

AFRICAN DEVELOPMENT BANK GROUP

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REPUBLIC OF CAMEROON

COMPLETION REPORT

AMBAM-EKING ROAD DEVELOPMENT PROJECT

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FISCAL YEAR OF THE BORROWER

1 January to 31 December

LIST OF ANNEXES

1. Map of project area
2. Project cost and financing by expenditure category and/or component
3. Annual disbursements
4. Results of economic calculation
5. Performance assessment and rating
6. Recommendations and follow-up measures
7. Project Completion Reports of the Borrower
8. Sources of information

ABBREVIATIONS

ADB:	African Development Bank
ADF:	African Development Fund
ADT:	Average Daily Traffic
CEMAC:	Central African Economic and Monetary Community
CF	Consulting Firm
CFAF:	Franc of the African Financial Community
CSEPR:	Road Projects Monitoring and Evaluation Unit
DIER:	Department of Road Investments and Maintenance
DNT:	National Transport Department
DPD:	Detailed Preliminary Design
EDF:	European Development Fund
EPU:	Environmental Protection Unit
FDA:	French Development Agency
HDM:	Highway Design and Maintenance Standards Model
HIPC:	Heavily-Indebted Poor Countries
IRR:	Internal Rate of Return
MINEP :	Ministry of the Environment and Protection of Nature
MINFOF :	Ministry of Forestry and Wildlife
MINTP:	Ministry of Public Works
NT:	Net of Tax
PCR:	Project Completion Report
RD:	Road Department
SME:	Small and Medium Scale Enterprise
DPS:	Detailed Preliminary Designs
TSP:	Transport Sector Project
UA:	Unit of Account
Veh/d:	Vehicles per Day
VOC:	Vehicle operating cost

A BASIC DATA

Country:	CAMEROON
Name of Project:	AMBAM-EKING road development project
Loan Number:	F F/CAM/AME-RTE/01/22
Borrower:	Republic of Cameroon
Executing Agency:	Ministry of Public Works
Beneficiary:	Department of Road Investments and Maintenance
<u>ADF loan</u>	

Loan amount:	UA 8.90 million
Loan duration:	50 years
Interest rate on loan:	0 %
Loan Repayment:	1% of the principal of the loan every year, from the 11 th to the 20 th year inclusive, and 3 % per year thereafter
Grace period:	10 years
Service Charge:	0.75%
Date of approval:	14 December 2000
Date of signature:	02 February 2001
Date of effectiveness:	09 August 2001

B Other sources of finance

- Government of Cameroon: UA 1.03 million

C PROJECT DATA

Total cost (in UA million)	APPRAISAL				COMPLETION				RATIO (Appr. – Compl.)		
	9.93				10.68				-0.75		
	FE	LC	TOTAL	%	FE	LC	TOTAL	%	FE	LC	TOTAL
Source of finance											
ADF	7.79	1.11	8.90	89.6 %	6.37	2.00	8.37	78.4 %	1.42	-0.89	0.53
GVT.		1.03	1.03	10.4 %		2.31	2.31	21.6 %	0	-1.28	-1.28
TOTAL	7.79	2.14	9.93	100.0 %	6.37	4.31	10.68	100.0 %	1.42	-2.17	-0.75

	At appraisal	At completion	Ratio
1.1 Actual date of first disbursement	02/02/2001	27/01/2004	3 years
1.2 Actual date of last disbursement	31/12/2003	29/12/2006	3 years
1.3 Start up of project implementation activities	06/2001	11/2003	2 years and 5 months
1.4 Date of completion of project implementation	31/12/2003	/02/2005 (road works)	1 year and 5 months

D PERFORMANCE INDICATORS

1. Balance (in UA million)	0.53		
2. Delay/Advance in relation to timetable (yr.)			
· Slippage on effectiveness (yr.)	2		
· Slippage on completion date (yr.)	2		
· Slippage on last disbursement (yr.)	3		
· Number of deadline extensions of the last disbursement	1		
3. Status of project implementation	Completed		
	Unsatisfactory	Fair	Satisfactory
4. Institutional performance			x
5. Performance of the Borrower			x
6. Performance of the Consultant			x
7. Economic Rate of Return (%)	Appraisal		Completion
	15.5 %		13.2 %

E MISSIONS

N°	Type of mission	Start	End	Number of persons per mission	Composition per mission			Persons - Days
					Civil Engineer	Transport Economist	Other	
1	Appraisal	10/07/2000	31/07/2000	3	1	1	1	63
2	Launch mission	18/11/2001	11/12/2001	2	1	-	1	66
3	On-site supervision	07/05/2003	16/05/2003	1	1	-	-	09
4	On-site supervision	06/11/2003	14/11/2003	1	1	-	-	08
5	On-site supervision	06/04/2004	22/04/2004	1	1	-	-	16
6	On-site supervision	19/10/2004	02/11/2004	1	1	-	-	13
7	On-site supervision	23/04/2005	09/05/2005	1	1	-	-	16
8	On-site supervision	09/04/2006	24/04/2006	1	1	-	-	15
9	On-site supervision	12/11/2006	25/11/2006	1	1	-	-	13
10	PCR	09/03/2006	21/03/2007	1	1	1	-	13

F DISBURSEMENTS (annual)*Disbursements in UA million*

Source of finance	Year Situation	2001	2002	2003	2004	2005	2006	Appraisal	Completion
ADF	Appraisal	2.31	4.45	2.14				8.90	
	Completion				7.64	0.38	0.35		8.37
GVT	Appraisal	0.27	0.51	0.25				1.03	
	Completion			0.10	0.48	1.30	0.43		2.31
								9.93	10.68

G SERVICE PROVIDERS (for the AMBAM - E KING road financed by the Bank)

Type of service	Road works contractor	Consultants	
		Monitoring mission	Project audit
Name of provider	RAZEL	STUDI International	CEAC
Date of commencement	21 November 2003	23 November 2003	May 2004
Deadline for contract execution	15 months	16 months	24 months
Contract amount (in millions CFAF ET)	Contract	7 382 336 542	39338750
	Final achieved	7 208 407 546	15 735 500
	Balance	173 928 996	23 603 250
Date of service completion	10/02/2005 (Prov Acceptance)	23 March 2005	May 2006
	07/06/2006 (Final Acceptance)	30/09/2007 (excl. ADF)	30/09/2007 (excl. ADF)
Date of last ADF disbursement	17 March 2006	18 October 2006	13 September 2006
ADF amount disbursed (CFAF million)	5 925	315.670	15.736
ADF amount disbursed (UA million)	7.607	0.405	0.021
Gvt. amount disbursed (CFAF million)	1 283	85.425	-
Gvt. amount disbursed (UA million)	1.650	0.156	-

PROJECT MATRIX

DESCRIPTIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS						MEANS OF VERIFICATION	HYPOTHESES SERIOUS RISKS						
1. SECTOR GOAL	Appraisal						Completion							
1.1 Help improve the living conditions of populations in the Southern and Central Provinces and contribute to regional integration.	1.1 About 10% increase in regional trade and about 10% increase in socio-educative cover as from 2003.						1.1 Over 20% increase in regional and national trade (with Gabon) and significant increase in socio-educative cover as from 2007 (over 1% enrolment rate).							
2. PROJECT OBJECTIVES														
2.1 Improve the level of service of socio-economic infrastructure in the project area through the construction of a permanent link between <i>Ambam</i> and <i>Eking</i> .	2.1 Reduction of VOC (35% to 45%) as from 2003 on the <i>Ambam-Eking</i> road and improved access to socio-economic infrastructure for about 11 000 people.						2.1 Reduction of VOC (about 35%) as from 2006 on the <i>Ambam-Eking</i> road and improved access to socio-economic infrastructure for about 20 000 people							
2.2 Undertaking projects and activities for the riparian populations along the route	2.2.1 Reduction, by at least 10% of diseases of fecal origin in the villages along the road through the construction of latrines. 2.2.2 About 30% reduction in the rate of absenteeism due to the rainy season, and about 50% congestion of classes in schools along the route, 5% increase in the enrolment rate at primary level in the villages. 2.2.3 Improvement of agricultural productivity of about 2 000 women in 2003						2.2.1 Substantial reduction, in diseases of fecal origin in 5 villages along the road through the construction of latrines 2.2.2 Improved conditions in 5 villages along the road as from 2007: (i) substantial reduction of absenteeism in schools during the rainy season (over 40%); (ii) about 50% reduction in class congestion; (iii) about 10% increase in enrolment rate 2.2.3 Integration of women in professional life and promotion of their activities in many sectors (craft, services, agriculture, animal husbandry, trade, etc.) as from 2007 2.3 Sharp improvement as from 2006, of MINTP interventions for maintenance works, of MINFOF and MINEF to safeguard the forest zones							
2.3 Institutional capacity building of MINTP and MINEF	2.3 Growth and efficiency, as from 2003, of MINTP and MINEF interventions.						2.3 Activity reports of DR, MINFOF and MINEF.							
3. RESULTS														
3.1 New two-lane road tarred between <i>Ambam</i> and <i>Eking</i>	3.1 A 27 linear km of tarred road and 5 bus bays constructed in 2003						3.1 25.7 linear km of tarred road 7-m wide, with two 1.5m shoulders on either side, operational in 2006.							
3.2 Feeder roads for the collection of farm produce developed	3.2 An 87 km linear feeder road for the collection of farm produce constructed in 2003.						3.2 Works postponed until government resources mobilized.							
3.3 Various infrastructures constructed	3.3.1 Three classrooms rehabilitated and equipped in a village. 11 classrooms constructed and equipped in 4 villages, and 8 dwellings for masters constructed in 4 schools 3.3.2 <i>Abang-Minko</i> 'o health centre refurbished and equipped with 1 dwellings constructed, 15 latrines constructed in 5 villages and 4 ponds refurbished at <i>Minyin</i> and <i>Abang-Minko</i> 'o in 2003 3.3.3 A Women's Promotion Centre including a Youth Recreation Centre at <i>Abang-Minko</i> 'o constructed and equipped in 2003.						3.3.1 Five schools constructed and their outhouses (teachers, quarters, offices, latrines) in 5 riparian villages, and equipped (blackboards, chairs, benches ...) in 2007. 3.3.2 Health Centre refurbished with its outhouses (fencing, wells and latrines) and equipped (generator) in 2007. 3.3.3 A Women's Promotion Centre including a Youth Recreational Centre with their outhouses (fence, latrines) constructed at <i>AMBAM</i> and equipped (tables, chairs, audiovisual equipment) in 2007.							
3.3.1 Socio-educative infrastructure rehabilitated, extended, and equipped														
3.3.2 Health facilities refurbished and equipped														
3.3.3 Socio-cultural infrastructures at <i>Abang-Minko</i> 'o constructed and equipped														
3.3.4 Open air markets for sale of farm produce refurbished	3.3.4 Ten open market places for sale of agricultural produce refurbished, and the <i>Abang-Minko</i> 'o market rehabilitated						3.3.4 Market rehabilitated with hangar (covered type) constructed at <i>Abang Minko</i> 'o, operational in 2007							
3.4. Training and sensitization actions	3.4.1 Ten personnel trained in environmental audit and 70 management staff of MINTP sensitized to the environmental impact of road projects, and 20 forestry personnel of <i>Ambam</i> and <i>Abang-Minko</i> 'o trained in 2003						3.4.1 Training ensured in 2006 of (i) 66 MINTP management staff (environmental audit, 2, road project environmental monitoring; 18, tarred road maintenance and OA; 46 (j) 18 MINFOF and MINEP management staff trained in environmental management.							
3.4.1 RD and MINEF staff training and environmental monitoring ensured.														
3.4.2 Sensitization activities for STD/AIDS, environmental protection and health education ensured.	3.4.2 Training of 52 youth to conduct sensitization campaigns (2 per village) aimed at and 4 680 youth sensitized as from 2003.						3.4.2 Sensitization activities on STD/AIDS, environmental protection and respect of the Highway code carried out in 2005 and 2006 for 8 villages in addition to <i>Ambam</i> while training 35 youth in that area.							
3.5 Material and equipment	3.5.1 Acquisition, in 2003, of 239 minor equipment (57 for women to process farm produce, 200 for the transportation of farm produce, and 2 motor pumps for the GEC) 3.5.2 Minor office equipment and 10 motor bikes acquired in 2003.						3.5.1 Agricultural equipment (1 oil press etc. acquired in 2006). 3.5.2 Office computer equipment for CSEPR and 10 motor bikes for MINFOF acquired in 2005.							
3.5.1 Minor equipment for processing farm produce acquired														
3.5.2 Small office equipment and transport acquired														
4. ACTIVITIES/COMPONENTS	4. INFLOWS/RESOURCES													
A. Construction Works														
- Refurbishing works on the road and connected works	INFLOWS						INFLOWS							
- Tender and conclusion of works contract (off-track)														
- Confection of DAO for off-track works														
- Conclusion of private contract for the construction of a feeder road for collection of farm produce														
	(In CFAF billion)			(In UA million)			(In CFAF billion)			(In UA million)				
	Component	FE	LC	Total	FE	LC	Total	Component	FE	LC	Total	FE	LC	Total
	Construction works	6.24	1.69	7.93	6.8	1.84	8.64	Construction works	4.71	2.60	7.31	6.09	3.31	9.40
	Consultancy services	0.81	0.19	1.00	0.89	0.20	1.09	Consultancy services	0.30	0.32	0.62	0.35	0.44	0.79
	Equipment	0.09	0.01	0.10	0.10	0.01	0.12	Equipment	0.00	0.06	0.06	0.00	0.09	0.09
	Miscellaneous	0.00	0.09	0.09	0.00	0.09	0.09	Miscellaneous	0.00	0.31	0.31	0.00	0.40	0.40
	Total Cost (TF)	7.14	1.97	9.11	7.79	2.14	9.93	Total Cost (TF)	5.01	3.29	8.30	6.44	4.24	10.68
	Share %	78.4	21.6	100.0	78.4	21.5	100.0	Share %	60.3	39.6	100.0	60.3	39.7	100.0
B. Consultancy services														
B1 Monitoring of Works														
- Monitoring services and works acceptance														
- Consultancy and procurement procedure														
- Preparation of consultancy documents														
B2 Training of MINTP and MINEF – Population sensitization														
- Training and sensitization services														
- Consultancy and procurement procedure														
- Preparation of consultancy documents														
B3 Project audit														
- Verification of project accounts														
- Consultancy and procurement procedure														
- Preparation of consultancy documents														
C Material and Equipment														
- Reception of equipment														
- Consultancy and procurement procedure														
- Preparation of TD														
D Miscellaneous														
D1 Project Executing Agency (CSEPR)														
	RESOURCES						RESOURCES							
	(In CFAF billion)			(In UA million)			(In CFAF billion)			(In UA million)				
	Financing Component	ADF	Gvt.	Total	ADF	Gvt.	Total	Financing Component	ADF	Gvt.	Total	ADF	Gvt.	Total
	Construction works	7.11	0.85	7.96	7.75	0.93	8.68	Construction works	5.92	1.39	7.31	7.61	1.79	9.40
	Consultancy services	0.90	0.07	0.97	0.98	0.08	1.06	Consultancy services	0.49	0.13	0.62	0.62	0.17	0.79
	Equipment	0.08	0.01	0.09	0.09	0.01	0.10	Equipment	0.06	0.00	0.06	0.09	0.00	0.09
	Miscellaneous	0.07	0.01	0.08	0.08	0.01	0.09	Miscellaneous	0.04	0.27	0.31	0.05	0.35	0.40
	Total Cost (TF)	8.16	0.94	9.11	8.90	1.03	9.93	Total Cost (TF)	6.51	1.79	8.30	8.37	2.31	10.68
	Share %	89.6	10.4	100.0	89.6	10.4	100.0	Share %	78.4	21.6	100.0	78.4	21.6	100.0
	HUMAN RESOURCES						HUMAN RESOURCES							
	Executing Agency – Consultants: training, sensitization, work monitoring and audit – ADB mission (supervisions – completions)													

EXECUTIVE SUMMARY

Introduction:

1.1 This project, which was funded by ADF and the Government of Cameroon, consisted in: (i) strengthening the priority road network by constructing a permanent link between *Ambam* and *Eking* (Gabon border); (ii) providing socio-economic infrastructure and undertaking social activities for the riparian populations to improve their living conditions; (iii) building the institutional capacities of the Ministries of Public Works (MINTP), Forestry and Wildlife (MINFOF), and Environment and Protection of Nature (MINEP).

1.2 The project components identified at appraisal were: (i) construction works relating to the development of a 27-km road (*Ambam-Eking*), construction of socio-educative infrastructure (ancillary works) and opening up of over 87 km of feeder road for the collection of farm produce; (ii) consultancy services for the monitoring and supervision of the works, sensitization and training activities as well as environmental monitoring and project audit; (iii) procurement of computer equipment, transport and equipment for processing farm produce; and (iv) various activities to support DIER in the operation of CSEPR and payment of compensation for expropriations.

Preparation, negotiation, appraisal and approval:

1.3 The project was the subject of feasibility studies, preliminary and detailed designs funded by AFD. Project formulation drew on the experiences and lessons learnt from the implementation of the road programme and similar road development projects, namely, procurement problems, delay in the mobilization of the national counterpart, and payment of compensation for Government expropriation. The project was the subject of an appraisal mission in July 2000, and was approved on 14 December 2000 and signed on 2 February 2001.

Implementation results:

1.4 The bulk of the appraised project was implemented. In particular, the road works, which constituted the principal activity of the project, were executed within the contractual schedule to the satisfaction of the contracting authority and users. However, the ancillary works relating to the construction of socio-educative infrastructure for the riparian populations took off only at the time of closure of the ADF loan. As a result of the resultant inadequacy of funds, the opening up of the feeder roads for the collection of farm produce was postponed.

1.5 The missions of the consultants responsible for monitoring the works and auditing the project were therefore extended, and the State provided the additional financing necessary for all the remaining services. On that account, the ADF loan was finally used for: the development of the *Ambam-Eking* road, consultancy services (monitoring of works, training, sensitization and audit activities) and procurement of computer, transport and farm produce processing equipment.

Social, environmental and institutional impact of the project:

1.6 The socio-economic benefits from the project were substantial: (i) the project route contributed to opening up the villages along it, thereby reducing the poverty level of about 50,000 inhabitants; (ii) the construction of 5 schools will result in a considerable improvement in the enrolment rate and quality of education; (iii) the refurbishment of the *Abang- Minko'o* market will encourage the installation of Cameroonian exhibitors and attract more visitors, especially Gabonese; (iv) the construction of the Centre for the Advancement of Women will contribute to the development of socio-cultural activities of the women (young and old), their insertion into vocational life, and promotion of their activities in many sectors (cottage industries, agricultural activities, cattle rearing, trading,...).

1.7 The road development works were executed for the most part on existing covered area. The few impacts generated during the works were correctly taken into account by the contractor in keeping with the measures introduced into the specifications. On project completion, the company: (i) covered the slope with topsoil and refurbished the site plant with borrow areas, waste dumps, as well as dumps for the quarries used for the site plant; (ii) installed horizontal and vertical **signalling**, corner markers, five-kilometre milestones, and guard rails.

1.8 At institutional level, the Government adopted a new policy in the road sub-sector based on the TSP recommendations, some of whose measures were to be rendered more effective, namely: (i) multi-annual work programming; (ii) sustainable and adequate road maintenance financing; (iii) road assets protection; (iii) incomplete privatization of equipment management; (iv) promotion of SMEs; and (iv) transfer to the private sector of all fruitfully transferable operations.

1.9 To render the TSP activities sustainable, two studies on the preparation of Cameroon's Road Master Plan (RMP) and Public Buildings and Works sector strategy (PBW), were carried out recently. They offer an arsenal of relevant instruments for the Government, private sector and donors enabling, the future development of the road and construction sub-sectors.

Sustainability of Investments:

1.10 In the light of medium and long-term traffic forecasts, the technical and geo-technical characteristics of the project will ensure good resistance for the project life-span, on condition that routine and periodic maintenance are performed correctly and the signalling panel indications are respected. Consequently, it is strongly advised that, to safeguard the works undertaken and enhance project life-span, a new sensitization campaign be launched for the village populations concerned by the project, urging them not to damage the signalling panels as well as the markers and guard rails.

Conclusion:

1.11 The overall and specific objectives of the project works were attained. The populations of the project road's area of direct influence had considerably enhanced accessibility, and the living environment became much more pleasant. In view of the foregoing, the overall performance of the project was satisfactory and should become further enhanced when the ancillary works are completed. However, the implementation of the different components of the project encountered some problems, such as the dispute between the Administration and the Contractor, and the Bank's failure to honour outstanding invoices, which led to an extension of the project construction period.

1. INTRODUCTION

1.1 Cameroon has a strategic role within the Economic and Monetary Community of Central African countries (CEMAC) of which it represents an important economic pole. Its central position between Nigeria, Chad, CAR, Gabon, Congo and Equatorial Guinea makes it a transit zone to the landlocked countries, and more generally to the rest of the Sub-region. This strategic situation led the Government to design, with the support of donors, a Transport Sector Programme (TSP) geared mainly towards sustained involvement in the construction of regional highways, and opening up of the hinterland, and improvement of the level of service of transport infrastructures on the whole.

1.2 In that framework, the Cameroonian Government requested the Bank to participate in financing this project, whose main component was to develop a 27-km road linking *Ambam* town at the Gabon border to Eking village. As a matter of fact, with the construction of the Eboro bridge with EDF financing to link the two Cameroonian and Gabonese borders, the project route constituted an essential phase in the gradual development of the Yaoundé-Oyem-Libreville corridor, as decided by the countries of the sub-region with a view to their progressive economic integration.

1.3 Consequently, ancillary works and additional activities were envisaged for: (i) the riparian populations on the project route (socio-educative, and health infrastructure, sensitization to STD/AIDS prevention, environmental protection, procurement of agricultural equipment); (ii) personnel and management staff of the Ministries: MINTP, MINFOF and MINEF (training, procurement of computer, transport and farm produce processing equipment).

1.4 At appraisal, the project cost was estimated at UA 9.93 million (NT) through an ADF loan of UA 8.90 million. However, although the Bank's participation was closed on 30/09/2006 with a total disbursed amount of UA 8.37 million, the Cameroonian Government's counterpart, which was initially estimated at UA 1.03 million on 31/12/2006, attained a value of UA 2.31 million as a result the ancillary works starting during the period of loan closure, and was consequently borne by the Government.

1.5 ADB assistance to Cameroon for road infrastructure dates back to 1972, regarding the principal road construction projects: Douala - Yaoundé (1983 - 1985), Bafoussam-Foumban (1992 - 2000), and Mbalmayo-Ebolowa (1988 - 1994), as well as the road development project in the provinces (2004 - 2006).

1.6 Preparation of this completion report (PCR) was based on: (i) the different project preparation and status reports produced after the appraisal and supervision missions undertaken by the Bank and during the progress of the works; (ii) works and equipment acceptance reports, as well as consultants' wrap up reports, training, sensitization and project audit; (iii) information gathered on-site and discussions with the different services concerned during the mission to Cameroon 09 to 21 March 2007, as well as the Borrower's completion report.

2. PROJECT OBJECTIVES AND FORMULATION

2.1. Objectives

2.1.1. The project sector goal was to contribute to improving the living conditions of the populations in the Southern and Central provinces and regional integration.

2.1.2. The specific objectives were to: (i) improve the level of service of the socio-economic infrastructure in the project area through the construction of a permanent link between *Ambam* and *Eking* (Gabon border); (ii) undertake development works and activities for the riparian populations; and (iii) build the institutional capacities of the Ministries of Public Works (MINTP), Forestry and Wildlife (MINFOF), and Environment and Protection of nature (MINEP).

2.2. Project Description

2.2.1. To attain these objectives, the following different project components were formulated at appraisal:

A. Construction works:

- i) Development works on a 27-km long, 7-m wide road (4cm thick hot-rolled asphalt surfacing and 2 single-layer 1.5 wide shoulder) between *Ambam* and *Eking*;
- ii) ancillary works relating to the construction of socio-educative infrastructure in 5 villages along the route, namely:
 - rehabilitation and equipment of 3 classrooms, construction and equipment of 11 classrooms, and construction of 8 teachers quarters;
 - refurbishment and equipment of the *Abang Minko'o* health Centre and construction of accommodation for the director of the Centre ;
 - construction of a Centre for the Advancement of Women, including a multi-purpose hall for Youth cultural activities at *Abang Minko'o*;
 - development of 4 fish ponds;
 - reconstruction and extension of marketing infrastructures (open-air markets for selling foodstuffs in each village, and reconstruction and refurbishment of the *Abang Minko'o* market);
- iii) development works on 87 km of feeder roads for the collection of farm produce to open up the agricultural parcels farmed along the project route, and increase the capacity of the 5 riparian villages to dispose of foodstuffs

B. Consultancy services for:

- i) monitoring and supervision of the construction works;
- ii) sensitization activities on STD/AIDS prevention, environmental protection and health education;
- iii) training activities for:

- staff of the environmental unit of the Roads department, in Environmental audit;
- DIER engineers, in Environmental aspects of road projects; and
- Forestry staff, in Environmental management.

- iv) ensuring environmental monitoring of the construction works; and
- v) project audit services.

C. Equipment:

- i) computer and office automation equipment for the functioning of the CSEPR;
- ii) transport equipment through the procurement of 10 motor bikes to reinforce forest surveillance; and
- iii) agricultural processing and intermediary equipment to improve the working conditions of farmers and enhance their production.

D. Miscellaneous:

- i) support to DIER for the operation of CSEPR through the procurement of computer and office automation equipment, as well as payment of running costs;
- ii) payment of compensation for expropriations.

2.3. Project Formulation

2.3.1. The project was in line with the Cameroonian Government's policy for the development of the national road network characterized by a low level of development. Actually, the classified network only comprised about 12 % of tarred roads, and a mere 5 % of dirt roads in good condition. The other networks (non-priority and rural) were entirely in poor condition. This situation entailed high costs for the community and therefore constituted a considerable handicap for the socio-economic development of the country, as well as poverty reduction.

2.3.2. The Government therefore embarked on a series of reforms to improve the situation of the transport sector, particularly the road network, mainly through the following measures: (i) consequent increase in surfacing the earth structuring network with asphalt; (ii) creation of fast lanes, especially between the big cities of the country; and (iii) opening up the border areas. In that framework, a priority network was identified for development, including the *Ambam-Eking* road, which constitutes the principal achievement of this project.

2.4. Identification, Preparation, Negotiation and Approval

2.4.1. The project was the subject of feasibility studies, SPD and DPD, financed by ADF, and a preparation mission by the Bank in October 1999. During the studies and project preparation and appraisal missions, discussions were held on information and sensitization with all the project actors and beneficiaries. The professional and informal transport organizations of the road users in the southern province, especially in the *Ntem* Valley, were also consulted. This participatory approach allowed the concerns and requirements of the resident populations to be identified in the presence of regional representatives.

2.4.2. Working meetings with representatives of the different sectors of the

Administration at central level, departmental level and province level led to verification of project consistency with the Government's sector programmes. Project formulation further drew on the experiences and lessons learnt from the execution of the road programme and the *Mbalmayo-Ebolowa* project, i.e.: problems of procurement, mobilization of the national counterpart, and payment of compensation for Government expropriation.

2.4.3. Project appraisal was conducted by a mission composed of three experts of the Bank (Civil engineer, Transport economist and Environmentalist), fielded to Cameroon from 10 to 31 July 2000. The project was approved on 14 December 2000 and signed on 2 February 2001.

3. PROJECT IMPLEMENTATION

3.1. Effectiveness and Start-up of the Works

3.1.1. The loan became effective on 9 August 2001 and the administrative order for the commencement of construction works was communicated on 21 November 2003. The over two years delay in relation to the original deadline at appraisal was due to: (i) lengthy procedures for the award of the road development works contract, in respect of which tenders were launched on 31 December 2001 and the contract was signed on 6 October 2003; and (ii) a budget problem partly due to the depreciation of the UA, which was CFAF 917.133 at appraisal and an average CFAF 777.674 during the period of Bank disbursement (2004-2006).

3.1.2. The Government fulfilled all the precedent conditions of the ADF loan. Indeed, the special accounts were open to receive the local counterpart funds and those of the loan to cover the operating costs of CSEPR. Procurements for the project were authorized to be made within the special tender board. Consequently, an overall sum of CFAF 240 million was mobilized by the public authorities for the payment of expropriations, including CFAF 217 million which was actually paid to the riparian populations.

3.1.3. As regards the condition relating to periodic maintenance works on the *Mbalmayo-Ebolowa* road section (situated on the *Nsimalen-Mbalmayo/Ebolowa-Nkoemvon-Ambam-Eking* road axis), due to inadequate funds, an option was adopted to carry out annual operations (essentially surface coating) as from 2005, on the degraded sections.

3.2. Other Conditions

3.2.1. As regards the other conditions subjected to the ADF loan, it must be pointed out that the works contracts signed included environmental protection measures and were submitted to the prior opinion of the Bank in keeping with procurement procedures. Consequently, the Bank received every year, as from 31 July 2002: (i) the results of traffic counts made on the project route by the Executing Agency; and (ii) road maintenance budgets approved by the Road Fund.

3.3. Project Implementation

3.3.1. The development of the *Ambam-Eking* road, which constituted the 1st tranche of the “construction works” and the principal project achievement, was completed within the contractual deadline. However, inadequate funds mainly as a result of the depreciation of the UA and delay in the mobilization of counterpart funds, resulted in: (i) over one year delay in the performance of the ancillary works which consisted in developing socio-educative and health infrastructures for the benefit of the riparian populations; (ii) the postponement of the commencement of works on the feeder roads for the collection of farm produce until the necessary funds were mobilized for their execution.

3.3.2. The ancillary works, whose costs were borne by the Cameroonian Government, were distributed in 9 batches. The works, which were the subject of disagreement between the Administration and RAZEL regarding the procedures for their execution, were entrusted, after national tenders, to 9 local SMEs with Cameroonian Government funding (HIPC and BIP fund 2006). Completion of all services (construction works and equipment) was scheduled for late September 2007.

3.4. Modifications

3.4.1. The *Ambam-Eking*, road development works were performed in keeping with DD specifications. The final configuration of the road comprised a development of the layout which enabled its length to be reduced from 27.0 to 25.7 km. This modification, however, did not entail any increase in the cost of the works.

3.4.2. As regards the ancillary works which began one and a half years after the completion of the road works, redevelopments were carried out bearing on: (i) the increase in the number of classrooms to be rehabilitated and constructed (24 instead of 14.6 classrooms per site); (ii) reconstruction of the Abang-Minko’o health centre; (iii) reduction in the number of fish ponds, from 4 to 1; and (iv) relocation of the site for the Centre for the Advancement of Women, from *Abang-Minko’o* village to *AMBAM* town which had more consistent hosting structures (water, electricity, higher population density).

Project Balance-sheet at 31 December 2006

Component		Appraisal		Completion		Balance-sheet (Appraisal- Completion)	
		CFAF	UA	CFAF	UA	CFAF	UA
A. Construction works	A1. Road works	7758.94	8.46	7315.51	9.40	443.44	-0.94
	A2. Ancillary works						
	A3. Feeder collection road works	201.77	0.22	0.00	0.00	201.77	0.22
	Total A	7960.71	8.68	7315.51	9.40	645.21	-0.72
	Incl. ADF loan	7107.78	7.75	5925.09	7.61	1182.69	0.14
B. Consultancy Services	B1. Monitoring	632.82	0.69	437.10	0.56	195.73	0.13
	B2. Sensitization	137.57	0.15	33.79	0.04	103.78	0.11
	B3. Training	100.88	0.11	130.00	0.17	-29.12	-0.06
	B4. Environmental monitoring	55.03	0.06	0.00	0.00	55.03	0.06
	B5. Audit	45.86	0.05	15.74	0.02	30.12	0.03
	Total B	972.16	1.06	616.63	0.79	355.54	0.27
	Incl. ADF loan	898.79	0.98	490.62	0.63	408.17	0.35
C. Equipments	C.1 Computer equipment	18.34	0.02	7.42	0.01	10.92	0.01
	C.2 Transport equipment	27.51	0.03	24.16	0.03	3.35	0.00
	C.3 Farm produce processing equipment	45.86	0.05	33.30	0.05	12.56	0.00
	Total C	91.71	0.10	64.89	0.09	26.83	0.01
	Incl. ADF loan	82.54	0.09	61.62	0.08	20.92	0.01
D. MISCELLANEOUS	D1. Functioning of CSEP	82.54	0.09	97.34	0.12	-14.80	-0.03
	D2. Compensation for expropriations	0.00	0.00	217.00	0.28	-217.00	-0.28
	Total D	82.54	0.09	314.34	0.40	-231.80	-0.31
	Incl. ADF loan	73.37	0.08	37.29	0.05	36.08	0.03
TOTAL PROJECT	TOTAL cost (NT)	9107.13	9.93	8311.36	10.68	795.77	-0.75
	Incl. ADF loan	8162.48	8.90	6514.62	8.37	1647.86	0.53

3.4.3. In view of the modifications, the balance-sheet of project outputs at appraisal and after completion of the road works (see table above) indicate that at 31 December 2006, the total cost of the project net of tax, expressed in UA, recorded a 0.75 million deficit, i.e. an initial 7.2 % budget overrun. However, expressed in CFAF, the total cost of the project net of tax revealed a leftover of 796 million. This observation was attributed to the depreciation of the value of the UA which was CFAF 917,133 at appraisal, and an average 778,037 during the period between 2004 and 2006, when the Bank disbursements were made.

3.5. Implementation Schedule

3.5.1. Project implementation was scheduled for 36 months as from 2001. However, the project, which began in 2001 (year of loan effectiveness), was partially completed in respect of components A, B and D (construction works, consultancy services and miscellaneous) and fully completed for component C (supply of equipments).

3.5.2. In particular, the *Ambam-Eking* road development was provisionally handed over in February 2005 and definitively in June 2006, bearing in mind that the start-up of works was notified on 21 November 2003. Consequently, the ADF loan, which was mainly used to finance the road, was closed on 30/09/2006 instead of 31/12/2003 as originally scheduled.

3.5.3. In the case of the consultancy services financed with the ADF loan, they were performed during the following periods: (i) November 2003 to March 2005 for the monitoring and supervision of road works; (ii) February 2005 to July 2006 for sensitization services; (iii) February 2005 to May 2005 for training activities; and (iv) May 2003 to July 2006 for the audit mission.

3.5.4. As regards material and equipment procured with the ADF loan, the reception minutes were notified: (i) on 8/1/2005, for the computer equipment delivered to CSEPR; (ii) on 19/1/2005, for motor bikes for Forest administration personnel, which were delivered to MINTP and then to MINEP on 8/4/2005; and (iii) on 1/3/, for agricultural equipment which was delivered to the project beneficiaries.

3.5.5. The other project components which were not yet completed (ancillary works), or which were extended (mission to supervise ancillary works and project audit) or postponed to a later date (opening up of feeder collection roads), will be fully funded with Government resources. The completion of the components still in progress was scheduled for no later than September 2007.

3.6. Reporting

3.6.1. The Consultant responsible for monitoring and supervising the development of the project route transmitted the monthly and quarterly status reports on a regular basis to the Administration and the Bank. The consultant has still been transmitting these reports to the Administration in respect of the connected works. He also produced the completion report of the road works in March 2005.

3.6.2. Consequently, the training and sensitization activities were approved with reports presenting the subjects treated and the conditions and balance-sheet of the realization of the different sessions. As regards the annual audit reports, they were prepared by the firm responsible for the task for 2004 and 2005.

3.7. Procurement Procedure

3.7.1. In keeping with the prescriptions of the loan agreement, contracts were awarded through tenders: (i) international competitive bidding for the road works and the mission to monitor and supervise their execution; and (ii) national competitive bidding for the other project components.

3.7.2. The contract on the *Ambam-Eking* road development works was awarded to RAZEL for an amount of 7 CFAF 382 336 542 net of tax (including 88 % on the ADF loan). In addition to the development of the road, the works comprised the construction of an 18-m reinforced concrete bridge on River LAE and tarring of the service road within the Abang-Minko'o market.

3.7.3. The consultants' services were entrusted: (i) in respect of the works monitoring and supervision mission, to STUDI International for an amount of CFAF 442 783 575 net of tax (including 90 % on the ADF loan) whose contract was extended until completion of the ancillary works through an additional contract of CFAF 119 620 733 net of tax with State funding; (ii) in respect of the training activities, to SCET Cameroon for an amount of CFAF 130 001 399 net of tax (including 98 % on the ADF loan); and (iii) in respect of sensitization, to an NGO for an amount of CFAF 48 400 000 net of tax (including 87 % on the ADF loan).

3.7.4. As regards the project audit mission, it was entrusted to a Study and Audit Firm (CEAC), for an amount of CFAF 39 338 750 net of tax. The firm produced the 2004 and 2005 reports, and the last service in respect of the final closure of project accounts will be provided after completion of the ancillary works with Government funding (20 % of the overall contract amount).

3.7.5. As regards contracts for the procurement of computer, transport and farm produce processing equipments, they were totally funded with the ADF loan and awarded to the following suppliers: (i) *CONNECT Informatique*, for the supply of equipment to CSEPR (CFAF 7 423 012 net of tax); (ii) *CAMI TOYOTA*, for the supply of motor bikes to Water and Forests personnel (CFAF 20 901 340 net of tax); and (iii) *Groupe GIFAMA*, for the supply of agricultural equipment (CFAF 33 295 781 net of tax).

3.8. Costs, Sources of Finance, and Disbursements

COST OF PROJECT

3.8.1. At appraisal, project cost was estimated at UA 9.93 million, including UA 7.79 million in foreign exchange, and UA 2.14 million in local currency. After the completion of a large part of the project components, including especially the road works, the project cost was UA 10.68 million at 31 December 2006, including UA 6.37 million in foreign exchange and UA 4.31 million in local currency.

SOURCES OF FINANCE

3.8.2. At appraisal, the project was expected to be jointly funded by the Bank with 89.6 % and the Cameroonian Government with 10.4 %. At 31 December 2006, the Bank's share reduced to 78.4 % and that of the Government rose to 21.6 %. The increase in the Government's share was due to inadequate funds as a result of the depreciation of the UA in relation to the CFAF.

1. Financing Plan (in UA million)

Total Cost	Appraisal				Completion				Ratio (Appr. – Compl.)		
	9.93				10.68				-0.75		
	FE	LC	TOTAL	%	FE	LC	TOTAL	%	FE	LC	TOTAL
Source of finance											
ADF	7.79	1.11	8.90	89.6 %	6.37	2.00	8.37	78.4 %	1.42	-0.89	0.53
GVT.		1.03	1.03	10.4 %		2.31	2.31	21.6 %	0	-1.28	-1.28
TOTAL	7.79	2.14	9.93	100.0 %	6.37	4.31	10.68	100.0 %	1.42	-2.17	-0.75

2. Financing by expenditure category (in UA million)

Component	Appraisal			Completion			Ratio (Appr. – Compl.)		
	ADF	Gvt	Total	ADF	Gvt	Total	ADF	Gvt	Total
A. Construction works	7.75	0.93	8.68	7.61	1.79	9.40	0.14	-0.86	-0.72
B. Consultancy services	0.98	0.08	1.06	0.63	0.16	0.79	0.35	-0.08	0.27
C. Equipment	0.09	0.01	0.10	0.08	0.00	0.09	0.01	0.01	0.01
D. MISCELLANEOUS	0.08	0.01	0.09	0.05	0.36	0.40	0.03	-0.35	-0.31
Total cost net of tax	8.90	1.03	9.93	8.37	2.31	10.68	0.53	-1.28	-0.75

DISBURSEMENTS

3.8.3. At appraisal, disbursements were supposed to be allocated over a three-year period, as from 2001. Actually, there was a three-year slippage in this allocation, and disbursements ended up being made between 2004 and 2006. The table below is a summary of the disbursements made by the Bank.

Status of disbursements (in UA million)

Source of finance	Year Situation	2001	2002	2003	2004	2005	2006	Appraisal	Completion
ADF	Appraisal	2.31	4.45	2.14				8.90	
	Completion				7.64	0.38	0.35		8.37
GVT	Appraisal	0.27	0.51	0.25				1.03	
	Completion			0.10	0.48	1.30	0.43		2.31
								9.93	10.68

3.8.4. Disbursements on all project components were actually made from 27 January 2004 until 29 December 2006. After loan closure (30/9/2006), the total amount of disbursements was 94.1 % of the total loan amount, leaving a leftover of UA 0.53 million.

4. PROJECT PERFORMANCE AND RESULTS

4.1. Overall Assessment

4.1.1. With the completion of the ancillary works, project objectives will be totally attained, despite the considerable delay in the implementation of all project components. In particular, the development of the *Ambam-Eking* road contributed: (i) to strengthening the national network and opening up of the towns and villages situated in the project's area of influence; and (ii) considerably increasing the movement of goods and persons across the Cameroonian and Gabonese borders.

4.1.2. The financial resources provided for the project proved inadequate for carrying out the project in full, further to the depreciation of the value of the UA in relation to the CFAF and difficulty in mobilizing alternative funds from State resources or through recourse to other sources of finance. Actually, almost all the ADF loan (94.1 %) was used up whereas some project components had not been completed or even embarked upon.

4.2. Operational Performance

4.2.1. The development works on the project route, including the construction of the bridge on the River LAE and tarring of the service roads within the *Abang-Minko'o* market, were carried out to the best extent possible. Indeed, the geometrical and structural characteristics of the project route were in keeping with the TD specifications.

4.2.2. The training activities conducted for 84 management staff and personnel of 3 Ministries (MINTP, MINFOF and MINEP), contributed to: (i) building the operational capacities of the PEU of MINTP and encouraging the evaluation of the environmental performance of the studies and road works; (ii) ensuring, after completion of the road works, continuity in monitoring the environmental impact in the project area of influence; (iii) building the MINTP engineers' capacity of intervention on the maintenance of the tarred roads and bridges; and (iv) building the capacities of MINFOF and MINEP personnel in the area of the environmental impact of the routes and environmental inspections.

4.2.3. The sensitization activities, which focused on STD/AIDS control, environmental protection and respect of the Highway Code, attracted many riparian dwellers to the project route. The population actually demonstrated a real sense of motivation, and it is highly advisable to consolidate this with retraining sessions. This proposal is even more justified as the populations living in the border area linking Cameroon to Gabon on one side, and to Equatorial Guinea on the other side, are characterized by heavy circulation between these three countries.

4.2.4. The computer and transport equipments procured for the departments of the Ministries concerned, i.e., MINTP, MINFOF and MINEF, made the Administration more efficient and led to considerable improvement in its services in the monitoring and supervision of the technical and environmental aspects of the road infrastructure.

4.2.5. Despite the delay in the implementation of the works and completed services of the project, the different stakeholders, i.e., the Bank, Cameroonian Government, Implementing Agency (CSEPR), contractors (1 company, 3 Consultants and 1 Auditor) did not fail in their obligations, and satisfactorily performed their assigned duties. However, the following must be pointed out: (i) the existence of a dispute between the works contractor RAZEL (tranche 1) and the Administration, resulting in the award of the ancillary works (tranche 2) to a local SME and the use of a mediator to conclude the contract; and (ii) default on the part of the consultant entrusted with the mission of environmental monitoring of the construction works.

4.3. Institutional Performance

4.3.1. The institutional performance of the project was considered satisfactory. Indeed, the Executing Agency, CSEPR, was established in its new form in parallel with the start-up of the road works (January 2004), and the texts governing its operation and the relevant manual of procedures were adopted by the relevant authorities. The supervisory staff composed of a Head of Unit, 2 project engineers and an administrative accountant, competently monitored the different project components. Consequently, to bring its mission to fruition, the Unit was provided in the project framework with computer equipment and a transport vehicle to move around the construction site. Its running expenses were also catered for largely with the ADF loan. Since its commencement of activity, the Unit had produced 11 activity reports and one completion report.

4.3.2. The sustainability of project road maintenance and, generally, of the national road network would be guaranteed if the Cameroonian Government adopts a new policy based on the TSP recommendations, which have been implemented since 1996, leading to: (i) the establishment of a Road Fund (RF), whose principal resources will be derived from a road tax (RT), toll and weigh-in stations, products from fines linked to road use, as well as subsidies and various grants; (ii) State disengagement from investment and road maintenance works for the private sector and mainstreaming of its role of planning, programming and work supervision.

4.3.3. Nonetheless, many measures under the TSP in the road sub-sector were yet to be implemented or rendered effective, mainly: (i) multi-annual road maintenance programming; (ii) sustainable and adequate funding of road maintenance/upkeep; (iii) protection of road assets; (iii) incomplete privatization of equipment; (iv) promotion of SME; and (iv) transfer of all usefully-transferable operations to the private sector.

4.4. Performance of the Contractors and Consultants

PERFORMANCE OF THE WORKS CONTRACTOR

4.4.1. The Contractor that was awarded the contract for the “construction works” component finally only executed the 1st tranche of the road development, in respect of which the services were deemed satisfactory. Indeed, the works were executed within schedule and in keeping with the technical standards stipulated in the tender specifications to the satisfaction of the Executing Agency, the Bank, and the users.

4.4.2. However, at social level, there was tension between the contractor RAZEL and the riparian populations throughout the execution of the works. Actually, the inhabitants were unhappy with the contractor for not heeding their legitimate claims, especially as regards the refusal to recruit operative workers from among them, and outsourcing of tasks that could have been entrusted to the local economic operators.

4.4.3. What is more, the contractor’s claim regarding certain expenditures led to a dispute with the contracting authority which preferred resorting to a mediator for settlement. The claims were in respect of: (i) contract registration fees; (ii) works not provided for in the basic contract; (iii) compensations for some equipment that became damaged during the works; and (iv) salary increases granted its staff further to the implementation of a new collective bargaining agreement of works by the Cameroonian Government.

4.4.4. The dispute, coupled with social unease, induced the contracting authority, further to national tenders, to entrust the ancillary works (2nd tranche of the “construction works” component) to local SMEs, particularly those of the *Ntem* Valley. However, out of the 9 SMEs selected, only four performed services deemed satisfactory in quality and on schedule. The other SMEs, which lacked professionalism and experience, recorded quite low levels of progress, and the quality of their works was deemed poor on average, and required additional effort on the part of the supervisory mission to correct and redo some works.

PERFORMANCE OF THE CONSULTANTS

4.4.5. The performance of the consultancy firm entrusted with monitoring and supervising the construction works was deemed satisfactory. Indeed, it: (i) performed works monitoring and supervision in a normal manner; (ii) approved the flow charts as well as the execution plan and modifications made for submission to the company; (iii) established the company's daily statements of materials and bill of costs, the different works status reports, as well as the final report. It further supervised the personnel placed at its disposal by the Executing Agency. Notwithstanding the numerous problems encountered during the implementation of the works, there were no situations of conflict with the contractor of the 1st tranche, nor were there any with the SMEs awarded the contracts of the 2nd tranche.

4.4.6. The local consultants responsible for training and sensitization provided services deemed acceptable by the Administration. As regards the training aspect, the subjects treated related to the environmental monitoring of the road works, maintenance of the tarred roads and the bridges, and environmental audit. As regards the sensitization mission, it was carried out in 4 phases: (i) identification of the site of the mission; (ii) training of motivators (iii) production of back-up; and (iv) sensitization. The results of these measures can however be appraised at their real value only when they have been evaluated within the Ministries concerned regarding the training aspect and on the project site for the sensitization aspect.

4.4.7. The local consultant entrusted with monitoring the mitigation measures during the period of the works failed in his obligations and could not honour his commitments within the contractual schedule. His services, which were confined to the production of a start-up report and two status reports (February and March 2005), were deemed unsatisfactory by the Administration. His contract was therefore not extended, nor was he paid.

4.4.8. The performance of the consultant entrusted with the audit of the accounts of the different project components was acceptable. He prepared audit reports for the 2004 and 2005 fiscal years, in which he presented: (i) the financial statements; (ii) evaluation of the internal audit system; (iii) verification of adherence to the conditions of the loan agreement; and (iv) project implementation.

4.5. Economic Performance

4.5.1. The economic performance of the project was satisfactory. Economic analysis of the development of the *Ambam-Eking* road was established on the "cost-benefit" method, by comparing the present situation (after completion of the development works) with the reference situation in which the initial development was maintained. This economic analysis was performed in relation to the final cost of the development works and actual traffic data.

4.5.2. The final cost of the project road development bore on: i) road works; (ii) monitoring and supervision of works; ii) monitoring and coordination; and iii) environmental measures. It is presented (in CFAF net of tax) as follows:

Final cost of the Ambam-Eking Road Development Project (in CFAF million)

Designation	Financing		
	ADF	Gvt.	Total
Road works	5925.09	1283.32	7208.41
Works monitoring and supervision	315.67	121.43	437.10
Other (monitoring and coordination, etc.)	60.45	277.05	337.50
Total	6301.21	1681.79	7983,00

4.5.3. According to the counts provided by the Administration, the traffic prospects on the project road for 1999, which served as basis for the projections at project appraisal, and 2005 which corresponded to the commissioning of the road after its development, are presented as follows:

Traffic Forecasts on the Ambam-Eking Road

Year	1999		2005		Acc. Annual
	Number	Part	Number	Part	
PV	109	61.2 %	183	51.0 %	9.0 %
Pick up	34	19.1 %	85	23.7 %	16.5 %
Minibus	12	6.7 %	37	10.4 %	20.7 %
Total LV	155	87.1 %	305	85.0 %	11.9 %
Coaches	0	0.0 %	1	0.2 %	
Trucks 2E	20	11.2 %	39	11.0 %	12.0 %
Trucks 3E	2	1.1 %	11	3.1 %	33.1 %
Articulated vehicles	1	0.6 %	3	0.7 %	17.0 %
Total HD	23	12.9 %	54	15.0 %	15.2 %
General Total	178	100.0 %	359	100.0 %	12.4 %

4.5.4. It emerges from these results that overall, there was an annual 12.4 % increase in traffic on the project road after its development. Furthermore, heavy duty (HD) traffic increased faster than that of light vehicles (LV). As a matter of fact, its share of total traffic increased from 12.9 % in 1999 to 15.0 % in 2005.

4.5.5. The economic benefits of the road works were mainly derived from savings made in vehicle operating costs and maintenance costs. Time gain was also taken into account, considering the high reduction in travel time as a result of the construction. The costs considered were economic costs net of tax for the investment of the works executed, as well as for routine and periodic maintenance costs for the reference situation as well as the situation with project. These maintenance costs were estimated on the basis of data drawn from this project's appraisal report and the study on Cameroon's Road Master Plan (RMP). The 2005 benefits used in the economic analysis are given in the following table:

Estimate of the Benefits of the Project in 2005 (in CFAF million)

Types of benefits	Routine Maintenance	Cost of operating vehicles (COV)	Time	Total
Value (in CFAF million)	36.93	831.17	14.43	882.53

4.5.6. Economic calculation was performed by taking account of the elements of traffic, amounts (NT) of works and monitoring, as well as routine and periodic maintenance costs. The year retained for commissioning was 2005, and the period of economic analysis considered was 20 years. A 25 % residual value of investments was therefore adopted for this analysis.

4.5.7. The internal rate of return (IRR) obtained on the basis of these data and assumptions was 13.2 %, slightly lower than that established at project appraisal, i.e., 15.5 %. This was attributed to the increase in project cost in relation to the appraisal on one hand, and consideration of less rapid traffic evolution, on the other hand. Indeed, the actual cost of the development of the project road was CFAF 7 983 000 million, whereas it was initially estimated at CFAF 7 374 777 million and the future traffic prospect adopted was an average 4 % a year (estimates by the Administration), as against about 4.5 % at appraisal.

4.5.8. The sensitivity test conducted by reducing traffic by 10 % and cancelling the time value indicated that the IRR remained extremely close to 12 %, attesting to the economic justification for the construction of the project road. The results of these tests are as follows:

Sensitivity Tests

Situation	IRR
Base	13.2 %
-10 % of traffic (a)	11.9 %
Base without time (b)	13.0 %
Value (a) and (b)	11.7 %

5. SOCIAL AND ENVIRONMENTAL IMPACT OF THE PROJECT

5.1. Social impact

5.1.1. The socio-economic benefits of the development of the project road were tremendous for the community. As a matter of fact, the project contributed to: (i) strengthening the national road network and improving its grid; (ii) opening up of many villages along the route; (iii) significantly increasing female and child mobility; and (iv) socio-economic development of the project's area of influence and, subsequently, poverty reduction.

5.1.2. It is estimated that about 50 000 inhabitants will benefit from this project, including 20 000 in *Ambam* town, and 30 000 in all the 5 villages. Moreover, the project route is of interest to an extremely high number of exhibitors and local and foreign visitors who flock to the *Abang-Minko'o* market, especially weekends, using private transport (cars and 2-wheeled vehicles) and collective transport (minibus, buses/coaches) in addition to goods vans and trucks.

5.1.3. As regards the network, the project road constitutes one of the main elements of road infrastructure of the three-border regions (Cameroon, Gabon and Equatorial Guinea). After the construction of the Eboro bridge with EDF funding, it will also constitute one of the links of the Yaoundé (via *Ambam*) – Libreville (via *Bitam*) highway. It will further enable the riparian villages to be linked to the project road, especially the *Abang-Minko'o* market with border built-up areas of Equatorial Guinea and the *Kyé Ossi* market via the *Ambam-Kyé Ossi* route (34 km long) and the *Ngoazik* bridge, funded respectively by EDF and AFD.

5.1.4. Overall, the road works were implemented in a calm social atmosphere, despite RAZEL's refusal to involve the local population (recruitment of subordinate workforce and sub-contracting to economic operators) in the execution of the project works. In that regard, the second phase of the works was entrusted to local SMEs, particularly from the *Ntem* valley.

5.1.5. The development of the project road substantially contributed to poverty reduction by facilitating the supply of the rural areas with agricultural inputs and manufactured products, as well as product evacuation, in the knowledge that the project area ensures about 30 % of the country's food production. Transport costs on the project road, which accounted for about 80 % of the direct marketing costs, became substantially reduced, thereby enhancing easy disposal of products and viability of agricultural holdings.

5.1.6. The construction of 5 schools and strengthening of the educational assets in the project area will lead to considerable enhancement in the enrolment rate and quality of education as a result of: (i) the proximity of educational institutions to the children's place of residence, reduced absenteeism during the rainy season, and de-congestion of classes; (ii) increased motivation of teachers to accept deployment to the riparian villages of the project; and (iii) improved organization of courses and other school activities.

5.1.7. The socio-economic benefits of the other facilities under construction can be presented as follows: (i) the development of the *Abang- Minko'o* market and tarring of its access roads will encourage the installation of Cameroonian exhibitors and attract visitors, especially Gabonese; (ii) the construction of the Centre for the Advancement of Women will contribute to the development of socio-cultural activities for women (young and old), their insertion into the vocational life and promotion of their activities in many sectors (crafts, services, agricultural activities, cattle rearing, trade,...); (iii) the health infrastructures will lead to a reduction in the diseases raging especially in the *Ntem* Valley, and infant mortality.

5.1.8. Other benefits from the project road will be: (i) improvement in users' comfort and road safety, (ii) increase in lifespan of vehicles by improving their general state, thanks to an enhanced quality of the road; (iii) contribution to substantial savings on maintenance in particular, and on the costs of vehicle operation, in general.

5.2. Environmental Impact

5.2.1. By its nature, significant regional location and the direct and indirect impact it can have, the project was classified as category 1 as far as the environment is concerned. An environmental impact study (EIS) was conducted prior to the execution of the works. It envisaged a plan for mitigating the environmental impact (PAIE) to ensure the monitoring of the environment measures proposed in the impact study. The alleviation of the environmental impact comprised: (i) an institutional aspect of the implementation of the plan, which was not possible due to the default of the consultant selected for the task; and (ii) a technical aspect which materialized with training activities for management staff and personnel of 3 Ministries (MINTP, MINFOF and MINEF).

5.2.2. Moreover, the Administration introduced into the works contract environmental protection measures which were considered as loan conditions. Furthermore, the works monitoring and supervision mission saw to the implementation of the PAIE, especially regarding the management of the site plant, performance of specific environmental works and seeking solutions to specific environmental problems.

5.2.3. The evaluation of the environmental conditions during the works indicated that the measures taken led to rigorous control of the consequences on the environment. The area of direct impact was limited to the immediate surroundings of the road. A few specific impacts nonetheless occurred locally in the areas where the layout was rectified, borrow areas, quarries and site plant.

5.2.4. On completion of the road works, the company covered the gradients with topsoil, re-planted the trees that were uprooted during the works in the surroundings of the route, and refurbished: (i) the site plant; (ii) all the borrow areas used; (iii) scrap dumps; and (iv) the quarries of massive rocks used for the site plant.

5.2.5. Consequently, the company installed: (i) the horizontal markings with white retro-reflecting paint; (ii) vertical signs in the form of reflectorized signalling panels; (iii) curve beacons; (iv) five-kilometre posts, and (v) galvanized guard rails.

5.2.6. As regards the expropriations, the State spent an overall CFAF 240 million for the payment of the corresponding compensations, 90 %, of which was paid out since a sum of CFAF 217 million had actually been paid to the riparian dwellers.

6. PROJECT SUSTAINABILITY

6.1 Considering the foreseeable medium and long-term traffic, the geometrical characteristics of the road allowed for good resistance for the life span of the project, subject to correct routine and periodic maintenance. The first routine maintenance operation on the project road, which was commissioned in June 2006, was scheduled for 2008.

6.2 As far as sustainability is concerned, there are other positive aspects to the credit of project: (i) the RF functions appropriately; (ii) the road maintenance budgets have increased sharply during the past 5 years (an annual average of 8 %); (iii) the Monitoring Unit (CSEPR) efficiently performs its duties; and (iv) private sector promotion and development of SMEs (from 1996) should nonetheless improve their working methods and become mutually reinforced with human and material resources.

6.3 The sensitization activities undertaken in the project affected all the aspects linked to the environment and the Highway Code. To safeguard the works undertaken and increase project sustainability, it is strongly advised to plan a new sensitization campaign with all the village populations concerned with the project, urging them not to damage road signs, corner markers, and guard rails.

7. PERFORMANCE OF THE BANK, BORROWER AND OTHER DONORS

7.1. Performance of the Bank

7.1.1. The project was part of the TSP, and the Bank contributed to financing some of its components. After the project preparation, appraisal and launching missions fielded respectively in October 1999, July 2000 and November-December 2001, the Bank undertook 7 technical supervision missions during which it regularly monitored the different problems encountered by the project. It held many working sessions with the different actors with a view to finding solutions to the problems encountered during project start up and during the conduct of the road works.

7.1.2. Nonetheless, there were delays in some disbursement requests, and deductions were made for non-conformity or lack of supporting documents for the invoices of some consultants entrusted with works monitoring and training. Moreover, invoices of consultants entrusted with the sensitization and audit of services contracted before the loan closure, remained unsettled. The overall amount of all these payment arrears was about CFAF 63 million net of tax (i.e. UA 0.82 million).

7.2. Performance of the Borrower

7.2.1. The Borrower fulfilled all the conditions specified in the loan agreement although the last condition on the periodic maintenance of the *Mbalmayo-Ebolowa* road section (situated on the same highway as the *Ambam-Eking* section), was partially fulfilled. Actually, due to inadequate funds, the option retained was to undertake annual works (mainly surface dressing) as from 2005 on the degraded sections instead of renewing the reinforced concrete surface coating on the whole section.

7.2.2. Consequently, the Borrower was the cause of the considerable delay (over 2 years) in the actual project start-up since it could not mobilize the necessary funds initially envisaged. However, the closure of the ADF loan before the completion of all project components compelled the Borrower: (i) to financially bear the cost of all the ancillary works and additional consultancy services linked to those works (monitoring and audit missions); (ii) postpone the opening up of 87 km of rural tracks until the mobilization of the necessary funds from government resources.

7.3. Performance of the Executing Agency

7.3.1. Due to the lengthy contract award procedures, the project Execution Agency, CSEPR which falls under DIER, contributed to the late start-up of the road works. With the renewal of the team and establishment of a new organization, CSEPR became more efficient and acquitted itself creditably of the task of supervising the works with the Consultant's staff. Furthermore, it almost regularly transmitted to the Bank the works progress reports and the project completion report.

7.3.2. However, CSEPR encountered a few problems and disputes during project execution, especially with: (i) the contractor responsible for the works of the 1st tranche of the project, which refused to execute the ancillary works until its claims were met; (ii) the consultant responsible for environmental monitoring whose services were considered inadmissible by the Administration.

8. OVERALL PERFORMANCE AND RATING

8.1 The project obtained 1.8 out of 4 for performance results, and 2.0 out of 4 for performance of the Bank. As regards project results, performance was satisfactory and was rated 2.6 out of 4. The overall rating of project performance was 2.1 out of 4.

9. CONCLUSION, LESSONS LEARNT, AND RECOMMENDATIONS

9.1. Conclusions

9.1.1 Overall, the project as identified during the appraisal phase was executed. In particular, the road works, which constituted the principal project activity, were implemented within the contractual deadline to the satisfaction of the contracting authority and users. On the other hand, the ancillary works only began at the time of closure of the ADF loan, and the works on the feeder road for the collection of farm produce were postponed as a result of inadequate funds for their execution.

9.1.2 This situation, which led to an extension of the missions of the consultants responsible for the monitoring and supervision of the works as well as project audit until the ancillary works were completed, required State budget to finance all the remaining services. Consequently, State contribution to the project increased from 10.4 % at appraisal to 21.6 % after completion of the road works (situation at 31/12/2006). This share further increased the completion of the ancillary works and the project as a whole, thereby highlighting the considerable efforts the Government made to achieve the project in full, considering the several socio-economic benefits.

9.1.3 The Bank, Executing Agency, road works contractor and the consultants, save one, accomplished their tasks. The overall and specific objectives of the work completed were attained. The populations of the project's area of direct influence had enhanced accessibility and the living environment became more pleasant. Consequently, the overall performance of the project was satisfactory and can be further enhanced when the ancillary works, and subsequently the whole project, are completed.

9.1.4 However, there were a few problems in the normal implementation of the project, namely: (i) a dispute between the Administration and the road works contractor, which required recourse to a mediator; (ii) outstanding payments for services engaged before loan closure, which were not honoured by the Bank.

9.1.5 The *Ambam-Eking* road development project on completion had a 13.2 % rate of return, despite the payment of investment costs higher than those estimated at appraisal and judicious assumptions of traffic prospects. This result clearly confirms the community's interest in the realization of the project route. It had extremely positive impact socio-economically, especially on regional integration, costs and travel time, as well as the environment and road safety.

9.2. Lessons

9.2.1. The following lessons can be learnt from the project:

- (1) As a result of poor coordination between the consultant and the Administration, all the components of the project as formulated could not be executed due to: (i) the lengthy procedures for awarding the road development works contract; (ii) inadequate counterpart funds; (iii) depreciation of the UA which led to a reduction in the amount of ADF loan of CFAF 8162.48 billion at appraisal to CFAF 6510 billion after completion of the road works.
- (2) After its reorganization and the recruitment of skilled personnel with mastery over all the technical and accounts aspects of the road projects funded by the Bank, CSEPR constituted a viable structure enabling coordination to be ensured between the Administration and the Bank during the different phases of the project cycle.
- (3) The road contractor distinguished itself by the quality of its services, but also by the provocation of incidents that had negative repercussions of the project's future. In fact, there was social unease during the execution of the road works as a result of the contractor's refusal to engage local manpower and undertake local outsourcing. The contractor also submitted claims for expenditure which the Administration considered unjustified, which subsequently became a subject of litigation between the former and the latter.
- (4) Project sustainability depends on the quality of maintenance operations which it will be subject to in view of traffic prospects. The maintenance programme in Cameroon is however wanting as a result of: (i) lack of programming; and (ii) under-equipment and lack of experience by local SMEs.
- (5) Overall, the beneficiaries and CSEPR considered the training of management staff and personnel of 3 Ministries beneficial. However, these actions were confined to personnel of central services and consequently need to be extended to the regional services.
- (6) The sensitization actions concerned a large part of the riparian populations and visitors to the *Abang – Minko'o* market during weekends. However, there were some difficulties during these actions namely: (i) time management as a result of poor coordination between the consultant and the Administration; (ii) unavailability of equipment and building on the site; (iii) commitment of financial expenses not initially provided for (paying compensation to people attending meetings for leaving their work, and various expenditures).

- (7) The ancillary works that could not be financed by the Bank, as envisaged at appraisal, are of special importance since they concretize the local development aspect after the construction of the road infrastructure. They therefore constitute pilot scheme whose success will influence its replication on other sites with the probable support of donors.
- (8) Recourse to local SMEs for the ancillary works was not completely satisfactory. Indeed, during the execution of the works, some SMEs demonstrated flagrant lack of professionalism, which was concretely expressed by the recognized deficiencies of personnel and equipment, leading to a slow-down or long-term stoppage of works and, consequently, considerable deadline extensions.

9.3. Recommendations

9.3.1. It is recommended to the Bank:

- (1) to seek appropriate solutions to the problem of inadequate funds in cases where the depreciation of the UA in relation to the local currency could hamper the smooth implementation of the funded project;
- (2) to support the functioning of CSEPR with training and retraining actions in the Bank's rules and procedures, as well as technical and financial aspects liable to improve their services; and
- (3) settle the outstanding payments for the services engaged before the closure of the ADF loan to enable contracts with the relevant service providers to be closed.

9.3.2. It is recommended to the Borrower to:

- (1) ensure timely mobilization of counterpart funds with a view to preventing delays and deadline extensions that may eventually be detrimental to the smooth implementation of the projects in question;
- (2) resolve the dispute between the Administration and the road works contractor by eventually resorting to a Court of Arbitration in case of failure of the Conciliator's intervention;
- (3) conduct: (i) supplementary decentralized training actions for regional managerial staff and personnel of the Administration; and (ii) an appraisal mission of the sensitization actions carried out for the riparian populations under the project.

Annexes

1. Map
2. Actual cost and project financing by expenditure category and/or components
3. Annual disbursements
4. Economic calculation Results of
5. Implementation results and rating
6. Recommendations and monitoring measures
7. Completion report the Borrower
8. Sources of information

Relocation of the Project Route



Cost and project financing by expenditure category and/or components▪ **Financing Plan of Donors (in UA million)**

Total cost		APPRAISAL				COMPLETION				RATIO (Appr. – Compl.)		
		9.93				10.68				-0.75		
Source of finance		FE	LC	TOTAL	%	FE	LC	TOTAL	%	FE	LC	TOTAL
	ADF	7.79	1.11	8.90	89.6 %	6.37	2.00	8.37	78.4 %	1.42	-0.89	0.53
	GVT.		1.03	1.03	10.4 %		2.31	2.31	21.6 %	0	-1.28	-1.28
	TOTAL	7.79	2.4	9.93	100.0 %	6.37	4.31	10.68	100.0 %	1.42	-2.17	-0.75

▪ **Financing by category of expenditure (in UA million)**

	Appraisal			Completion			RATI (Appr. – Compl.)		
	ADF	Gvt	Total	ADF	Gvt	Total	ADF	Gvt.	Total
A. Construction works									
A1. Road works	7.56	0.90	8.46	7.61	1.65	9.26	-0.05	-0.75	-0.80
A2. Ancillary works				0.00	0.14	0.14	0.00	-0.14	-0.14
A3. Works on feeder collection roads	0.19	0.03	0.22		0.00	0.00	0.19	0.03	0.22
Total A	7.75	0.93	8.68	7.61	1.79	9.40	0.14	-0.86	-0.72
B. Consultant services									
B1. Monitoring	0.63	0.06	0.69	0.40	0.16	0.56	0.23	-0.10	0.13
B2. Sensitization	0.13	0.02	0.15	0.04	0.01	0.04	0.09	0.01	0.11
B3. Training	0.11	0.00	0.11	0.17	0.00	0.17	-0.06	0.00	-0.06
B4. Environmental monitoring	0.06	0.00	0.06	0.00	0.00	0.00	0.06	0.00	0.06
B5. Audit	0.05	0.00	0.05	0.02	0.00	0.02	0.03	0.00	0.03
Total B	0.98	0.08	1.06	0.63	0.16	0.79	0.35	-0.08	0.27
C. Equipments									
C.1 Computer equipment	0.02	0.00	0.02	0.01	0.00	0.01	0.01	0.00	0.01
C.2 Transport equipment	0.03	0.00	0.03	0.03	0.00	0.03	0.00	0.00	0.00
C.3 Farm produce processing equipment	0.04	0.01	0.05	0.05	0.00	0.05	-0.01	0.01	0.00
Total C	0.09	0.01	0.10	0.08	0.00	0.09	0.01	0.01	0.01
D. MISCELLANEOUS									
D1. Functioning of CSEP	0.08	0.01	0.09	0.05	0.08	0.12	0.03	-0.07	-0.03
D2. Compensation for expropriations	0.00	0.00	0.00	0.00	0.28	0.28	0.00	-0.28	-0.28
Total D	0.08	0.01	0.09	0.05	0.36	0.40	0.03	-0.35	-0.31
Total cost TF	8.90	1.03	9.93	8.37	2.31	10.68	0.53	-1.28	-0.75

ANNEX 3**Annual disbursements****Annual disbursements by source of finance (in UA million)**

Source of finance	Year Situation	2001	2002	2003	2004	2005	2006	Appraisal	Completion
ADF	Appraisal	2.31	4.45	2.14				8.90	
	Completion				7.64	0.38	0.35		8.37
GVT	Appraisal	0.27	0.51	0.25				1.03	
	Completion			0.10	0.48	1.30	0.43		2.31
								9.93	10.68

ADB COMITMENTS AND PAYMENTS

Component	Invoices committed			Amounts paid (disbursements)			Leftover		
	FE (Euro)	CFAF	Total in CFAF	FE (Euro)	CFAF	Total in CFAF	FE (Euro)	CFAF	Total in CFAF
Road works	7 185 133	1 211 950 179	5 925 088 466	7 185 133	1 211 950 179	5 925 088 466	0	0	0
Works monitoring of	429 945	71 439 371	353 464 541	379 431	62 201 826	311 092 240	50 658	9 237 545	42 372 301
Training	83 939	77 741 654	132 802 029	82 168	76 102 947	130 001 399	1 771	1 638 707	2 800 630
Audit		31 471 000	31 471 000		15 735 500	15 735 500		15 735 500	15 735 500
Computer equipment		7 423 012	7 423 012		7 423 012	7 423 012		0	0
Farm produce processing equipment		33 295 781	33 295 781		33 295 781	33 295 781		0	0
Sensitization		31 359 311	31 359 311		29 215 138	29 215 138		2 144 173	2 144 173
Transport equipment		20 901 340	20 901 340		20 901 340	20 901 340		0	0
TOTAL	7 699 017	1 485 581 648	6 535 805 480	7 646 732	1 456 825 723	6 472 752 876	52 429	28 755 925	63 052 604

Results of economic calculation**Ambam – Eking tarred road*****Economic appraisal (in CFAF million)***

Year	Economic costs			Economic benefits				Result
	Investments	Upkeep & maintenance	Total	Savings in operating costs	Savings in upkeep & maintenance	Time gain	Total	
2003								
2004	7983.0		7983.0					-7983.0
2005		47.9	47.9	831.2	39.9	14.4	885.5	885.5
2006		47.9	47.9	864.4	41.9	15.0	921.3	921.3
2007		47.9	47.9	899.0	44.0	15.6	958.6	958.6
2008		47.9	47.9	935.0	46.2	16.2	997.4	997.4
2009		279.4	279.4	972.4	48.5	16.9	1037.8	1037.8
2010		47.9	47.9	1011.2	50.9	17.6	1079.7	1079.7
2011		47.9	47.9	1051.7	53.5	18.3	1123.4	1123.4
2012		47.9	47.9	1093.8	56.2	19.0	1168.9	1168.9
2013		47.9	47.9	1137.5	59.0	19.8	1216.2	1216.2
2014		279.4	279.4	1183.0	61.9	20.5	1265.5	1265.5
2015		47.9	47.9	1230.3	65.0	21.4	1316.7	1316.7
2016		47.9	47.9	1279.5	68.3	22.2	1370.0	1370.0
2017		47.9	47.9	1330.7	71.7	23.1	1425.5	1425.5
2018		47.9	47.9	1384.0	75.3	24.0	1483.3	1483.3
2019		279.4	279.4	1439.3	79.0	25.0	1543.3	1543.3
2020		47.9	47.9	1496.9	83.0	26.0	1605.9	1605.9
2021		47.9	47.9	1556.8	87.1	27.0	1670.9	1670.9
2022		47.9	47.9	1619.0	91.5	28.1	1738.6	1738.6
2023		47.9	47.9	1683.8	96.1	29.2	1809.1	1809.1
2024		279.4	279.4	1751.2	100.9	30.4	1882.4	1882.4
Residual value								1597
IRR								13.2 %

Sensitivity analysis

Situation	IRR
Base	13.2 %
-10 % of traffic	11.9 %
Base without time value	13.0 %
-10 % of traffic & without time value	11.7 %

IPI FORM
IMPLEMENTATION RESULTS

EVALUATION CRITERIA	RATING (1 to 4)	OBSERVATIONS
1. Adherence to general schedule	1.0	The project road works were executed with a 2-year delay. The project, which was scheduled at appraisal for 2003, was finally completed only in 2005. The other components are either under completion (ancillary works) or have not been carried out (feeder roads for collection of farm produce, environmental monitoring) due to inadequate funds.
2. Adherence to cost schedule	1.0	The final cost of the project after loan closure was higher than 8 % of the total cost (in UA) provided for at appraisal. The expected Bank share was adhered to at completion in almost all (94.1 %) of the initial amount in UA, but in CFAF, it was largely lower (-10 %) at estimation of appraisal due to the depreciation of the UA in relation to the CFAF.
3. Compliance with conditions and covenants	3.0	All the loan conditions and covenants were fulfilled save the one on the periodic maintenance of the road section situated on the axis of the project road, which was carried out differently from what was stipulated in the loan commitment, due to inadequate resources.
4. Adequacy of monitoring evaluation and reporting	3.0	Adequacy of monitoring, evaluation and reporting were deemed in keeping with the requirements, with the exception of the Borrower's completion report.
5. Satisfactory operations		
TOTAL	8.0	
<u>Overall evaluation of implementation results</u>	2.0	Category S: Satisfactory

FORM BP1
PERFORMANCE OF THE BANK

EVALUATION CRITERIA	RATING (1 to 4)	OBSERVATIONS
1. At identification	-	The Bank participated in financing the TSP which includes the project route. It carried out a specific preparation mission based on SPD and DPD studies carried out by the consultancy firm for the Administration.
2. At project preparation	2.0	
3. At appraisal	3.0	Project appraisal was performed satisfactorily. The report dealt with all aspects of viability and project risks.
4. At supervision	3.0	Monitoring the implementation of the loan was well carried out by the Bank. On-site supervision (7 times) and supervision at headquarters were rigorous. The composition of the missions was adequate.
TOTAL	8.0	
Overall evaluation of the performance of the Bank	2.7	Category S: Satisfactory.

FORM PO1
IMPACT ON DEVELOPMENT

EVALUATION CRITERIA	RATING (1 to 4)	OBSERVATIONS
1. <u>Relevance and achievement of objectives</u>	<u>2.3</u>	<u>The relevance of the objectives was fully confirmed. The project attained its objectives.</u>
i. Macro-economic policy	2.0	The project was part of regional integration strategy.
ii. Sector policy	3.0	The project constituted one of the components of the country's Transport Sector Plan.
iii. Equipment aspect	3.0	The contract for the supply of computer, transport and farm produce processing equipments was executed satisfactorily.
iv. Financial aspect	1.0	The project encountered problems of insufficient funds as a result of the depreciation of the UA and delay in mobilizing counterpart funds.
v. Poverty reduction, social aspect and Gender problem	3.0	The social objectives were attained.
vi. Environment	3.0	The environmental objectives were attained.
vii. Private sector promotion	1.0	The road works did not benefit the local SMEs owing to the low level of outsourcing, whereas all the ancillary works were entrusted to local SMEs.
viii. Other (to be specified)	-	
2. <u>Institutional development</u>	<u>2.5</u>	<u>Institutional performance of the project was attained</u>
i. Institutional framework (including restructuring)	2.0	The Implementing Agency had problems of start-up, and finally played its role.
ii. Financial and integrated management systems, including audit	2.0	The project was the subject of audit
iii. Transfer of technology	3.0	The teams of the Implementing Agency included on the monitoring missions were well supervised by the Consultant's personnel.
iv. Staff endowment (including rotation), formation et personnel de counterpart	3.0	The condition of providing Consultants of qualified staff was met by the Implementing Agency.
3. <u>Sustainability</u>	<u>2.6</u>	<u>Project sustainability was ensured by the quality of the works carried out and results attained by the review of road maintenance.</u>
i. Sustained commitment by the Borrower	3.0	The Borrower continued carrying out the components with its own funds.
ii. Environmental policy	-	NA
iii. Institutional framework	2.5	The restructuring of MINTP and the Executing Agency was completed.
iv. Technical viability and staff endowment	3.0	Number and quality of Executing Agency personnel inadequate.
v. Financial viability and cost-recovery mechanisms	2.0	The road tax collected to date makes it impossible to carry out the maintenance of the road network. The State is in the process of examining the possibility of collecting the necessary resources to ensure routine and periodic maintenance .
vi. Economic viability	3.0	The project was economically viable.
vii. Environmental viability	3.0	Accompanying measures to mitigate the adverse effects of the project will lead to an improvement in the living standards of the populations.
viii. Continuity of the operation and maintenance (availability of funds to cover recurrent charges, foreign exchange, replacement parts, workshops, etc.).	2.0	The project road is eligible for the current and periodic maintenance programme financed by the RF whose resources are derived from contributions for road use, which are still inadequate.
4. <u>Internal Rate of Return</u>	<u>3.0</u>	The project's rate of return of the roads and tracks is 13.2 %.
<u>Overall evaluation of impact on development</u>	<u>2.6</u>	<u>Overall project performance was satisfactory</u>

Matrix of recommendations and monitoring actions

MAIN OBSERVATIONS AND CONCLUSIONS	LESSONS LEARNTD/RECOMMENDATIONS	MONITORING ACTIONS	RESPONSIBILITY
<p>▪ <u>Project formulation and justification</u></p> <p>The project was not the subject of an identification mission, but undertook a preparatory mission based on technical and-economic studies (SPD and DPD) of the road of the project.</p>	<p>The appraisal was based on the PSD and PDDSD preparatory and study missions on the project road, which are of a good technical level.</p>	-	Borrower/Executing Agency
<p>▪ <u>Project implementation</u></p> <p>The CSEPR partly contributed to the delays recorded at project start-up but subsequently became competent in the execution of the works.</p>	<p>It would be desirable for this unit to be further supported with training and retraining actions</p>	Elaboration of a training programme	Bank and Executing Agency
<p>▪ <u>Compliance with loan conditions/covenants</u></p> <p>The Borrower fulfilled the loan implementation conditions and provided the results of the counts which, nonetheless were undependable.</p>	<p>Improve dependability of the counts by eventually resorting to outsourcing</p>	<p>Sensitization and training of managerial staff and officers for the road counts</p>	Executing Agency
<p>▪ <u>Performance assessment and project results</u></p> <p>The project attained its objectives and was carried out satisfactorily. Nonetheless, lack of funds due to the depreciation of the UA and delay in counterpart mobilization deferred the completion of the other project components to later periods: (late September for ancillary works and undefined period for the farm produce collection roads</p>	<p>The Borrower should mobilize the necessary resources to complete the remaining project components as soon as possible. It should also sanitize the situation of the completed works and settle outstanding problems.</p>	<p>All relevant measures should be taken to complete the remaining project components under the best conditions and sanitize the situation of the completed components</p>	Borrower/ Executing Agency
<p>▪ <u>Sustainability</u></p> <p>Considering traffic prospects, the technical and geotechnical characteristics of the project road will ensure good resistance for the project duration</p>	<p>The role of SMEs should be strengthened to guarantee the quality of periodic road maintenance.</p>	<p>Routine and periodic maintenance/upkeep should be conducted correctly, as well as control of axle overweight and respect of the indications on the signalling panels</p>	Borrower Executing Agency

Completion Report of the Borrower

Sources of information

Project appraisal report prepared by the Bank in July 2000

Project supervision reports prepared by the Bank:

- May 2003
- November 2003
- April 2004
- November 2004
- April 2005
- April 2006
- November 2006

2004 and 2005 Audit reports of the Study and Audit firm

En-of-works report on the construction of the Ambam-Eking road, prepared by BET STUDI International (March 2005)

Progress report of the ancillary works by BET STUDI International (February 2007)

Project Completion Report prepared by the Borrower (March 2007)

Training missions prepared by BET SCET Cameroon (March, April, May, June 2006)

Sensitization missions prepared by NGO APSED CAM (February, March, April 2006)

Study of the Road Master Plan of Cameroon BET AIC PROJETTI (February 2006)

Report on reception of Computer, transport and farm produce processing equipments

Road counts provided by the Administration

Financial statements prepared by the Bank.

Borrower's comments on the Bank's PCR

By letter N°5016/L/MINTP/SG/DIER of 03 September 2007 signed by the Minister of Public Works the following observations were made by the Borrower:

1- Point 5 of the item "Lessons" of the report (page 17) mentions that training was limited to personnel of central services whereas they involved personnel of the central services, those of external services, as well as those of the other Ministerial departments responsible for forests and environmental protection. When this observation is taken into account, it would be necessary to reformulate recommendation (3) to the Borrower (page 18 of the report).

2- At point 1.4 of the introduction, it is stated that the Cameroonian Government's counterpart increased due to the fact that the ancillary works started during the period of loan closure and was therefore borne by the Government. However, in actual fact, although it is true that the late start-up of the ancillary works contributed to the increase in the Government's counterpart (catering for the extension of project monitoring), it must be specified that the real causes of the increase were the depreciation of the UA and overruns of the estimates made at project appraisal. These causes led to providing for funding of the ancillary works by the Government on contract signature.

Besides these two observations, the Borrower shares the essence of the conclusions of the completion report submitted to it by the Bank.