

AFRICAN DEVELOPMENT FUND



BENIN

OUEME VALLEY AGRICULTURAL INFRASTRUCTURE SUPPORT PROJECT (PAIA-VO)

PROJECT PREPARATION FINANCING (PPF)

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OSAN DEPARTMENT

July 2013

Translated Document

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1. INTRODUCTION

1.1 Background Information

1.1.1 Benin is one of the poorest countries in the world. It features among the least developed countries and was classified 166th out of 187 on the Human Development Index (HDI) scale in 2012¹. According to the Integrated Household Living Conditions Survey (EMICoV 2010), the incidence of poverty, roughly equivalent to USD 1² per day, is about 40.8%. The level is much higher in the rural areas - 51.8% compared to 24% in the urban areas.

1.1.2 Benin's food and nutritional balance declined in 2007 and 2008 following the widespread increase in the price of food and petroleum products, before slightly improving in 2009 with measures taken to sustain food crop production. Due to climate change, this country has been hit by floods in recent years, resulting in substantial damage to farmlands and harvests, and putting a significant part of the population in a state of food insecurity. The food situation has been worsened by conditions in Sahelian countries that have experienced reduced rainfall and have had to turn to Benin to supplement part of their food shortfall. Overall, food prices have risen since 2010, thus further reducing food access to poor households.

1.1.3 The Government of Benin and the Bank have retained the agricultural sector and agricultural modernization geared towards the optimal and sustainable development of its potential as one of their CSP (2012-2016) priorities, as reflected under Pillar I: development of production and competitiveness support infrastructure. Particular attention will be paid to such cross-cutting themes as social inclusion, youth employment and resilience to climate change, with a view to contributing to inclusive and green growth.

1.1.4 The Ouémé Valley Agricultural Infrastructure Support Project (PAIA-VO) is included in the 2013 lending programme emanating from CSP 2012-2016, with an allocation of UA 38.74 million (UA 38.24 million ADF loan and UA 0.5 million ADF grant). Drawing on past experiences, the identification and preparation missions highlighted the importance of quality at entry. The studies and services proposed for PPF funding will generate priority procurement and management documents necessary for a smooth project take-off. Board presentation is scheduled for end 2013.

1.1.5 The proposed project will accompany efforts aimed at developing sustainable agriculture that will better meet the needs of the local market, the agro-food industry and markets of the sub-region. This project will develop areas with a high potential for rich soils not yet cultivated or barely so. It will help to improve the income of the target population by promoting promising sectors and contributing to the development of agricultural entrepreneurship and agro-business. PAIA-VO will contribute to the joint initiative (African Union, AfDB, ECA and ILO) to create employment for African youths. The project will focus on production infrastructure, especially irrigation facilities, and farmers' capacity building. It will benefit rural businesses and promote the expansion and development of agricultural entrepreneurship in the Ouémé Valley, as well as complement other donor operations. In this regard, the Government of Benin submitted a request to the ADF on 7 June 2013 for a UA 444 000 Project Preparation Financing (PPF) (Annex 2).

1.1.6 The request is for financing to establish the baseline situation, prepare the monitoring/evaluation system, the detailed design (preliminary sketches and bidding documents) of irrigation facilities and priority rural infrastructure, as well as the preparation of a procedures

¹ Human Development Index 2012 classification- UNDP 2013 Human Development Report

² Proportion of the population living with less than USD 1 per day

and the establishment of an accounting system that will guarantee good execution of the project from start-up. The PPF also provides for the recruitment of managerial staff to coordinate PAIA-VO.

1.2 Project Objective and Description

1.2.1 The project is located within the lower and middle Ouémé Valley. It covers an area of 4 770 km² in the country's South-east with over 1.4 million inhabitants living in 14 municipalities ("communes") under three administrative districts: Ouémé, Zou and the Atlantique. It is a very fertile valley located along the Ouémé River, with a significant irrigation potential. The area was selected based on the following criteria: (i) high potential for cultivable and irrigable land with good rainfall; (ii) densely populated with a strong work force; (iii) budding rural organizations; (iv) strong potential for the development of agricultural entrepreneurship; and (v) complementarity with other agricultural initiatives and development programmes.

1.2.2 The project's sector objective is to contribute to food self-sufficiency and foster strong and inclusive economic growth in Benin. Its specific objective is to contribute to a sustainable increase in productivity and crop production through the promotion of promising sectors in the middle and lower Ouémé Valley. The project is based on the following three components: (i) development of structuring agricultural infrastructure; (ii) promotion of agricultural activities and professional training of farmers; and (iii) project management. It will include the following structuring actions: (i) irrigation development (irrigation schemes, wetlands, market garden plots); (ii) development of processing infrastructure, storage/conservation, marketing and transportation (farm-to-market roads); and (iii) purchase of agricultural production and processing equipment.

1.2.3 The following activities are slated for implementation under the first component: (i) rehabilitation of 1 000 hectares of irrigated land with full water control on 13 sites (including 11 older irrigated areas supervised by SONIAH); (ii) 3 500 hectares of wetlands, with about 2 800 hectares partially developed in floodable plains, and 700 hectares of wetlands developed for rice cultivation; (iii) 300 hectares of market garden plots for women; (iv) development of 200 hectares of raised beds in Aguégoués municipality; (v) rehabilitation of about 200 km of farm-to-market roads leading to the main developed areas, and construction of 10 small boat-landing areas; and (vi) construction of 50 storage warehouses, 100 drying areas, 6 assembly centres, and modernisation of 10 markets.

1.2.4 The second component will involve the following: (i) *development support*: support extension, production, certification and improved seedling distribution activities, supply quality input and agricultural equipment, crop pest control, support the establishment of financing mechanisms, and research/development; (ii) *build the capacity of actors*: organize, structure and strengthen the capacity of 100 management committees and farmers' cooperatives, support land tenure security, prevent transhumance-related conflicts and provide support to MAEP (monitoring/evaluation, gender, environment); (iii) *support food processing and marketing*: equipment and agro-food processing units, support product marketing (technical assistance, market information system, etc.); (iv) *develop agricultural entrepreneurship*: support efforts to develop and equip the training centres at Kétou and Zangnanado, support the installation of young agricultural entrepreneurs by partnering with the Agricultural Entrepreneurship Promotion Project (PPEA-UNDP), support the emergence of agri-related businesses in the Ouémé Valley.

1.2.5 The management component will essentially involve: (i) coordination of project activities; (ii) administrative, accounting and financial management; (iii) procurement of goods, works and services; (iv) setting up of a communication plan; and (iv) monitoring/evaluation of project implementation and execution of the environmental and social management plan. At the environmental level, this project is classified under Category 2.

1.3 Justification and Use of the PPF Advance

1.3.1 Benin's portfolio reviews and project completion reports revealed a number of weaknesses, notably: (i) the long ratification delays; (ii) the weak mobilization of counterpart financing; (iii) the delay in setting up project coordination units; (iv) inadequate financial management; and (iv) the slow pace of procurement. These constraints led to delays in preparing technical studies for launching the related infrastructure and development works, and putting in place effective financial management tools. Consequently, implementation delays were recorded overall, leading to numerous postponements with a negative effect on the portfolio and the country.

1.3.2 To ensure a smooth take-off of PAIA-VO and its ownership by various stakeholders, and in light of past experiences, it was deemed necessary during project preparation to: (i) establish the baseline situation; (ii) set up a monitoring/evaluation system; (iii) prepare technical studies (preliminary designs/bidding documents) on priority works; and (iv) ensure that coordination and project management tools are put in place. With the adoption of such an approach, project activities will most likely start up as soon as the operation becomes effective. From PAIA-VO's onset, the project management unit will be provided with a viable financial management system, a monitoring/evaluation system in line with the indicators retained in the logical framework, and bidding documents for the recruitment of contractors to handle the main infrastructure.

1.3.3 Furthermore, in line with the Project Preparation Facility Operational Guidelines (ADF/BD/WP/99/87/Rev.3 of 14 February 2000), PPF use will improve PAIA-VO's quality at entry, and facilitate the implementation of pre-contract services, including the revision of technical designs and bidding documents. It will also facilitate the implementation of an inclusive approach involving the authorities and beneficiaries, and encouraging their participation in project preparation.

1.3.4 Since it is Government's responsibility to prepare the project, recourse to the PPF to finance the above-mentioned activities is an appropriate response aimed at rapidly mobilising the necessary resources, in light of the country's budgetary constraints. The lack of skilled human resources and the administration's inability to conduct these studies due to weak internal organisation plead in favour of mobilising PPF resources to recruit expert consultants capable of providing the services needed within the required timeframe and in respect of the norms.

2. DESCRIPTION OF PPF ACTIVITIES

2.1 Description of the Studies

2.1.1 The consultants recruited will be responsible for conducting the different studies and providing the necessary services for smooth project take-off, including: (i) studying the baseline situation and establishing the PAIA-VO monitoring/evaluation system; (ii) preparing engineering designs on gravity-fed irrigation infrastructure, priority access roads and related engineering works; and (iii) preparing a financial and accounting procedures manual, and setting

up an accounting system. Provision should also be made for the recruitment of six persons to coordinate the project. A summary of the different ToRs is attached as Annex 4.

Study of the Baseline Situation and Establishment of a Monitoring/Evaluation System

2.1.2 Initially, the consultant will establish the baseline situation at various project intervention sites and areas. In this regard, he/she will review available literature, draw up as precise a “photograph” of the intervention sites and zones as possible, and conduct additional socio-economic surveys among the population concerned. Other issues to address include gender, land holding, youth employment, obstacles to the development of agro-business and promotion of entrepreneurship.

2.1.3 The establishment of the baseline situation will facilitate the compilation of a complete database on rural development aspects in the Ouémé Valley, particularly the location of agricultural production zones by crop type, the main rural infrastructure (farm-to-market roads, irrigation infrastructure, wetlands to develop, markets, warehouses, sheds and processing units). For each site retained, an estimate of the beneficiaries will be made, based on gender.

2.1.4 For the design and establishment of the monitoring/evaluation system, the consultant will specifically define: all the indicators related to the project logical framework; the information collection, transmission, processing, analysis and dissemination system; and the type of databases. This will be done in close collaboration with the MAEP Directorate of Programming and Forecast and the PPF coordination team, and will result in: (i) the use of the data collected for the baseline situation; (ii) the definition of the results-based logical framework, accompanied with impact and outcome indicators; (iii) the drafting of a monitoring/evaluation system technical manual; and (iv) the design and deployment of an impact-oriented computerized monitoring/evaluation mechanism that is compatible with the accounting and financial database. The entire mechanism should connect with the existing MAEP system and the PNIA monitoring framework.

Study of Structuring Facilities and Infrastructure

2.1.5 The consulting engineer will prepare the technical specifications and the bidding documents to allow for the subsequent implementation of works according to mandatory standards. He/she will review the available literature in the country and work closely with structures handling different project components (DPP, DGR, CARDER, OP, etc.). He/she will conduct a prior diagnosis of the existing infrastructure (irrigation facilities, wetlands, farm-to-market roads, etc.), and analyse the operating, maintenance, development and management methods. Thereafter, he/she will produce detailed preliminary designs of the planned priority infrastructure and prepare the corresponding bidding documents. All rural infrastructure engineering designs will incorporate climate change adaptation measures, taking into account the Ouémé Valley’s vulnerability.

2.1.6 The consultant will put emphasis on the concerted participation of all stakeholders, notably the beneficiaries and farmers’ cooperatives (choice of the types of development, land tenure, operating and management methods). He/she shall ensure the full ownership by future beneficiaries of options retained through various participatory instruments (discussions on the ground, restitution and validation workshops, etc.).

2.1.7 Gravity-fed irrigation schemes: This concerns the rehabilitation of 1 000 hectares of irrigated land with total water control on thirteen sites (11 areas formerly managed by SONIAH and two new sites in Zou Division). These studies will review and define gravity-based development options, right from the intake facility. The consultant will use the results and conclusions of the study funded by the Arab Bank for Economic Development in Africa (BADEA) in the early 2000s, and will undertake all the necessary technical investigations to update the data (hydrology, geotechnical analysis, pedology, topography, crops, etc.). He/she will verify to ensure that the rehabilitation options proposed are still relevant, and will then make the technical updates deemed necessary. This study will focus principally on water supply to the sites (water intake from the river), resizing of the scheme's intake structures, the design of the irrigation (canals, diverters, etc.) and drainage network, parcelling of the scheme, land levelling, farm roads, etc. The consultant will conduct topographical surveys of various units and undertake hydrological investigations to highlight flooding periods and quantify water availability after the flood, for the cropping seasons. As part of this study, the consultant will conduct a survey to characterize the pedology of each site and draw up a land capability map.

2.1.8 The consultant will also propose management and maintenance modalities in close collaboration with the beneficiaries. Agricultural activities in the lower part of the valley are closely tied to the Ouémé River overflowing its banks and fertilizing the soil with lime humus. This river is also used for fishing activities. The increasingly frequent and serious flooding attributable to climate change also requires that measures be taken to limit its impact on structures and secure investments. Therefore, in concert with stakeholders, the consultant must define the types of maintenance activities to put in place, including the organizational methods and a fee system. These studies should identify measures to take to mitigate constraints that could endanger the operation of the irrigation facilities. Among the themes to explore, the consultant will examine such potential constraints as: (i) the lack of irrigation expertise, poor maintenance of the irrigation and drainage network, and difficulties in defraying operating and maintenance charges; (ii) land issues that could limit producers' initiatives to set up sustainable investments; and (iii) difficulties during the rainy season to reach the site due to the unusable state of several farm-to-market roads.

2.1.9 The consultant will conduct detailed studies for each of the 13 irrigation sites and prepare the bidding documents. Restitution workshops will be organized for all stakeholders. DGR and CARDER will be fully associated with the implementation and monitoring.

2.1.10 Wetlands and floodable plains: With respect to wetlands commercially developed (700 ha) and the areas summarily developed using the labour-intensive method (2 800 ha), the consultant will work closely with the beneficiaries to put together the most appropriate models for developing, operating and managing the sites. The consultant will draw from the available wetlands inventory and characterisation (WADB, 2010), as well as the initial study conducted during the PAIA-VO preparatory phase, in collaboration with DGR and CARDER. For the most part, work to be done should consist of developing land parcels (levelling and belt levees), restoring or installing drainage axes, and constructing access roads. In some cases, depending on the nature of the sites, water supply through gravity or from small pumps could be proposed. For wetlands commercially developed (700 ha), the consultant will conduct preliminary studies on a priority area of about 200 hectares, divided into 2 or 3 sites, chosen in consultation with the stakeholders involved (DNR, CARDER, municipalities, OP, etc.). Investigations should be substantially similar to those used for the irrigated units. Concerning the summarily developed area (2 800 hectares), the consultant will draw from the experience of similar projects (PUESA, PADA, etc.) to define the most appropriate techniques, operational and management methods.

He/she will pool the data and conclusions that will be used to characterize actions to take under this component.

2.1.11 Market garden plots: Market garden plots, specifically reserved for women, will be set up and developed. Their design and location will depend on the specific conditions of each zone and the concerted needs expressed by the beneficiaries, taking water availability into consideration. In non-flooded areas (edge of plains or on the plateau), market garden plots could be installed based on various development methods (wells, basins, small water towers, small boreholes with PVC tubes, engine pumps, etc.). The consultant will examine and analyse the sites proposed and prepare standard development dossiers as necessary (boreholes, wells, streams, etc.), adapted to the needs of women beneficiaries. The total surface area should be around 300 hectares. The consultant will define an initial needs assessment depending on the zone and the development form chosen, specifying for each category the technical characteristics and management methods to deploy.

2.1.12 Farm-to-market roads: With respect to farm-to-market roads, justifications will be given regarding sections to rehabilitate, especially in terms of opening access to facilities retained and linking agricultural production centres with marketing centres. The priority sections selected for preliminary sketches and preparation of bidding documents will be those that give access to 1 000 hectares of gravity-fed irrigation schemes and 200 hectares of the priority wetlands developed (cf. paragraphs 2.1.7 and 2.1.10). Besides the areas concerned, works will be quantified by indicating the technical specifications to follow, including those on related engineering structures (riffles, culverts, etc.). In all, about 50 km of the 200-km farm-to-market roads planned will be included in the preliminary sketches and bidding documents.

2.1.13 Various agricultural buildings: The project provides for the construction of agricultural infrastructure (warehouses, drying areas, assembly centres, markets), as well as boat-landing areas. To characterize this infrastructure, the consultant will follow best practices adopted by other projects in the zone. For each type of construction (warehouse, drying area, assembly centres, markets, boat-landing areas), the consultant will prepare a specific bidding document that will include standard plans, bill of quantities, technical specifications and estimates.

Preparation of an Administrative and Financial Procedures Manual

2.1.14 A consultant will be recruited to produce an administrative, financial and accounting procedures manual for PAIA-VO and put a corresponding accounting system in place. The manual will define the organization and operation of different organs, the project information system, the profile of key positions, the main operating management procedures as well as the financial and accounting procedures. The accounting system will draw inspiration from SYSCOHADA. It will contain the budgetary, analytical and general modules to generate the financial statements and reports required by the Bank, especially the quarterly financial reports and the yearly financial statements. The service offered will include user training.

Assistance in Recruiting the Project Team

2.1.15 An independent firm will be hired to recruit the project team, which will comprise: a coordinator, a monitoring/evaluation specialist, a procurement specialist, an administrative and financial manager, an internal auditor and an accountant. The firm will principally be charged with: (i) publishing the calls for candidature; (ii) receiving, classifying and registering applications from candidates per position; (iii) designing and preparing the candidates'

scorecard; (iv) opening the applications and proposing a shortlist of those to invite for interview; (v) inviting shortlisted candidates; (vi) organizing and conducting interviews with the candidates; and (vii) preparing a final report summarizing the steps taken and the outcome of the recruitment process.

Accounts Audit

2.1.16 On completion of various PPF services, an audit firm will be recruited to audit PPF-related accounts.

2.2 Description of Expected Outcomes

The PPF advance requested by the Government of Benin will be used: (i) to establish the PAIA-VO baseline situation and prepare the project monitoring/evaluation system; (ii) conduct engineering studies on irrigation facilities and priority farm-to-market roads; (iii) collect standardized data for basic development of the wetlands, market garden plots, warehouses, drying areas, assembly centres and boat-landing areas; (iv) put project management tools (procedures manual and an accounting system) in place; and (v) recruit the project coordination team (6 managerial staff).

3. ESTIMATED COSTS OF PRELIMINARY ACTIVITIES

3.1 Detailed Estimated Cost of the Studies

The table below gives details of the estimated cost, net of taxes and customs duties, in foreign exchange and local currency (cost expressed in UA).

HEADING	Units	Unit Price	Qty	Local Currency	Foreign Exchange	Amount
1. REMUNERATION OF CONSULTING FIRMS						
1.1 Preliminary sketches/bidding documents for priority agricultural infrastructure (1 000 ha PI, 200 ha BF, 50 km roads)						
Honorarium						
Chief of Mission, Rural Engineering Expert	P/M	12 000	4		48 000	48 000
Expert Agricultural Economist	P/M	10 000	2		20 000	20 000
Expert Socio-Economist	P/M	5 000	2	10 000		10 000
Water Engineer	P/M	5 000	1	5 000		5 000
Topographic Activities	Lump sum	75 000	1	75 000		75 000
Pedology	Lump sum	50 000	1	50 000		50 000
Miscellaneous costs						
Communication and report writing	Lump sum	10 000	1	10 000		10 000
Vehicle lease	Lump sum	5 000	1	5 000		5 000
Subsistence allowance	Lump sum	100	50	5 000		5 000
Public consultations and restitution workshop	Lump sum	10 000	1	10 000		10 000
Reimbursable expenses						
International travel	Unit	3 000	3		9 000	9 000

HEADING	Units	Unit Price	Qty	Local Currency	Foreign Exchange	Amount
Satellite maps and images	Lump sum	10 000	1		10 000	10 000
S/Total 1.1				170 000	87 000	257 000
1.2 Baseline Situation and SEV						
Honorarium						
Monitoring/Evaluation Expert	P/M	12 000	2		24 000	24 000
Expert Socio-Economist	P/M	5 000	2	10 000		10 000
Expert Agronomist	P/M	5 000	2	10 000		10 000
GIS Database Expert	P/M	12 000	1		12 000	12 000
Cost of local interviewer	Lump sum	24 000	1	24 000		24 000
Miscellaneous costs						
Communication and report writing	Lump sum	5 000	1	10 000		10 000
Vehicle lease	Lump sum	5 000	1	5 000		5 000
Subsistence allowance	Lump sum	100	80	8 000		8 000
Consultations and restitution workshops	Lump sum	10 000	1	10 000		10 000
Reimbursable expenses						
International travel	Unit	3 000	3		9 000	9 000
S/Total 1.2				77 000	36 000	113 000
1.3 Procedure Manual and Accounting Software						
Procedure manual and accounting system	Lump sum	29 000	1		29 000	29 000
S/Total 1.3				0	29 000	29 000
1.4 Recruitment of the PAIA-VO team						
Recruitment of 6 PAIA-VO managerial staff	Lump sum	35 000	1		35 000	35 000
S/Total 1.4				0	35 000	35 000
1.5 Final PPF audit						
Audit	Lump sum	10 000	1		10 000	10 000
S/Total 1.5				0	10 000	10 000
SERVICES SUB-TOTAL				247 000	197 000	444 000
2. PROJECT-RELATED OPERATIONS						
Staff allowance (3 experts/12 months)	P/M	500	36	18 000		18 000
Accountant's allowance	P/M	300	12	3 600		3 600
Operating expenses	Month	5 000	12	60 000		60 000
SUB-TOTAL OPERATIONS				78 000	0	78 000
GRAND TOTAL				325 000	197 000	522 000

The PPF amount (UA 444 000) will be used in financing all expenditure under the Services category: engineering studies, preliminary sketches/bidding documents (UA 257 000), baseline situation and the monitoring/evaluation system (UA 113 000), procedures manual and installation of the accounting system (UA 29 000), assistance in recruiting the PAIA-VO team (UA 35 000), and audit (UA 10 000).

3.2 Financing Plan

The financing plan is given in the table below (amounts in UA). The counterpart contribution, which represents 11% of the cost in local currency, will cover the salaries of staff involved in the studies as well as the operating expenses.

Sources of Financing	Local Currency	Foreign Exchange	Total
PPF	247 000	197 000	444 000
Government	78 000	0	78 000
TOTAL	325 000	197 000	522 000

4. PROCUREMENT OF SERVICES

4.1 Consulting firms will be recruited in line with Bank Rules and Procedures for the Use of Consultants (May 2008 Edition, revised July 2012), based on a short list of specialized firms. The quality and cost based selection (QCBS) procedure will be used in choosing consulting firms charged with: (i) conducting the preliminary engineering studies and preparing the bidding documents; (ii) establishing the baseline situation and the SEV; (iii) preparing the administrative and financial procedures manual, and putting the accounting system in place; and (iv) setting up the coordination unit. The PPF audit firm will be selected on a least-cost basis.

4.2 The following documents will be submitted to the Bank for review and approval prior to publication: (i) the general procurement notice; (ii) the call for expression of interest; (iii) the call for proposals from consultants; (iv) the report following the assessment of technical proposals from consultants; (v) the report following the assessment of financial proposals from consultants, including contract award recommendations accompanied with minutes of negotiations and the initialled draft contract.

5. EXECUTING AGENCY AND SCHEDULE

5.1 Placed under the authority of the Directorate of Programming and Forecast (DPP) of the Ministry of Agriculture, Livestock and Fisheries, the PPF coordination unit will be responsible for the technical supervision and financial management of the PPF. Attaching the PPF to the Ministry of Agriculture will allow for the smooth coordination of activities and their integration into national strategies and programmes.

5.2 In addition to its functions, which include many that are PPF-related (agricultural production, rural engineering, marketing, sub-sector support, youth employment, etc.), DDP will be in a position to implement the study. Its staff are well versed in development issues, monitoring of Bank projects and collaboration with TFPs. Other ministries involved in rural development (Environment, Territorial Administration, Women and Youth Employment, Commerce, etc.), will also be consulted. A management unit comprising 3 experts (a team leader/agro-economist, a rural engineering expert and an agronomist) will be set up. The DPP will be responsible for keeping the accounts and preparing the financial statements.

5.3 The Bank will closely monitor the services provided and the intermediate outcomes. Study-related activities will be spread over a period not exceeding 12 months from the agreement effectiveness date (the date in which the Government shall countersign the contract). The activities will be implemented as follows:

Activities / Actions	Responsible Party	Deadline
Board approval	ADF	M0
Signature of the Letter of Agreement	ADF	M0+0.5
Publication of the call for expression of interest	Government	M0+1
Approval of call for proposals and short lists	Government/ADF	M0+2
Publication of call for proposals	Government	M0+2
Appraisal and selection of consulting firms	Government	M0+3
Contract approval and signature by AfDB	Government/ADF	M0+3.5
Engineering studies inception workshop	Government/ADF/Benin/Consultant	M0+4
Restitution workshops on the preliminary reports	Government/ADF/Benin/Consultant	M0+7
Drafting of the final reports	Consultants	M0+8
1.5 Final PPF audit	Government	M0+11

6. FINANCING ARRANGEMENTS

6.1 Refinancing and Reimbursement of Advances

PAIA VO is to be financed with an advance from the PPF. The advance will be refinanced and reimbursed in accordance with the financial provisions applicable to PPF advances as stipulated in the operational guidelines (ADF/BD/WP/99/87/Rev.3, 2000).

6.2 Suspension of PPF Advance Disbursement

Should it become necessary to suspend the disbursement of PPF advances, such suspension shall be made in compliance with the guidelines governing the use of PPF resources.

6.3 Special Account

There are no plans to open a special PPF account. The resources of the advance will be used solely to finance the services of the consultants hired to conduct the different studies and the audit. Services provided will be paid for using the direct payment method.

6.4 Audit Arrangements

A qualified audit firm will conduct one external audit in compliance with international norms on completion of the PPF. The Bank's terms of reference will be adjusted to take into account the PPF's specificity (PPF duration, absence of a special account, limited number of direct payments). The Directorate of Programming and Forecast of the Ministry of Agriculture, Livestock and Fisheries will be responsible for the PPF's financial management.

6.5 Letter of Agreement and Annexes

The draft Letter of Agreement and its annexes (subject, terms and conditions for the advance and financial provisions applicable to PPF advances) are attached as Annex 3.

7. CONCLUSION AND RECOMMENDATION

7.1 Conclusion

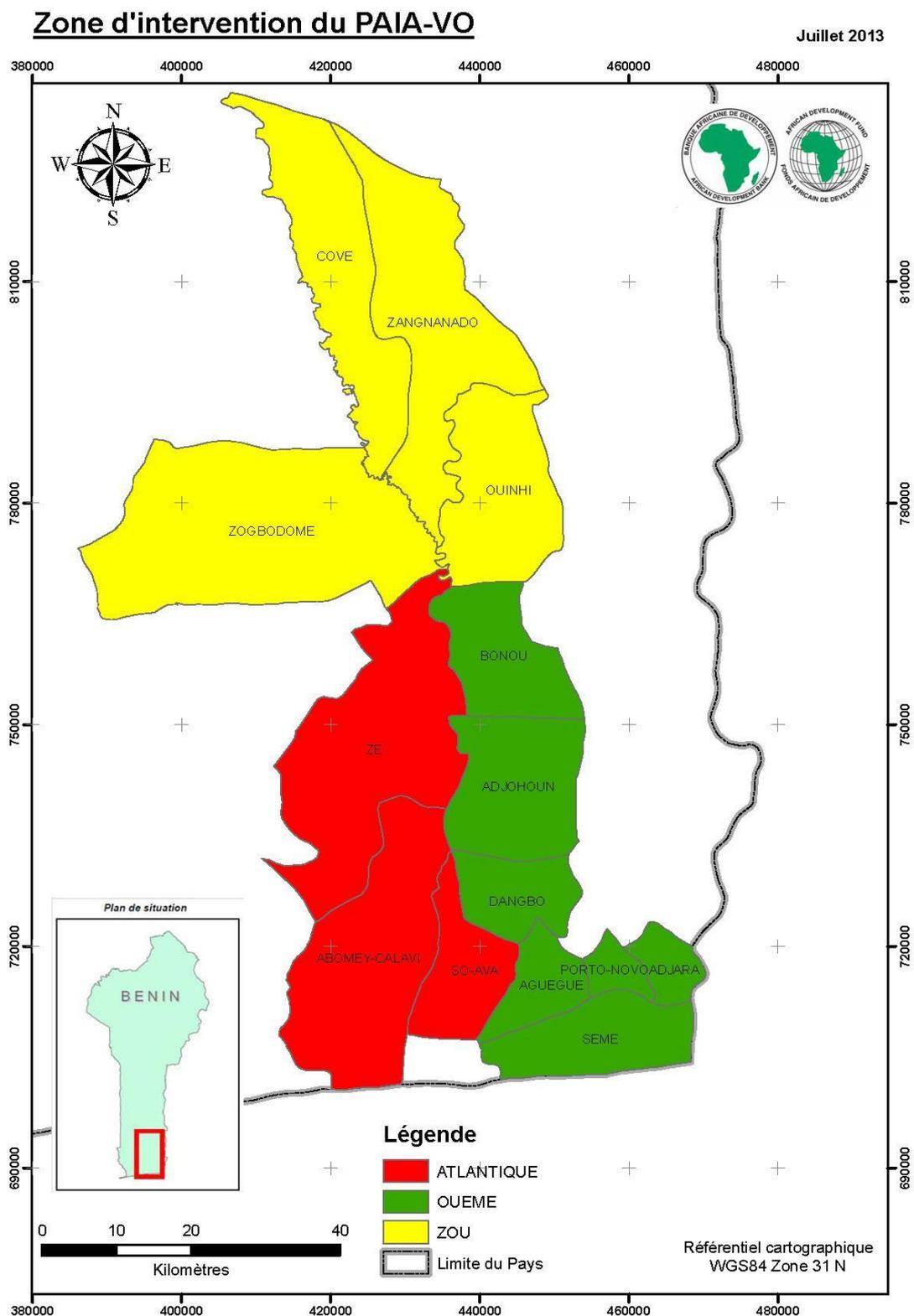
The PPF advance requested by the Government of Benin will facilitate the smooth take-off of the Ouémé Valley Agricultural Infrastructure Support Project, which is scheduled for presentation to the ADF Board of Directors end 2013. The outcome of the studies and services financed by the PPF will help to ensure the availability of the baseline situation and preparation of the monitoring/evaluation manual, the priority agricultural infrastructure bidding documents (irrigation facilities, farm-to-market roads) and management tools (the procedures manual and the accounting system). The PAIA-VO coordination team will also be recruited. The PAIA-VO project, for which these studies are planned, is included in the CSP (2012-2016) as part of the Bank's cooperation programme with Benin, within the ADF-12 framework.

7.2 Recommendation

In light of the foregoing, it is recommended that the Government of Benin be extended an advance not exceeding UA 444 000 to finance services in connection with the smooth start-up and implementation of the Ouémé Valley Agricultural Infrastructure Support Project.

LOCATION OF THE PROJECT AREA

The Ouémé Valley Agricultural Infrastructure Support Project (PAIA-VO) will cover 14 municipalities in Ouémé, Atlantique and Zou Divisions (7 municipalities in Ouémé: Adjohoun, Aguégué, Adjara, Bonou, Dangbo, Porto-Novo and Sèmè; 3 municipalities in Atlantique: Zé, Abomey-Calavi and Sô-Ava; and 4 municipalities in Zou: Covè, Ouinhi, Zangnanado and Zogbodome).



APPLICATION FOR PROJECT PREPARATION FINANCING

1. Project/study name	:	Ouémé Valley Agricultural Infrastructure Support Project
2. Country	:	Republic of Benin
3. Borrower	:	Government of the Republic of Benin
4. Executing Agency	:	
a) Name	:	Directorate of Programming and Forecast of the Ministry of Agriculture, Livestock and Fisheries
b) Address	:	03 BP 2900 Cotonou, Republic of Benin
5. Description of preparatory activities	:	The PPF advance requested by the Government of Benin will be used to: (i) establish a baseline situation and set up a monitoring/evaluation system for the PAIA VO project; (ii) conduct detailed preliminary studies of irrigation facilities, farm-to-market roads and other agricultural infrastructure; (iv) develop management tools: a procedures manual and a computerized accounting system; and (v) conduct accounting audits.
6. Justification of preparatory activities	:	The preparatory activities aim at speeding up the drafting of project documents and the adoption of technical measures to ensure the effective start of project activities immediately after the financing agreement is signed with the Government of Benin and ratified by the National Assembly.
7. <u>Project estimated cost</u>		
a) Foreign exchange	:	UA 197 000
b) Local currency	:	UA 325 000
c) Total	:	UA 522 000
8. <u>Financing Plan</u>		
a) ADF	:	UA 444 000
b) Govt	:	UA 78 000
c) Total	:	UA 522 000

9. Procurement method :
proposed
- a) Services : Firms will be recruited in line with Bank Rules and Procedures for the Use of Consultants (May 2008 Edition, revised July 2012). The recruitment will be made from short lists of specialized consulting firms. The quality and cost based selection (QCBS) procedure will be used in choosing consulting firms charged with: (i) conducting the preliminary engineering studies and preparing the bidding documents; (ii) establishing the baseline situation and the SEV; (iii) preparing the administrative and financial procedures manual, and putting the accounting system in place; and (iv) setting up the coordination unit, using quality and cost based selection. The PPF audit firm will be selected on a least-cost basis.
- b) Goods (if applicable) : Not Applicable
- Miscellaneous, including : Not Applicable
local staff
10. Implementation Plan : See the implementation schedule
11. Proof of Government's commitment to execute the project, study or programme concerned :
- a) Explain and assess Government's chances to complete the project, the study or the programme : This project was the subject of an identification report in February 2012 and a preparation report in 2013. A steering committee that also includes a technical sub-committee has already been set up as per the memorandum signed by the Secretary-General of the Ministry of Agriculture, Livestock and Fisheries. The Ministry of Agriculture, Livestock and Fisheries, the Ministry of Development, Economic Analysis and Forecast, and the Ministry of Economy and Finance (MEF) are all stakeholders in the formulation and implementation of this project.

- b) State the name and position of the official who will sign the Letter of Agreement : Jonas A. GBIAN;
Minister of Economy and Finance
- c) State the name of the project coordinator charged with monitoring activities and utilisation of the advance : Assogba HODONOU

12. Signature/seal of the Minister of Economy and Finance

(signed)

Date: 26 June 2013

LETTER OF AGREEMENT FOR THE PROJECT PREPARATION ADVANCE

His Excellency
Marcel Alain de SOUZA

Minister of Development, Economic
Analysis and Forecast
COTONOU – Benin

Subject: Benin – Ouémé Valley Agricultural Infrastructure Support Project

Letter of Agreement for the Project Preparation Advance

Honourable Minister

With reference to your letter dated particularly your request for the financing of studies on the preparation of the project referred to above, we are pleased to inform you that the African Development Fund has favourably considered your request and agreed to grant the Republic of Benin (hereinafter referred to as the “beneficiary”) an amount of UA 444 000 (..... units of account) (hereinafter referred to as the “advance”) to finance some expenditures required by the studies on the preparation of the Ouémé Valley Agricultural Infrastructure Support Project.

The advance is granted for the purposes and under the terms and conditions set out in Appendices I and II attached to this letter.

In confirming the agreement below, the beneficiary declares that it is authorized to contract, withdraw and repay the advance for the purposes, and under the terms and conditions stipulated in the Annexes of this Letter of Agreement.

The amounts withdrawn from the advance will attract an annual 0.75 % service charge in accordance with paragraph 5 of the financial provisions applicable to project preparation advances set out in Appendix II of this Letter of Agreement.

The financing of the preparation activities does not constitute, nor does it imply on the part of the Fund, any commitment to contribute to financing the project referred to in the envisaged study.

We should be grateful if you could confirm, on behalf of the beneficiary, your consent to the provisions above by signing, dating and returning to us the attached copy of this letter. The agreement will come into force on the date it is countersigned by the Fund.

Please accept, Honourable Minister, the assurance of our highest consideration.

AFRICAN DEVELOPMENT FUND

By

.....

Vice-President for Operations

Date :

REPUBLIC OF BENIN

By

Marcel Alain de SOUZA

Minister of Development,
Economic Analysis and Forecast

Date :

Appendix I
Purpose, Terms and Conditions of the Advance

1. The advance shall be granted for the following activities necessary for the completion of project preparation:
 - i) Establishment of the baseline situation;
 - ii) Preparation of a monitoring/evaluation manual;
 - iii) Update and study of priority structuring infrastructure and investments (1 000 ha under gravity-fed irrigation, 200 ha of the wetlands, 50 km of farm-to-market roads);
 - iv) Production of standard technical documents for different infrastructure (summary development of wetlands, warehouses, drying areas, market sheds, boat landing areas);
 - v) Preparation of an administrative management, accounting and financial procedures manual;
 - vi) Installation of an accounting system;
 - vii) Recruitment of six project managerial staff;
 - viii) Accounts audit
2. The expenditures to be financed as summarized in Table 3.1 of the main report.
3. The beneficiary shall:
 - i) undertake the preparation activities referred to above with due diligence and efficiency;
 - ii) provide as soon as possible the funds, resources, services and all other resources required for the preparation activities;
 - iii) communicate to the Fund all information the Bank could reasonably request concerning those activities and the use of the resources of the advance; and
 - iv) periodically exchange views with the Fund's representatives on the progress and results of the activities.
4. The opening of a special account is not envisaged under this advance. Payments for consultancy services will be made through the direct payment method.
5. The beneficiary shall resort to consultants deemed acceptable by the Fund, in keeping with terms and conditions the latter deems satisfactory. The consultants shall be selected in accordance with principles and procedures deemed acceptable by the Fund and in conformity with the Rules of Procedure of the Fund for the Use of Consultants (May

2008 Edition, revised July 2012). The consultants may not be replaced and the terms and conditions of their employment may not be altered without prior agreement of the Fund.

6. The withdrawal, use and repayment of the advance shall be in conformity with the financial provisions applicable to advances for project preparation (“financial provisions”) set out in Appendix III.

7. In conformity with Paragraph 6 of the financial regulations, the advances shall attract a service charge.

8. The date of _____ is specified for the purposes of Paragraph 6 of the financial regulations. Beyond that date, no withdrawal may be made on the advance, and any amount not withdrawn shall be cancelled unless the Bank has fixed another date for purposes of Paragraph 6.

9. Requests to draw on the advance shall be signed by the Ministry of Finance and Budget or any other person designated in writing by the authorized representative of the Government. Authenticated signature specimens of the persons thus designated shall accompany the first request for withdrawal.

Appendix II

Financial Provisions Applicable to Project Preparation Advances

1. In the current provisions, the term “Fund”, means the African Development Fund (“the Fund”).

2. The Fund shall disburse to the beneficiary (Republic of Benin) an advance for the preparation of projects to cover the expenditures specified in the letter of agreement on the advance. The beneficiary shall present a written request for withdrawal in the form prescribed by the Fund. The request shall be signed by an authorized representative of the beneficiary and accompanied with documents in support of the expenditures made or, if the Fund agrees thereto, to be made.

3. The advance shall be disbursed in the local currency agreed between the Fund and the borrower, in accordance with the Fund’s disbursement rules.

4. Withdrawals shall be solely made to settle expenditures relating to services or goods from countries eligible by virtue of the Bank’s *Rules of Procedure for the Procurement of Goods, Works and Services*.

5. As specified by the Fund in the Letter of Agreement relating to the advance, the advance amounts withdrawn and not repaid shall attract a yearly 0.75 % service charge.

6. Withdrawals made from the advance, as well as the service charge due, shall be refunded by the beneficiary in accordance with the following procedures:

- a) Where, prior to or on the date agreed in that regard between the beneficiary and the Fund in the Letter of Agreement on the advance, a loan has been granted by the Fund to contribute to financing a project whose preparation is financed in advance, the advance amount withdrawn and not refunded shall be fully refunded to the Fund. The amount shall comprise the service

charge due at the date of refund. The refund shall be made through a withdrawal from the resources of the loan in conformity with the provisions of the agreement governing it, once the agreement comes into force.

- b) Where, at the date indicated in Paragraph (a) above no loan or grant has been obtained, or where at that date or at any later time the agreement governing the TAF loan or grant has expired without becoming effective:
 - i) In the event the amount withdrawn from the advance does not exceed UA 20 000, the amount shall be refunded to the Fund by the beneficiary, as well as the service charge due at the time of refund, at the date specified by the Fund in the notification addressed to the beneficiary; at all events, this date may not be less than 60 days after the date on which the notification is communicated; and
 - ii) In the event the amount withdrawn from the advance exceeds UA 20 000, the amount shall be refunded by the beneficiary in three equal annual tranches of the principal, to which will be added the service charge due on the amount, following the amounts and the dates specified by the Fund in the notification addressed by the Fund to the beneficiary; at all events, the first tranche may not be released less than 60 days after the date on which the notification is communicated.

7. All payments to the Fund shall be made in the currency of disbursement of the advance or in another currency agreed between the Fund and the borrower for the equivalent amount, in accordance with the disbursement rules of the Fund.

8. The Fund may at any time, through notification addressed to the beneficiary, suspend withdrawals on the advance where any of the following cases of suspension arises:

- (a) amounts withdrawn have not been used for the purposes agreed between the beneficiary and the Fund;
- (b) the preparation activities are not conducted in accordance with the standards or methods agreed between the beneficiary and the Fund; or
- (c) the right of the beneficiary or of any other entity to which the Fund has granted a loan with the beneficiary's guarantee to make withdrawals by virtue of a TAF loan or grant agreement concluded with the Fund, has been suspended.

9. Any time after the suspension of the withdrawals on the advance in accordance with these provisions, the Fund may, by notification addressed to the beneficiary, cancel any amount of the advance not withdrawn.

SUMMARY OF THE TERMS OF REFERENCE OF THE STUDIES AND SERVICES TO BE UNDERTAKEN WITHIN THE PPF FRAMEWORK

Studies and services to be undertaken within the PPF framework are summarized in the table below. Summary of the related terms of reference is presented subsequently.

ToR No.	Studies and Services
4A	Establishment of the baseline situation and introduction of a monitoring/evaluation system.
4B	Detailed preliminary designs and bidding documents for the irrigation development and priority farm-to-market roads, and identification of other PAIA-VO infrastructure.
4C	Preparation of an administrative, accounting and financial procedures manual, and installation of an accounting management system for PAIA-VO.
4D	Assistance in the recruitment of six managerial staff of the PAIA-VO coordination team.

<p>Annex 4A SUMMARY OF THE ToR FOR ESTABLISHING THE BASELINE SITUATION AND PUTTING THE MONITORING/EVALUATION SYSTEM IN PLACE</p>

I. PURPOSE

A specialized firm will be recruited to establish the PAIA-VO baseline situation and set up a computerized monitoring/evaluation system for the project. This activity will last four months.

II. DETAILS OF TASKS TO BE UNDERTAKEN

2.1 Establish a Baseline Situation

The consultant will establish the baseline situation at project sites and zones. In this regard, he/she will review available literature, draw up as precise a “photograph” of the intervention sites and zones as possible, and conduct additional socio-economic surveys among the population concerned. Other issues to address include gender, land holding, youth employment, obstacles to the development of agro-business and promotion of entrepreneurship.

On a broader front, the consultant will identify and analyse the issue of rural development within the Ouémé Valley area, concluding with an analysis of the existing equipment and infrastructure. The result should highlight the constraints as well as the development potential of the Valley, and provide a clear physical and socio-economic picture of the intervention zone. This diagnosis should also include the following activities: (i) data collection, particularly from already identified sites; (ii) the description and analysis of the current situation: the administrative and institutional framework, the physical environment, the human and population environment, and the economic context.

The consultant will conduct a survey of the identified sites with the help of present land holders and the surrounding communities. He/she will study current farming conditions and understand the views of the farmers on what obstacles they face in cultivating irrigated rice. The survey should also identify the farmers, the landholding situation, the degree to which rice cultivation is mastered, the level and degree of participation of women in activities, technical supervision, product marketing, and environmental practices.

Once the baseline situation is established, a complete database of rural development aspects in the Ouémé Valley will then be compiled, covering the location of the agricultural production zones by type of crops cultivated, and identifying the main rural infrastructure (farm-to-market roads, irrigation infrastructure, wetlands to develop, markets, warehouses, sheds and processing units). A gender-based headcount will be made of the beneficiaries for each site retained, with information on their respective activities.

2.2 Set up a Monitoring/Evaluation System

Secondly, the consultant will design and set up a computerized monitoring/evaluation system for PAIA-VO. To this end, he/she will clearly define: (i) all relevant indicators with regard to the project's logical framework; (ii) the information collection, transmission, processing, analysis and dissemination system; and (iii) the type of databases. This activity will be undertaken in close collaboration with the Ministry of Agriculture, Fisheries and Livestock, and the PPF coordination team. The purpose will be to: (i) review the data collected for the baseline situation, (ii) define the logical framework based on results obtained, accompanied with impact and outcome indicators; (iii) produce a monitoring/evaluation system technical manual; and (iv) design and set up an impact-oriented computerized monitoring/evaluation mechanism that is compatible with the existing accounting and financial database. The entire system should connect with the one currently being used at the Ministry of Agriculture, Fisheries and Livestock and at the PNIA.

III. EXPECTED OUTCOMES

At the end of the service, the consultant will deliver: (i) a report on the project's baseline situation; (ii) a results-based monitoring/evaluation manual; and (iii) a computerized database, as well as the software that will facilitate the monitoring/evaluation phase of the PAIA-VO project.

Annex 4B

SUMMARY OF THE TERMS OF REFERENCE OF PRELIMINARY STUDIES AND BIDDING DOCUMENTS ON THE IRRIGATION FACILITIES AND THE PRIORITY FARM-TO-MARKET ROADS, AND CHARACTERISATION OF OTHER PAIA VO INFRASTRUCTURE

I. STUDY OBJECTIVES

The technical studies scheduled under this component will focus on the rapid start of structuring activities of the Ouémé Valley Agricultural Infrastructure Support Project (PAIA VO). These include the preliminary sketches and the corresponding bidding documents of the following priority development and investment activities: 1 000 hectares of gravity-fed irrigation schemes, the selection of 200 hectares of wetlands and the construction of about 50 kilometres of farm-to-market roads. An overview of other agricultural infrastructure will also be presented, with the corresponding data and characteristics. The consultant will review literature currently available in Benin on the project area and will work closely with the technical structures involved (DGR, CARDER, etc.). The consultant's mission will be carried out in two phases: a preliminary design and the production of bidding documents. Both phases shall not exceed six months.

II. GENERAL DESCRIPTION OF THE SERVICES REQUESTED

The studies will be based on a participatory approach to ensure that the infrastructure planned meet the expectations of stakeholders and help to attain the sustainable development objective, taking various parameters into account (ownership, viability, sustainability, etc.). In this regard, it will be essential that the local communities and organizations involved in agriculture, including women's organizations, be fully involved. From the outset, those conducting the studies will closely involve the local authorities, farmers, farmers' cooperatives, private operators, service providers, technical services and other donors operating in the regions concerned. Therefore, throughout the study period, the consulting firm will undertake close consultations and organize many workshops for the benefit of all stakeholders. At the end of the studies, all documentation and conclusions will be presented to the different parties for approval.

The proposed study will be executed in two successive phases over a 6-month period.

- The first phase, lasting five (05) months, will be dedicated to a review of documentation as well as field visits and investigations, leading to the preparation of preliminary designs of various irrigation facilities and priority infrastructure (1 000 hectares of gravity-fed irrigation schemes, 200 hectares of wetlands, 50 km of farm-to-market roads) and the characterisation of other infrastructure. The consultant will also define the contractual framework as well as conditions for operating and managing the infrastructure retained.
- The second phase, to last one month, will be used in preparing bidding documents for the priority agricultural infrastructure and producing the general technical specifications for other infrastructure.

III. CONSISTENCY OF THE STUDIES

3.1 Preliminary Designs and Bidding Documents on Irrigation Schemes under Total Water Control (1 000 ha spread over 13 sites)

Initial diagnosis and data collection: This concerns the rehabilitation of 1 000 hectares of irrigated land with total water control on thirteen sites (11 areas formerly managed by SONIAH and two new sites in Zou Division). The studies will review the development options and propose ways to manage high waters and floods. They will provide a more detailed review and update of the development proposals made in previous studies funded by the Arab Bank for Economic Development in Africa (BADEA) and other development possibilities not yet investigated. In particular, the study will focus on the irrigation and drainage network, farm roads, land clearing and levelling, parcelling of the schemes and resizing of the intake facilities.

Agricultural activities in the lower part of the valley are closely tied to the Ouémé River, which overflows its banks and in the process fertilizes the soil with lime humus. It is also used for fishing. Measures also need to be taken to mitigate the impact of flooding, which is occurring more frequently and gaining in proportion, and thus endangering the structures and the security of investments. Therefore, the consultant should define the types of maintenance activities to put in place, including organizational methods and a fee system. Management and maintenance modalities should also be worked out together with the beneficiaries.

These studies should identify measures to mitigate the constraints that could limit the full utilisation of the total water control irrigation facilities, such as: (i) insufficient involvement of the beneficiaries in the initial design of the irrigation development projects; (ii) failure to master the irrigation techniques, maintain the irrigation and drainage networks, and difficulties in defraying the operating and management costs; (iii) land insecurity that does not encourage farmers to make sustainable investments; and (iv) difficulty of access during the rainy season because of the unusable state of many of the farm-to-market roads.

The consultant will undertake the following activities on a site-by-site basis: (i) make a head count of the land occupants, should it become necessary later on to secure the said land for them; (ii) a detailed topographical map showing the extent of the schemes and the sites for works; (iii) a detailed hydrological study; (iv) geo-technical surveys around the construction area; (v) a hydraulic survey to calibrate and size the irrigation and drainage works; (vi) site-by-site environmental and social impact assessment (ESIA) followed by a proposal for a site-by-site environmental and social management plan (ESMP); (vii) a detailed cost estimate; and (viii) bidding documents.

ESIA and ESMP: The consultant is expected to produce a separate environmental and social impact assessment (ESIA) for each site, with a description of the status of the baseline environment, the analysis of the impact (negative or positive) that the actions planned for the different environmental components could have, and the mitigation and improvement measures that should be taken. The same scenario holds for the environmental and social management plan (ESMP).

The consultant will make a brief social evaluation of each irrigation site, highlighting, among other things: (i) the social practices governing land transactions and land management methods in the locality, (ii) the land map of the area earmarked for development; and (iii) a proposal on plot allocation after the development phase. The said mechanism should take into account not only the specific provisions of the law on private and state-owned land in the Republic of Benin but also, and more importantly, the specific practices prevailing in the respective localities. This will ensure the cooperation of the local population in any land-distribution method the consultant may subsequently suggest.

Topography: The consultant will conduct the necessary topographical survey for the preliminary design of the proposed infrastructure and water channels in the 13 selected sites. The survey will include: the intermediate levelling of the land, the site map of the locality (boundary posts, cross-section profiles, works), as well as longitudinal and transversal profiles (dikes, channels, civil engineering works, etc.). He/she will also survey the sites on which the infrastructure planned will be built. This survey will be carried out on a scale of 1/5000, with 25 minimum points per hectare. A survey of 1/500 will be carried out in areas where intake facilities will be located, at a density of 100 points/hectare. The topographic surveys of the 13 sites will cover a total surface area of around 1 200 hectares.

Geo-technical surveys: The consultant will carry out surveys and geo-technical tests at the selected sites. The geo-technical study will focus on the following sections: the areas to be filled out with soil and concrete material; the foundation and stability of the works, the thickness of the sand and mechanical and hydro-mechanical layers of the soils through which the hydraulic axes carrying low water passes, the stability of the dike ridges, the irrigation and drainage axes, infiltration into channels or drains dug in the sandy layers, in the closed depressions that can likely receive drainage water.

Pedological survey: The pedological survey will identify the characteristics of the schemes based on their rice-producing, irrigation and drainage capacity. Therefore, samples will be taken from all the ten hectares that make up each site. Soil samples taken from standard profiles will be analysed in the laboratory. The consultant will conduct the laboratory test to establish a soil-classification map of each scheme in terms of irrigation capacity and works needed on the soil to ensure good irrigation and a good yield.

Design and sizing: The bidding documents will provide details of the irrigation development work to be done. The sizing criteria will be clearly stated and the computation notes detailed enough (hydraulic sizing, stability verification, structural calculations) with an indication as to the type of software used to justify the economic analysis of the works.

The slope of the embankment, the dikes and the drains will be calculated using the geo-technical data. The freeboard value of the canals and dikes will be justified as well as the possible cost-effective technical measures that can be taken to protect them from the waves. The consultant will give cost estimates of each construction and development phase envisaged. For every proposed development work, the consultant will prepare preliminary sketches on how each of the components will be built (written description and designs), accompanied by bidding documents. The consultant will make the necessary recommendations concerning specific construction techniques to be used for certain works, bearing in mind the hydrological specificity of the Ouémé Valley (tides and floods).

Bidding documents: The bid invitation, special requirements and submission formats will be determined in accordance with Bank rules and procedures governing international competitive bidding as well as instructions in force regulating public procurements in Benin. A list of all the documents required from consulting firms bidding for irrigation works, or any other works, will also be provided. Such documents shall include: bid invitations, descriptive report, technical specifications, special conditions, bill of quantities, per unit price list and estimated costs.

3.2 Studies of Wetlands (700 ha) and Floodable Plains (2 800 ha)

With respect to wetlands commercially developed (700 ha) and the areas summarily developed using the labour-intensive method (2 800 ha), the consultant will work closely with the beneficiaries to put together the most appropriate models for developing, operating and managing the sites. The consultant will draw from the available wetlands inventory and characterisation (WADB, 2010), as well as the initial study conducted during the PAIA-VO preparatory phase, in collaboration with DGR and CARDER. For the most part, work to be done should consist of developing land parcels (levelling and belt levees), restoring or installing drainage axes, and constructing access roads. In some cases, depending on the nature of the sites, water supply through gravity or from small pumps could be proposed.

For wetlands commercially developed (700 ha), the consultant will conduct preliminary studies and prepare bidding documents (local competitive bidding procedure) on a priority area of about 200 hectares, divided into 2 or 3 sites, chosen in consultation with the stakeholders involved (DNR, CARDER, municipalities, OP, etc.). Surveys should be substantially similar to those conducted for the gravity-fed irrigation schemes (topography, hydrology, design, sizing, cost estimates, etc.). Concerning the summarily developed area (2 800 hectares), the consultant will draw from the experience of similar projects (PUESA, PADA, etc.) to define the most appropriate techniques, operational and management methods. He/she will pool the data and conclusions that will be used to characterize actions to take under this component.

3.3 Identification of the Market Garden Plots (300 hectares)

Market garden plots, specifically reserved for women, will be set up and developed. Their design and location will depend on the specific conditions of each zone and the concerted needs expressed by the beneficiaries, taking water availability into consideration. In non-flooded areas (edge of plains or on the plateau), market garden plots could be installed based on various development methods (wells, basins, small water towers, small boreholes with PVC tubes, engine pumps, etc.).

The consultant will examine and analyse the sites proposed by the local actors (women's groups, CARDER, municipalities, etc.) and prepare standard development dossiers as necessary (boreholes, wells, streams, etc.), adapted to the needs of women beneficiaries. The total surface area should be around 300 hectares. Basically, the consultant will conduct an initial summary assessment of various needs per zone and type of development, specifying for each category the technical characteristics and management methods to deploy. Lastly, he/she will provide a general technical description per type of market garden plot, combined with an overall zoning of operations on the three divisions concerned.

3.4 Farm-to-market Roads

With respect to farm-to-market roads, justifications will be given regarding sections to rehabilitate, especially in terms of opening access to facilities retained and linking agricultural production centres with marketing centres. The priority sections selected for preliminary sketches and preparation of bidding documents will be those that allow access to the 1 000 hectares of gravity-fed irrigation schemes and 200 hectares of the priority wetlands developed (cf. paragraphs 3.1 and 3.2). Besides the areas concerned, works will be quantified by indicating the technical specifications to follow, including those on related engineering structures (riffles, culverts, etc.). In all, about 50 km of the 200-km farm-to-market roads planned will be included in the preliminary sketches and bidding documents.

The tasks assigned to the consultant will be executed in the following chronological order: (i) survey of the tracks and preliminary basic studies (topographic, hydrologic, geo-technical); (ii) design of tracks and related works; (iii) quantitative and financial estimates, (iv) production of the bidding documents; and (v) definition of the system to use in managing and maintaining the tracks and the crossing works.

Road survey and topographic studies: The consultant will visit the sites and tracks retained, and identify the critical points as well as all the specificities of this project: layout, villages crossed, hydraulic works, obstacles along the way (wetlands, ravines, hills, etc.). The consultant will conduct the necessary topographic survey of the tracks concerned, taking data every 25 m along the tracks, above or below the depressions requiring crossing works, with a view to sizing them and analysing their impact.

The consultant will transfer all these points and objects on a map to a scale of 1/2000. From such maps, he/she will set out: (i) the layout of the tracks; (ii) the longitudinal profiles indicating the natural layout of the land and the project layout, the alignments and curves, as well as the distance between the profiles (1/2000); and (iii) the cross-section (1/50).

Geo-technical surveys: Throughout each track layout, the consultant will drill and collect soil samples for laboratory test. He/she will also collect construction material (sand, gravel, etc.) and conduct the related soil tests. The consultant will undertake geo-technical surveys of each site on which crossing works are envisaged to ascertain soil stability.

Hydrological surveys: The consultant will conduct hydrological studies to secure the tracks at water passage points. Such studies should provide data on the frequency and quantity of rainfall in the area to determine the flow rates. Data collected will be used to assess the exceptional flows that traverse the tracks at crossing points so as to appropriately size the various crossing works planned.

Civil engineering studies: Generally, civil engineering studies will include all calculations and other data to justify the works. The studies will be based on existing topographic, geo-technical and hydraulic studies, as well as site visits. Such studies will mainly focus on the structure of the tracks: thickness of each layer, choice, sizing, scaffolding and reinforcement plans for the hydraulic structures, as well as technical notes justifying the most economic design of the works.

Environmental Aspects: Studies will be conducted to highlight the environmental aspects that should be taken into consideration. The specificity of each zone will be identified and used in drafting an environmental protection section to be incorporated in the bidding document. The section will clearly highlight bidders' obligation to include in their bid a methodological note describing the manner they intend to incorporate and implement environmental protection measures and recommendations. It will comprise at least: (i) an activity implementation plan; (ii) environmental protection measures; and (iii) after-work site decommissioning and restoration measures.

Bidding documents: The necessary bid invitation documents will be prepared in line with the format for local competitive bidding used in Benin.

3.5 Various Agricultural Infrastructure

The project provides for the construction of a range of agricultural infrastructure (50 warehouses, 100 drying areas, 6 assembly areas and sheds for 10 markets), and 10 boat-landing areas. To construct this infrastructure, the consultant will follow tried and tested best practices used for other projects in the zone. For each type of construction (warehouse, drying area, assembly centre, markets, boat-landing areas), he/she will prepare a specific bidding document, including standard plans, bill of quantities, technical specifications and cost estimates.

Annex 4C

A SUMMARY OF THE TERMS OF REFERENCE FOR THE PREPARATION OF AN ADMINISTRATIVE, ACCOUNTING AND FINANCIAL PROCEDURES MANUAL, AND INSTALLATION OF AN ACCOUNTING SYSTEM FOR THE PAIA-VO PROJECT

I. PURPOSE

The service in question concerns the drafting of an administrative, accounting and financial procedures manual as well as the installation of an accounting system. Therefore, provision has been made to procure a multi-site, multi-donor, multi-station and multi-currency accounting software package with a view to establishing an IT environment and ensuring a reliable administrative, financial and accounting system for the project.

The administrative, accounting and financial procedures manual is designed to guarantee the efficient execution of the project and ensure that the set objectives are attained. The manual will define the administrative, accounting and financial procedures as well as the internal control system that will be used in implementing PAIA-VO. It will also contain guidelines on the procurement methods to follow and the modalities for analysing bids and establishing the borrower's technical committees. The proposed procedures must be consistent with Bank Group rules and procedures. This service will provide those in charge of implementing various PAIA-VO components with the necessary management tools. It will take three months.

II. CONSULTANT'S RESPONSIBILITIES

2.1 Production of the Procedures Manual

The consultant will work with the team in charge of the PPF to define in this manual the role and responsibilities of each project component task manager, and determine the procedures to follow in different situations that may arise. The manual will also assign responsibilities and procedures to be followed by project management organs. The consultant's principal tasks will involve formalizing and describing: (i) the project stakeholders and their roles and responsibilities; (ii) the procurement procedures; (iii) the financing, operating and monitoring mechanisms; and (iv) the project's administrative, accounting and financial procedures. He/she will also design an internal control system.

These procedures should ensure: (i) an optimal management of the external funds put at Benin's disposal as well the national counterpart contribution, in line with the procedures and directives of the African Development Bank (AfDB) and the country's administrative rules governing the management of special accounts, disbursements, procurement of goods and services, audit; (ii) reliable book entries, processing and storage of administrative, operating and accounting information on the project; (iii) installation of an administrative and accounting management information system compliant with the Bank's procedures and based on:

(a) efficient administrative procedures; (b) the organization of accounts and the accounting procedures that offer security guarantees during data entry, processing and restitution; and (c) the rationalisation of information processing and storage. Therefore, the consultant shall prepare a procedures manual containing the following chapters:

- Organization chart and job description: Present an organization chart of the Project Coordination Unit (PCU) with the different job descriptions, responsibilities and requirements in terms of qualification and experience;
- A staff evaluation system: Describe the method of evaluating both staff and the coordinator's performance on a yearly basis.
- Disbursement procedures: Outline the different project disbursement methods, especially the underlying organization, particularly: (i) procedures governing direct disbursement; (ii) procedures governing the use of the special account;
- Management of fixed assets: Outline the procedures for keeping a balance sheet of fixed assets and the related accounting. The fixed assets register shall contain such essential elements as the number, the price and the location. The consultant will propose a fixed assets codification system, in light of the functionality of the software that the PCU will purchase;
- Procurement procedures: Describe the Bank's procurement procedures and rules that the project will use. Furthermore, the procurement methods, modalities for analysing bids and establishing the borrower's technical committee shall be clearly outlined and presented in a summary table.
- Inventory of fixed assets and stocks: Describe the procedures to follow in drawing up an inventory of fixed assets and stocks at the end of the project;
- Budget management: Present the budget preparation process with different start-up dates right up to the approval of the work plan and budget by the steering committee and the Bank. The manual should specify steps for monitoring budget execution (using a computer programme) from the moment the data is recorded up to the generation of statements by component, category, source of financing, and by comparing the projected and actual expenditures. The programme configuration and preparation of summary statements should be specified, so should also the settings at the general accounting level.
- General accounting: Present accounting methods and principles to follow. A detailed accounting plan that takes cognizance of the specificity of a not-for-profit project; budgetary and analytical nomenclature; entries of key financial operations; models of financial statements and sources of financial information, models of notes to the financial statements;
- Cash flow: Describe the procedures for managing bank accounts and petty cash, and identify those authorized to sign cheques. Mention should also be made of procedures for monthly banking reconciliation for each account and the monthly cash reconciliation. The principle of conflict of interest should be raised.
- Archiving procedures: Describe the procedures for archiving expenditure supporting documents, bank statements, bank reconciliation statements,

petty cash expenses, records on salaries and allowances, cash withdrawal requests;

- Disbursement procedures: Describe procedures for preparing project finance and procurement monitoring reports, their content and periodicity.

The consultant's activities will be carried out in 3 stages: (i) literature review and data collection; (ii) preparation of procedures; and (iii) restitution and validation. This phase shall last one and a half months.

2.2 Installation of a Computerized Financial Management System

An accounting software package will be procured and installed to facilitate the processing of the accounts of all project operations, irrespective of the source of financing (government, ADF, GEF). The software should allow for management of several projects via a network (e.g. networking between RAF, the internal auditor, the accountant, the manager in charge of procurements, monitoring/evaluation, and the administrative and financial assistant). Overall, the software package should accommodate entries and accounts necessary for recording project/executing agency operations, resources and expenditures, in the appropriate accounting format. It must at least contain the following modules: a configuration system, general accounting, analytical accounting, budget management, procurement and contract management, fixed assets management, agreement management, generation of financial statements, including the intermediate financial reports, status of disbursements and application, preparation of funding request documents, etc. The software package will include a disbursement system based on the intermediate financial reports. The selected firm will organize training and provide assistance to software users during the first months of its deployment.

In its bid, the firm will propose a financial management software package capable of recording, analysing and generating timely consolidated statements on the project's financial operations for each donor. The firm will also include in its bid the technical characteristics of the computers the project should purchase for installing the software. Project accounts will be kept in line with international accounting standards. Once the consultant has installed the software at the project coordination level, the programme will become the property of the project execution agency.

The main expected outcomes include:

- The installation of the accounting and financial management software;
- The configuration of the accounting management software to meet the specific needs of the project;
- Availability of accounting, budgetary and analytical aspects of the project.
- Ensure that all the functional aspects of the software are operating normally.
- Provide training for users.

<p>Annex 4D ASSISTANCE IN RECRUITING SIX MANAGERIAL STAFF FOR THE PAIA-VO COORDINATION TEAM</p>

I. MISSION OBJECTIVES

An independent firm will be hired to recruit the project team, which will comprise: a coordinator, a monitoring/evaluation specialist, a procurement specialist, an administrative and financial manager, an internal auditor and an accountant. The firm will principally be charged with: (i) publishing the call for candidature; (ii) receiving, classifying and registering applications from candidates per position; (iii) designing and preparing the candidates' scorecard; (iv) opening the applications and proposing a shortlist of those to invite for interview; (v) inviting shortlisted candidates; (vi) organizing and conducting interviews with the candidates; and (vii) preparing a final report summarizing the steps taken and the outcome of the recruitment process. This process will take two and a half months.

II. CONSULTANT'S RESPONSIBILITIES

In greater detail, the consultant will undertake the following tasks, among others,

- i) Ensure publication by the Beninese party of position descriptions in a newspaper read nationwide;
- ii) Receive, classify and register candidature applications per position;
- iii) Design and develop the criteria for evaluating candidates' curricula vitae and application letters.
- iv) Review and propose pre-selection criteria for candidates short-listed for the interview.
- v) Propose, based on a well-argued report, the list of about five candidates for each position by order of merit, to be interviewed by a recruiting panel. The number of short-listed candidates will depend on the pre-selection criterion used by the consultant.
- vi) Design and draw up an interview questionnaire highlighting each candidate's experience and skills expected relative to the position.
- vii) Facilitate/coordinate/lead the recruiting panel by:
 - a) Contacting the short-listed candidates and informing them of the interview dates and time;
 - b) Supervising, facilitating and providing the recruiting panel with the support material to use throughout the interview process, and guiding the recruiting panel to arrive at a consensus on candidate classification by order of merit for each position.

- c) Ensure adequate preparation of the interview material, prepare minutes of the interview and write the evaluation report for each position.
 - d) After the final approval by the Government and AfDB, the consultant will contact the candidates interviewed for the different positions to inform them as to whether they have been selected or not.
- viii) Prepare a final report summarizing the steps taken and the outcomes of the recruitment process. The consultant will receive final payment on presentation of the report.

PPF Procurement Plan

Various Services with Selection Methods and Schedule	DATA BASE							
	Description*	AMI reception date	No-objection	Selection method	Fixed amount or time spent	Estimated amount in currency (000)	Prior or a posteriori Review	Estimated start-up date
Preliminary sketches /bidding documents for the priority agricultural infrastructure	25-oct.-13	5-nov.-13	QCBS	FF	257 000.00	Priority	15-Dec.-13	Plan
								Revised
								Actual
Study of the baseline situation and SEV	25-oct.-13	5-nov.-13	QCBS	FF	113 000.00	Priority	15-Dec.-13	Plan
								Revised
								Actual
Preparation of a procedures manual and establishment of an accounting system	25-oct.-13	5-nov.-13	QCBS	FF	29 000.00	Priority	15-Dec.-13	Plan
								Revised
								Actual
Assistance in recruiting the PAIA-VO coordination team	25-oct.-13	5-nov.-13	QCBS	FF	35 000.00	Priority	15-Dec.-13	Plan
								Revised
								Actual
Audit of PPF accounts	1-Dec.-14	31-Dec.-14	SMC	FF	10 000.00	Priority	14-Feb.-15	Plan
								Revised
								Actual
Total Cost of Services					444 000.00			Plan