studies implemented in the context of this funding resulted in plans of action for implementation by the BCEAO, failing which, the study is pointless. **It is vital that the ADB monitors the progress of these actions.**

At the time of the first two requests for re-allocations in 2005 and 2008, the following new requirements were expressed but were not implemented with the ADF loan:

- Design of a back-up plan (operational and functional aspects) → as part of the BCEAO's Business Continuity Plan that was yet to be operational;
- Survey of the payment systems → the option of conducting this survey at the end of the communications campaign means that it was covered by the ADF loan
- Centralisation of SICA-UEMOA → could not be implemented because the pre-requisite relative to the back-up network plan could not be set up within the ADF financing timeframe

Statement 3: significant deadlines for use of the ADF loan (7 years instead of 3)

As a supplement to the IDA loan and considering the delay in the IDA-financed activities (4 years), full use of the loan did not start as of the loan agreement.

ANNEX 2: Last Contract Award Plan (Updated Document Expected from THE BCEAO)

THE BCEAO – Project to Reform Systems and Means of Payment
Table 1: Procurement Plan for the Selection of Consultants – ADF Loan

Date of Loan Signature: 11 December 2002

Date of Effectiveness: 26 June 2003

Date of 1st Disbursement: 15 July 2003

N°	Cost Estimate in CFAF million	Description of Contract	Publication Expression of Interest	Preparation of Terms of Reference	Establishment of the Short List and Request for Proposal	Date of Lapse-of-time	Launching of Bids	Receipt and Opening of Bids	Bid Evaluation	Date of Lapse-of-time	Notification of Award Proposal	Contract Negotiation and Signature	Completion of Contract	Comments
2	38	Preparation of a communications strategy on payment systems					18/05/09 (Implemented)	26/05/09 (Implemented)	02/06/09 (Implemented)	15/06/09 (Implemented)		10/07/09 (Implemented)	15/10/09	<ul style="list-style-type: none"> • Start-up of works on 20/07/09 • On-going services

N°	Cost Estimate in CFAF million	Description of Contract	Publication Expression of Interest	Preparation of Terms of Reference	Establishment of the Short List and Request for Proposal	Date of Lapse-of-time	Launching of Bids	Receipt and Opening of Bids	Bid Evaluation	Date of Lapse-of-time	Notification of Award Proposal	Contract Negotiation and Signature	Completion of Contract	Comments
3	842	Conduct of the communication campaign based on the Consultant's strategy		20 October 2009	23 October 2009	30 October 2009	03 November 2009	03 December 2009	11 December 2009	18 December 2009	22 December 2009	24 December 2009	10 August 2010	<ul style="list-style-type: none"> • 3 types of firms selected and required respectively to: <ul style="list-style-type: none"> – Design posters and brochures – Prepare audio-visual media – Distribute media and statements • Finalisation and submission of media to the BCEAO by the first 2 firms selected: 20/01/10 with payment • Distribution of media and campaign proper take off in 10/02/10 • Since this campaign should last 6 months, services will be paid in advance not later than 25/01/10 based on a letter of 100% guarantee

N°	Cost Estimate in CFAF million	Description of Contract	Publication Expression of Interest	Preparation of Terms of Reference	Establishment of the Short List and Request for Proposal	Date of Lapse-of-time	Launching of Bids	Receipt and Opening of Bids	Bid Evaluation	Date of Lapse-of-time	Notification of Award Proposal	Contract Negotiation and Signature	Completion of Contract	Comments
4	180	Audit of payment systems	03 August 2007 (implemented)	15 June 2007 (implemented)	12 October 2007 (implemented)	03 October 2007 (implemented)	26 October 2007 (implemented)	30 November 2007 (implemented)	03 January 2008 (implemented)	11 July 2008 (implemented)	1er August 2008 (implemented)	02 March 2009 (implemented)	15/07/09 (implemented)	<ul style="list-style-type: none"> • Publication of call for expression of interest on 3 August 2007 • Expressions received on 22 September 2007 • Bids received on 26 November 2007 • Opening of bids on 30 November 2007 • Evaluation of bids completed • Lapse-of-time notice obtained • Notification to bidder selected • Signing of contract on 2/03/09 • Contract completed on 15/07/2009

N°	Cost Estimate in CFAF million	Description of Contract	Publication Expression of Interest	Preparation of Terms of Reference	Establishment of the Short List and Request for Proposal	Date of Lapse-of-time	Launching of Bids	Receipt and Opening of Bids	Bid Evaluation	Date of Lapse-of-time	Notification of Award Proposal	Contract Negotiation and Signature	Completion of Contract	Comments
5	33	Settlement/Delivery Specialist	-	30 March 2008 (implemented)	7 May 2008 (implemented)	30 July 2008 (implemented)	25 August 2008 (implemented)	15 September 2008 (implemented)	30 September 2008 (implemented)	17 December 2008 (implemented)	09 January 2009 (implemented)	04 February 2009 (implemented)	15 July 2009 (implemented)	<ul style="list-style-type: none"> • Bids launched by the Directorate of Credit in collaboration with the DAA and DINF • Bids received on 29 October 2007 • Selection of the Eurogroup which withdrew • Lapse-of-time notice received for the selection of an individual consultant from a short list of at least 4 consultants • Short list drawn • Lapse-of-time notice obtained • Bids launched • Choice of consultant validated by the ADB • Contract Negotiation on 4/02/09 • Completion of contract execution

N°	Cost Estimate in CFAF million	Description of Contract	Publication Expression of Interest	Preparation of Terms of Reference	Establishment of the Short List and Request for Proposal	Date of Lapse-of-time	Launching of Bids	Receipt and Opening of Bids	Bid Evaluation	Date of Lapse-of-time	Notification of Award Proposal	Contract Negotiation and Signature	Completion of Contract	Comments
6	47	Definition of regulations for a clearing balance guarantee fund	23 July 2007 (implemented)	30 May 2007 (implemented)	28 September 2007 (implemented)	10 December 2007 (implemented)	27 February 2008 (implemented)	12 June 2008 (implemented)	19 June 2008 (implemented)	24 July 2008 (implemented)	31 July 2008 (implemented)	6 October August 2008 (implemented)	19 December 2008 (implemented)	<ul style="list-style-type: none"> • Publication of call for expressions of interest on 23 July 2007 • Receipt of expressions of interest on 10 September 2007 • Two replies received. Mail sent to the ADB in order to find a solution (ref. N°DSP/ME/0679-07 of 4 October 2007) • Lapse-of-time notice received on 10 December 2007 to launch the procedure based on the 2 replies received • Launching of competitive bidding with a deadline set at 18 April 2007 • 1 reply received • Bid evaluation • Lapse-of-time notice received • Notification of award proposal • Actual start-up on 6 October 2008 • Completion of contract on 19 December 2008

N°	Cost Estimate in CFAF million	Description of Contract	Publication Expression of Interest	Preparation of Terms of Reference	Establishment of the Short List and Request for Proposal	Date of Lapse-of-time	Launching of Bids	Receipt and Opening of Bids	Bid Evaluation	Date of Lapse-of-time	Notification of Award Proposal	Contract Negotiation and Signature	Completion of Contract	Comments
7	41,5	Assistance in the implementation of the electronic proof mechanism					08 August 2008 (implemented)	22 September 2008 (implemented)	7 October 2008 (implemented)	11 December 2008 (implemented)		23 April 2009 (implemented)	30 November 2009	<ul style="list-style-type: none"> Resumption of the procedure with preparation of a short list of consulting firms Lapse-of-time notice received Bids are launched Bids received on 22 September 2008 Consultant selected and lapse-of-time procedure notice received Contract signed on 23/04/09 Services in progress
8	46	Assistance in the conduct of inter-bank operations					14 October 2008 (implemented)	28 November 2008 (implemented)	5 December 2008 (implemented)	21 April 2009 (implemented)	24 April 2009 (implemented)	10 July 2009 (implemented)	15 December 2009	<ul style="list-style-type: none"> Launching of Bids Three bids received Evaluation of bids Appraisal Report sent to the ADB Lapse-of-time notice obtained on 21/04/09 Contract signed on 10/07/09 Works start on 20/07/09 Services ongoing

SQC : Quality and Cost Based Selection

THE BCEAO – Project to Reform Systems and Means of Payment
Table 2: Procurement Plan for Equipment Supplies – ADF Loan

Component 1: Gross Real Time Settlement (GRTS)

N°	Contract Description	Cost Estimate in CFAF million	Procurement Method	Bidding Documents			Evaluation of Bids			Implementation of Contract		Status
				Date of Dispatch to ADB	Date of Lapse-of-time	Launching of Bids	Date of Receipt and Opening of Bids	Date of Submission of Appraisal Report	Date of Lapse-of-time	Date de signature	Completion Date	
1	Application of automated management of securities and other money market operations: software system and servers	700	ICB	10 April 2009	17 April 2009	24 April 2009	08 June 2009 (implemented)	15 June 2009 (implemented)	21 June 2009 (implemented)	06 July 2009 (implemented)	31 December 2009	The contract was fully paid out of the special account on 30/07/09 against a bank guarantee

2	Security system of the flow into the BCEAO access network.											
2.1	Ensuring the security of STAR-UEMOA (windows 2003 RSA)	100 (Implemented pour 96)	DNC	30 November 2007	15 December 2007	-	-	-	-	28 April 2008 (implemented)	30 November 2008 (implemented)	<ul style="list-style-type: none"> • Lapse-of-time notice received • Delivery of servers on 7 August 2008 • Installation in November 2008 • Contract completed
2.2	Security Equipment											Resumption of procedure with national shopping
2.2.1	Procurement and installation of the 128 KVA UPS at headquarters	102	LS	24/09/08 (implemented)	25/09/08 (implemented)	03/10/08 (implemented)	30/10/2008 (implemented)	08/12/2008 (implemented)	02/01/09 (implemented)	14/01/09 (implemented)	03/07/09 (implemented)	<ul style="list-style-type: none"> • Final acceptance on 3/07/09 • Contract completed

2.2.2	Supply and installation of UPS and related equipment for the computer and payment systems servers at headquarters	38	LS	24/09/08 (implemented)	25/09/08 (implemented)	03/10/08 (implemented)	30/10/2008 (implemented)	27/03/09 (implemented)	21/04/09 (implemented)	28/04/09 (implemented)	31 August 2009	<ul style="list-style-type: none"> • Appraisal Reports sent to the ADB • Lapse-of-time notice obtained on 24/04/09 • Order submitted on 28/04/09 • Delivery expected • Contract fully paid on 30/07/09 against a cheque delivered by the supplier
2.2.3	Procurement of a video-surveillance at Headquarters	9,7	LS	02/09/08 (implemented)	03/09/08 (implemented)	17/09/08 (implemented)	16/10/08 (implemented)	08/12/2008 (implemented)	02/01/09 (implemented)	14/01/09 (implemented)	15/07/09 (implemented)	<ul style="list-style-type: none"> • Delivery made on 27 March 2009 • Restoration of the guarantee on 15/07/09 • Guarantee deduction to be paid on 27 March 2010

2.2.4	Procurement of locks for the power premises of the Headquarters	46	LS	24/09/08 (implemented)	25/09/08 (implemented)	02/12/2008 (implemented)	09/01/09 (implemented)	27/03/09 (implemented)	04/06/09 (implemented)	08/07/09 (implemented)	20/08/09	<ul style="list-style-type: none"> • Payment of the entire contract on 30/07/09 against a letter of 100% guarantee
2.2.5	Procurement of air-conditioners for the Headquarters	1,2	LS	02/09/08 (implemented)	03/09/08 (implemented)	17/09/08 (implemented)	16/10/08 (implemented)	08/12/2008 (implemented)	02/01/09 (implemented)	19/02/09 (implemented)	30/06/09 (implemented)	<ul style="list-style-type: none"> • Delivery made on 16/04/09 • Final acceptance in June 2009 • Full payment
2.2.6	Procurement and installation of UPS in Benin	26,4	LS			02/04/09		09/10/09 (implemented)	23/10/09	23/11/09	23/01/10	<ul style="list-style-type: none"> • Request for L-OF-T sent to the ADB on 9/10/09 • L-OF-T expected
2.2.7	Procurement and installation of UPS for Burkina	28	LS	21/10/08	21/10/08	02/04/09		23/10/09	30/10/09	30/11/09	25/01/10	<ul style="list-style-type: none"> • Transfer of request for lapse-of-time notice in progress to ADB,; 23/10/09

2.2.8	Procurement and installation of UPS for UEMOA Banking Commission	6,8	LS	07/11/08	03/12/08			13/07/09 (implemented)	14/09/09 (implemented)	12/11/09	14/01/10	<ul style="list-style-type: none"> • Transfer of report signed at the ADB on 13/07/09 • L-OF-T obtained from the ADB • Order is being launched
2.2.9	Procurement and installation of UPS for Côte d'Ivoire	47	LS	07/11/08	26/11/08			13/07/09 (implemented)	12/10/09 (implemented)	12/11/09	12/01/10	<ul style="list-style-type: none"> • L-OF-T from the ADB obtained • Order is being launched
2.2.10	Procurement and installation of UPS in Guinea-Bissau	19,9	LS				02/04/09	15/06/09	30/06/09 (implemented)	08/07/09 (implemented)	30/09/09 (implemented)	<ul style="list-style-type: none"> • Examination of bids on 28/05/09 • Order launched on 10/07/09 • Delivery expected on 11/09/09 • Full payment on 31/07/09 based on a bank guarantee

2.2.11	Procurement and installation of UPS in Mali	37,1	LS	18/09/08	22/09/08			14/08/09	23/09/09 (implemented)	30/10/09	23/12/09	<ul style="list-style-type: none"> • L-OF-T obtained from ADB • Launching of order in progress
2.2.12	Procurement and installation of UPS in Niger	51,4	LS	21/10/08	21/10/08	02/04/09		14/07/09 (implemented)	23/09/09 (implemented)	23/10/09	23/12/09	<ul style="list-style-type: none"> • L-OF-T obtained from ADB • Launching of order in progress •
2.2.13	Procurement and installation of UPS in Senegal (Dakar Branch)	58,7	LS	18/09/08	22/09/08			14/07/09 (implemented)	23/07/09 (implemented)	16/09/09	30/11/09	<ul style="list-style-type: none"> • Financial officers examination report sent to the ADB on 14/07/09 • Dispatch of the technical sub-commission's report to the ADB on 14/07/09 • L-OF-T obtained on 23/07/09 avec limited to the Main Branch in Dakar • Order has been sent and delivery is expected.

2.2.13. bis	Procurement and installation of UPS in Senegal (Kaolack and Ziguinchor branches)	10,1	LS	18/09/08	22/09/08			14/07/09 (implemented)	16/09/09 (implemented)	16/09/09	16/12/09	<ul style="list-style-type: none"> • L-OF-T obtained • Delivery awaited
2.2.14	Procurement and installation of UPS in Togo	28,5	LS	28/10/08	28/10/08			14/08/09	14/09/09 (implemented)	30/10/09	14/12/09	<ul style="list-style-type: none"> • L-OF-T obtained • Order is being launched
3	Renewal of the servers of STAR-UEMOA's central node	60	DNC			-	-	-	(implemented)	04/08/09 (implemented)	30/11/09	<ul style="list-style-type: none"> • DPD sent to the ADB • Payment of DPD by the ADB on 15/10/09 Implementation ongoing
4	Upgrade request on STAR-UEMOA	14	DNC			-	-	-	22/07/09 (implemented)	04/08/09 (implemented)	30/11/09	<ul style="list-style-type: none"> • L-of-time obtained on 22/07/09 • DPD sent to the ADB • Payment of DPD by ADB on 15/10/09

ICB: International Competitive Bidding - Open
DNC: Direct Negotiation Contract

LS: Local Shopping

ANNEX 3: Project Narrative

1. Component A: Real Time Gross Settlement System (RTGS) known as UEMOA-STAR

1.1 Description of System

The main objectives of the sub-regional RTGS system are to:

- Limit the risks attached to high amount operations or urgent payments likely to create a systemic risk from the fact that weakness on the part of a participant may have a domino effect involving the others, (in the absence of the RTGS, for example this settlement could be made towards the end of the day and thus jeopardise all the day's operations and create a systemic risk);
- Ensure that fund transfer operations especially in the sub-region are rapid, complete and secure, in compliance with the BIS basic principles recommendations;
- Promote the development of financial markets in the sub-region.

Thanks to the procedures implemented under the RTGS, high amount payments or those of a sensitive and urgent nature, for customers or between banks (especially those concerning the financial markets, monetary policy operations, clearing system payments for mass payment operations), are made in real time through simultaneous debits and credits from the participants' settlement accounts with the BCEAO.

The RTGS system has been set up at the BCEAO headquarters (with a back-up site); technical platforms (software and material) are installed at the headquarters of each participant. The system includes the following modules: transaction control operations, management of settlement accounts, queue management, exchange of information with participants, and management of daily cash operations.

The architecture of the RTGS system comprises three levels:

- A technical platform for access to the RTGS system was set up at the headquarters of each direct or indirect participant and the BCEAO departments, branches or headquarters. About 50 access points have been planned.
- A connection and transfer system between this platform and the central RTGS system.
- The central system (the RTGS node) comprising in particular, modules for processing oversight, cash management, queue management, settlement and information exchange with participants' operations.

The financial institutions, direct participants take responsibility for the material platforms needed to install the RTGS access software, delivered along with the turnkey system, as well as the charges for installing these platforms. The billing structure of the services provided under the RTGS system will depend on participation and volume of operations.

This mechanism is supplemented by a settlement/delivery application which makes it possible for participants to ask for intra-day advances to replenish their settlement balance and make their payments.

1.2 Contribution of the ADF loan to this component

Under this component, the ADF loan financed:

- Settlement/Delivery System:
 - The recruitment of a consulting Settlement/Delivery Specialist for six months
 - The procurement of the solution (package and material),
- RTGS System:
 - Security equipment (UPS, video-surveillance, air-conditioners) for the headquarters and the main THE BCEAO branches,
 - Security of the STAR-UEMOA
 - Renewal of the STAR-UEMOA servers
 - Additional reports on STAR-UEMOA

Settlement/Delivery System:

Recruitment of a Consulting Settlement/Delivery Specialist:

It took the BCEAO a long time to analyse the solutions to apply (internal developments or package choice), and determine the scope of the service because bidding was unsuccessful in one case (the firm selected, Eurogroup withdrew). The BCEAO was thus obliged to re-launch competitive bidding and consequently timeframes became longer.

One consultant was selected to prepare the detailed functional specifications of the auto-mated management system for issuing public securities kept by the BCEAO, determine reserve requirements, manage liquidity and inter-bank market operations, produce the bidding documents and define an organisational and technical integration schema within the BCEAO and banks. The operation was implemented from February to July 2009 for CFAF 27 920 800.

Settlement/Delivery Solution

A contract was signed with the firm CMA on 13 July 2009 for CFAF 510 188 268. Based on a bank guarantee letter, the entire contract amount was paid on 28 July 2009. Works started in August 2009 even though start-up was scheduled for early 2011.

Compared with the initial projections, the project's scope was extended to re-financing operations, the BCEAO's permanent counters, intra-day advances, repurchases, inter-bank market monitoring and fixing reserve requirements.

Regarding the connection of participants, they were for small investments (only two PCs are required to put in orders). A video-conference was organised on 28/10/2009 to inform and sensitise them to the project. The National Committees are required to monitor the progress made by the banks in view of their connection to the Treasury Application.

In connection with this component, the BCEAO must be responsible for training and writing out the trade procedures.

RTGS System:

The real time gross settlement system for high amount operations (STAR-UEMOA) has been put in place and has been in operation since June 2004.

For this reform component, the ADB's share covered:

- Renewal of the servers of the STAR-UEMOA central node by the firm CMA for CFAF 59 999 730 FCFA (installation in progress), in fact, the RTGS has been in operation since 2004 and materials had been obsolete. Supply comprises delivery and installation of all the material server components needed to run the STAR-UEMOA system on the primary site (gateway servers, web servers, CA servers, DB servers, disques, racks)

- Securing the flow into the BCEAO access system: two types of works:
 - Central STAR Site, a contract was signed with CMA for the installation of Windows 2003 RSA for CFAF 95599718.
 - In each National Directorate, two contracts were signed with local firms for security equipment (UPS, video-surveillance system, air-conditioners, locks for the power houses...) for a total amount of CFAF 371 321 427 from all 8 countries
- Software Evolutions of STAR UEMOA for 25 additional reports implemented by the firm CMA for CFAF 13 660 305. Payment has been fully made against guarantee. Works have been completed.

2 Component: Automated Inter-bank Clearing System in UEMOA (SICA-UEMOA)

2.1 Description of System

The main objectives of the Clearing System were to:

- reduce the time it takes for exchange and settlement of paper securities (domestic and between UEMOA countries). Concerning "out-of-town" or "cross-border" transactions, the deadlines go from several weeks to 2 days at most;
- reduce the risks and cost arising from these timeframes and from the procedures for handling and transportation of the securities,
- promote and enable development and automatic processing of new digital payment instruments,
- reduce the cash requirements needed for clearing operations by centralising accounts of financial institutions, kept by the BCEAO at national level (by eliminating the obligation, for clearing operations, to maintain corresponding accounts with positive balances in auxiliary branches).

The principles behind the new clearing system are that:

- every institution presents, in the form of electronic data, payment transactions (cheques, trade bills, transfers, withdrawals, card movements, etc.) to clear;
- in the case of paper securities, (cheques and trade bills), a scanned image is attached to the clearing data so as to facilitate, oversight by the bank drawn, (especially that of the signature), thanks to the transfer of this image;
- these electronic files are sent (by email or disquette) from the nearest the BCEAO access point (auxiliary branch or main agency);
- the access point transfers these files to the National Clearing System established in the main agency (one per country);
- upon receipt of these files at a given point in time, an electronic clearing "session" is organised at national level to calculate the clearing balances of each participant,
- each participant is informed of the resulting overall balance and must make sure that the balance of his/her settlement account with the BCEAO, if in debit, will be enough to credit these balances at the time of the settlement about one hour later in the RTGS system;
- in the event of insufficient funds, the system's auto-protection mechanisms are triggered (activation of the guarantee fund) to secure payment in the RTGS system;
- after clearing (or before, for information), the institutions drawn receive all the files concerning them (clearing data and images) so as to control the transactions in order to accept or reject them;
- amounts rejected are presented at a new clearing session, at a pre-selected time depending on the quality and rapidity of the changeover and processing of the paper securities images from the bank drawn.

2.2 Contribution of the ADF loan to this Component

This component comprised primarily consultancy services and covered studies complementary to the implementation of SICA- UEMOA:

Definition of scanned image exchange: the definition of the changeover plan for scanned image exchange was entrusted to the firm High Tech Consulting Group (the Itras Group) in 2004 for CFAF 69 968 000. The mission consisted in taking stock of progress on the cheque image exchange of banks in UEMOA countries, define the regulations and inter-bank procedures for scanned cheque image exchange, prepare a changeover plan for scanned image exchange, prepare a guide for participants and arrive at a placement agreement.

Definition of the Guarantee Fund Regulations: the firm Harmonie was selected to carry out a methodological study for the financial security of the systems in the sub-region's countries for a value of CFAF 47 884 860. It submitted its report at the end of 2008. The file comprised various principles for the establishment of a guarantee fund per country or region, the methods for calculating the guarantee fund, and presented the findings to the participants.

At the end of this mission, the alternatives were discussed by the BCEAO and the banks, with a view to validating the terms for establishing the guarantee fund. The alternatives are being validated by the BCEAO authorities. Actual establishment has been scheduled for June 2010.

The establishment of a guarantee fund is indispensable to ensure auto-protection of the clearing system and therefore compliance with BIS' basic principle V.

Definition of Electronic Clearing Regulations: implemented in 2006 by the firm European Consulting Organisation (ECO) for CFAF 19 278 000, this component consisted in evaluating the various clearing solutions of card operations and to present the advantages and disadvantages, as well as the investment costs. The component ended with the electronic clearing operations by CTMI-UEMOA with deposit of the net balances into the RTGS.

Implementation of the Electronic Proofing Mechanism: The assistance and training mission for implementing an operational mechanism for electronic signature and proofing was entrusted to the firm FIME on 1 April 2009. Works started on 13 May 2009. Works led to a proposal for implementing the electronic proofing mechanism in UEMOA countries, as well as procedures, frame agreements and standard documents (being prepared) that will enable implementation of the digital proofing plan.

Under this component, BCEAO representatives went on a mission to France with the purpose of obtaining a comprehensive view of the national electronic signature plan.

To finalise this component, THE BCEAO must now put in place the organisational structures planned under this mechanism, that is to say the Electronic Proofing Monitoring Orientation Committee and sign acknowledgement agreements with the accreditation organisations.

The CONOBAFI (inter-bank committee) should monitor update with the banks which should distinguish in their applications, the signature requirements and obtain the necessary certificates.

The operation has been scheduled for early 2011.

Assistance and training in Inter-bank Operations: the firm Harmonie Consulting was selected following international competitive bidding; it started works on 20 July 2009. The mission consisted in organising operations of the inter-bank authority CONOBAFI required to adopt and monitor implementation of new standards and regulations. The participatory approach adopted to carry this mission through led to an extension of the deadlines since feedback from the banks in response to the questionnaires was poor. This mission must end in 2010 with a plan of action for CONOBAFI. At the end of January 2010, the firm Harmonie paid in full for the service.

Comments:

Although planned during the re-allocation, the Centralisation of SICA-UEMOA (additional equipment), could not be financed with the ADF loan because it needed a prior a back-up network (planned for end 2010). To centralise clearing would enable optimum management of the system and implementation of a regional back-up solution. **It is worth noting**

that the clearing systems are not equipped with a back-up solution which contributes to non-compliance with BIS' basic principle VII.

3 Component C: Regional Inter-bank Electronic Currency System

3.1 Description of System

The main objectives for establishing an inter-banking card in the UEMOA Zone are;

- to consolidate the consistency and image of the region's financial sector by creating a UEMOA logo to be printed on the cards and promoted by all;
- to promote utilisation of an electronic means of payment to replace cash payments,
- to strengthen the position and capacity of the region's card issuers to negotiate with international card systems (VISA, MASTERCARD, etc.),
- to reduce the charges and cost of processing transactions (acquisition, transfers, authorisation, payment) by upgrading the necessary technical infrastructure (equipment, networks and software), for the benefit of the financial institutions of the sub-region, and
- to control risks (fraud and counterfeit) arising from electronic payments.

As a result of the commercial objectives of the CARD activity, private banks primarily, will be entrusted with funding the activity. In the final analysis, the success or failure of this component will depend to a great extent on the efforts they will make for its promotion.

3.2 Contribution of the ADF loan to this Component

ADF's share covered the recruitment of a card system specialist and the cost of the process to recruit the Managing Director of UEMOA's Electronic Inter-banking Group (GIM-UEMOA). All activities scheduled were implemented and completed by the firm Itras, especially preparation of standards, protocols, procedures, arrears management, enabling the design of an inter-bank card payment system in the UEMOA Zone.

Organisation of the electronic card activity: at start-up the project comprised 2 structures:

A governance structure set up in February 2003 (GIM-UEMOA), and

An inter-bank electronic money processing structure (CTMI-UEMOA).

At project start-up the banks were given considerable leeway to define the electronic money strategy and the organisation of the systems.

Unfortunately, the investments already made by certain banks, the varying economic stakes and models from bank to bank, and the lack of harmonisation, precluded any significant development of the electronic currency system which was a key aspect of the reform of services provided for the population and for less use of paper currency.

Consequently, the BCEAO took over the reins of the operations by:

Merging the GIM and CTMI structures in June 2009,

Buying 51% of GIM's capital so as to give banks of the organisation renewed confidence,

Demanding the support of all banks for the GIM UEMOA not later than 31/12/2009

These measures by the BCEAO, together with the implementation of an outsourcing solution proposed by GIM to the banks that did not wish to invest in the internal electronic currency solutions, resulted in an increase of the banks using the inter-bank electronic currency systems from 6 (2008) to 47 banks to date; out of the 97 banks in the UEMOA Zone; about thirty banks are in the process of joining the system.

The strategy adopted by the GIM is beginning to bear considerable fruit from:

- the single acquisition by TPE traders in the GIM UEMOA,
- access to electronic banking (DAB and TPE) for people without a bank account using pre-paid cards,
- the outsourcing solution for the banks.

:

9200 TPE currently, out of a projected 3000 end 2010

During the course of 2009, GIM-UEMOA processed over 150 000 transactions for a total of nearly CFAF 12 billion which can be broken down as follows:

10 Regional inter-banking transactions: 44%

11 Delegatee transactions: 14%

12 CTC transactions: 9%

13 Visa transactions: 33%.

This development will gain momentum with the link to be established in 2010.

Even though works on the electronic currency system was slow to take off and players were reticent, all actions currently being implemented are highly favourable to a rapid development of electronic banking in the UEMOA Zone.

4 Component D: Telecommunications System

4.1 Description of the System

- The effective establishment of the three systems mentioned above (RBTR, COMPENS, E-BANKING) depends on a top quality, efficient and effective telecommunications system at regional level.

The Telecommunications System Component comprises 2 Sub-components:

- The sub-regional "backbone" system which will rely on the existing private VSAT system; and
- An inter-banking system in each capital connected to the sub-regional network.

4.2 Contribution of the ADF loan to this Component

The ADF funds will cover the procurement and installation of radio links between the BCEAO and the headquarters of the commercial banks. All the activities planned under this component were cancelled following the first re-allocation of the loan in December 2005. The banks met the cost of the substitute activities adopted (SWIFT solutions and specialised links).

Training: funds for this component covered the organisation of various seminars and training sessions under capacity building of the various players involved in the management of the payment systems, the information missions and training sessions with foreign financial institutions and central banks, as well as sensitisation missions.

Operation: funds for this component covered management and monitoring of the project especially procurement of office materials and supplies, and the organisation of information meetings.

Communication Activities on the Payment Systems: it must be recalled that two cases of consultancy services were declared unfruitful respectively in October 2007 and February 2008. The third consultancy was launched in January 2009 on the basis of a short list established in October 2008 with revised TORs and technical criteria. This consultancy was declared unsuccessful in April 2009 because of non-compliance of the financial offers. To enable implementation of this component judged vital, a consultant was recruited on 6 July 2009 to prepare a communications strategy. The decision was taken to launch 3 TORs:

- TOR to implement the audio visual media that will be circulated in all the countries;
- TOR to prepare the paper medium that will be distributed in all the countries; and
- TOR to search in every country for a communications agency to organise communications campaigns.

The communications campaigns will be organised before the close of 2010.

This communications aspect is vital to attain the initial project objective which was to provide the population with appropriate and efficient means of payment by informing them of the advantages of the reforms (shorter payment timeframes, right to open accounts, E-banking products...). To carry this mission through, the BCEAO obtained from the ADB an 11-month extension of the loan that is until 31/12/2010.

Audit of Payment Systems in Light of International Standards: this mission was entrusted to the firm HBCC and lasted from 23 March to 10 July 2009. Following consultation between all the SICA system participants in the 8 countries, a list of the positive and negative feedback was drawn, as was the position in light of the BIS's 10 basic principles. The SICA and STAR systems turned out to be incompatible with principle VII relative to the security of the systems, mainly because there is no remote back-up solution and the SICA system turned out to be incompatible with principle V, relative to the system's lack of auto-protection, and with principle VIII relative to user efficiency.

An action plan designed to obtain consistency has been prepared. The measures have been sent to the various directorates. The lack of a back-up solution is covered by the BCEAO's Business Continuity Plan.

ANNEX 4: Areas for Improvement for Future Projects

1. Project Management Analysis by BCEAO

The analysis of the project's management by the BCEAO is very positive. Indeed, The BCEAO had the heavy responsibility of conducting a highly ambitious project i.e. implementing the 3 payment systems: RTGS, electronic clearing, banking in the 8 countries of the Zone with pre-requisites such as upgrade of the telecommunications system and revision of the legal and regulatory framework. The BCEAO broke new ground with this type of project on the African continent; it could not use the experience of other countries. It adopted good project organisation by establishing a competent body, the MRSMP, assisted by a committee of international experts who validated the conceptual choices. The systems were satisfactorily commissioned. However, for future projects there are still areas to improve

Adjust the Participatory Method

The BCEAO adopted a participatory and consensual approach to the project which drummed up the players' support for the system but which made implementation slow. For example, assistance to inter-bank operations was delayed because all the banks received a questionnaire to which they gave no response.

Prior to Start-up Ensure that all Security Measures have been Taken

Given the late start-up of the systems especially because participants were not well prepared, and because telecommunication systems were inexistent, the BCEAO decided to launch, although not all financial and technical security measures had been taken, a back-up site (business continuity plan, auto-protection of the clearing system, Payment Incident Exchange).

Maintain Project Authorities Until Project Completion

Early 2009, the BCEAO abolished the project structure (MRMSP) which was fully responsible for this project; the operational teams were then required not only to manage but also to ensure surveillance of the systems, as well as the numerous projects still in progress because the ADF loan completion dates were extended.

This is a very heavy workload for a poorly set up team whose initial function did not include project management.

Moreover, because of the many restructurings within the BCEAO there has been no continuity of teams, memory and knowledge of the issues addressed; hence the extension of the deadlines.

Coordinate well Sub-projects Implemented Concurrently

Some sub-projects of the reform were implemented during the same period but at a different pace; consequently, it was impossible to synchronise start-up of some of them, for example:

- The legal component implemented the decriminalisation (partial) of the cheque whereas the replacement of the banking ban through the CIP was yet to be in place and nothing was said on the subject. As a result, traders were afraid of an increase in bad cheques as a result of the decriminalisation of cheques and limited acceptance of cheques.
- Regulation 15 in 2002 required THE BCEAO to put in place an organisational mechanism of electronic proof. This mechanism was in progress in 2010. during those 8 years, THE BCEAO ran the legal risk arising from the absence of this mechanism.

Try to Comply with the End-of-Financing Timeframes of the ADF Loan

As soon as the project starts, it is preferable to justify financing requirements and adopt a detailed plan of project assignments. Organise the make up of the teams according to these planning objectives. Inform the ADB every month of the project risks.

2. Project Management Analysis by the Bank

The Bank complied with its standards for project monitoring (1,5 missions on average a year) and ensured a good coordination with other contributors to the financing although there are areas to improve:

For as much as possible adopt the beneficiary's procurement procedures

In a concern to optimise the delivery deadlines for the lapse-of-time notices; the ADB should audit as a prerequisite to the funding, the beneficiary's procurement procedures and to adopt them if the said procedures are consistent with ADB

principles. This also has the advantage of being more effective for the beneficiary during the validation of choices, since the beneficiary understands its own procedures and the problem of procedure ill-adapted to a given contract will not arise.

Check the quality of works financed with the ADF loan

The Bank must be involved in works supervision; do they fall short of expectations? Have they contributed to reaching the objectives?

Furthermore, when studies lead to a plan of action that the beneficiary must implement, the Bank must ensure that this plan of action is indeed carried out otherwise the study becomes futile.

For example, in the context of this project, audit of the payment systems led to findings and a proposed action plan to reach total compliance with the basic principles. The same applies to the consultant's proposals for establishing the guarantee fund, which is still not operational although the mission was organised in 2008.

Ensure that easily measurable monitoring indicators of project objectives are determined, accurately define from the onset how they can be obtained

On this project, several indicators relative to sector goals were difficult to obtain because they did not depend directly on the BCEAO.

For example, the indicator concerning the progress rate of scriptural currency transactions was not made known at project start-up because it was no longer the onus of the banks to analyse customer behaviour (increase use of cheques, transfers, cards for clients already with bank accounts).

To monitor this indicator, it would have been important to put in place in concert with the banks a periodic information restitution procedure.

ANNEX 5: List of Supporting Documents and Summary of Peer Review Comments

N° Doc	Document Name	Source
1	Project Appraisal Report,	ADF
2	Loan Agreement	ADF
3	Disbursement Tables and Ledger	ADF
4	Activity Reports	ADF/BCEAO
5	Audit Reports	ADF/BCEAO
6	Briefs of Bank missions	ADF/BCEAO
7	Inventory of goods and services	BCEAO
8	2007 2008 Payment systems annual reports	BCEAO
9	Requests for extension of the ADF loan	BCEAO
10	Requests for re-allocation of the ADF loan	BCEAO
11	Quarterly financial follow-up reports	BCEAO

MATRIX OF COMMENTS

COMMENTS	ACTIONS TAKEN /TO BE TAKEN
<p>I. INTERNAL PEER REVIEWERS</p>	
<p>C. MOLLINEDO</p>	
<ul style="list-style-type: none"> • The performance rating on Concept at the Preparation Stage is very low. Despite the fact that the project was prepared by seasoned international experts from the WB and the IMF the PCR, document indicates that “objectives were too ambitious”. In this regard it would be useful to elaborate a bit more on the lessons learned. For example, what could have been done for better results, perhaps reducing the number or the scope of components? There is a need to elaborate further. • The performance rating on Respect of deadlines and timing of deliverables is very low. The closing of the project show a delay of 4 years. It would be useful to indicate more clearly what could have been done differently to avoid/reduce these delays. • Related to the last point, it would be useful to indicate how the project adjusted to the implementation delay. Did the project change/update technology choices? Did the project revise output/outcome indicators adequately? In some sections of the PCR document data needs to be updated; the information presented covers only 2004 and 2005 (see outcome indicators). • On the logical framework: the indicator M2/GDP is used; in that regard, it would be useful to indicate how this indicator is constructed - do you aggregate the GDP and M2 of all the countries? • The output ratings seem a bit too generous (mostly 4) in light of the significant delay (4 	<p>Addition to point H :</p> <ul style="list-style-type: none"> • The Bank must endeavour, prior to the loan agreement, to ensure the project’s feasibility within the timeframes proposed by the client especially against the number of projects implemented at the same time, the resources and skills mobilised for each project, the necessary pre-requisites (ex, network availability), the number of players concerned (several countries, commercial banks), and the migration plan. To that end, it must use benchmarks of similar projects implemented in other countries. <p>The indicators had been supplemented since the distribution of this report containing more recent data sent by the BCEAO.</p>

<p>channel);</p> <p>Statistics: the report mentioned the progress made in 2004/2005 without giving any details on the situation before the system, in terms of work time and information channel. What stages were cancelled in order to reach the percentages of 2004/2005. Subsequently the projection in time of these statistics;</p> <p>System sustainability: concerning an information system plans must be made for changing trends: information equipment (hardware) and software</p> <p>Concerning this last point, user banks should earmark in their annual budget a line that will serve to maintain the system, otherwise after several new versions, the supplier refuses to maintain previous versions, which could set implementation of the information system back to zero.</p>	<ul style="list-style-type: none"> • The user banks maintain only the dematerialisation system section and the clearing connection. The rest is covered by the BCEAO.
<p>C. SARR (OSGE.2)</p>	
<ul style="list-style-type: none"> - C- 4: Present the logical framework. How relevant are factors such as measurable indicators because the factors mentioned in this column do not make it possible to determine the expected outputs. Instead of indicators these are sources on which these indicators can certainly be based. - II – 1 Component B: Clearing: a CFAF 170 to 100 reduction does not correspond to a 70% drop but rather a 41.18% decrease $[(170-100)/170]$ 	<ul style="list-style-type: none"> • • The rectification has been made.

I. EXTERNAL PEER REVIEWERS

S. TAPE (FTRY)

The report is well written and gives considerable information on project implementation.

My only criticism concerns some performance indicators for which data was vague and without real justification (data not available at THE BCEAO).

- Since then, these indicators have been sent by the BCEAO and the report is complete.

S. DIOP (OPSM)

1. On the form

- Specify somewhere in the document the rating scale (I assumed that the scores ranged from 0 to 5) and the corresponding comment
- The drop in transaction costs from 170 to 100 corresponds to a decline of 41 and not 70% as stated in the document

- OK
- The correction has been made

2.

- The percentage of resources deployed in project management seems rather high (virtually 60% and in excess of 40% compared with the initial projections) raising simultaneously 2 problems: the customer's planning and forecasting capacity, as well as that of cost optimisation. These two points seem rather important which is why efforts must be made to explain these excesses in order to learn the necessary lessons and avoid a recurrence during future projects

- Taken into account

- It would be important in the future, if the client's procurement system is not adopted after audit, in order to ensure that the client understands well, related Bank procedures by contacting colleagues in the regional offices.

- Comment added to point H lessons