AFRICAN DEVELOPMENT FUND

PROJECT : NATIONAL INTEGRATED RURAL WATER SECTOR PROJECT (PNISER)

COUNTRY : ISLAMIC REPUBLIC OF MAURITANIA

SUPPLEMENTARY FINANCING PROPOSAL

OWAS DEPARTMENT

December 2013
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**Currency Equivalents**

(September 2013)

UA 1 = MRO 459.668
UA 1 = USD 1.51528

**Fiscal Year**

1 January - 31 December

**Acronyms and Abbreviations**

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Abbreviation</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>AFD</td>
<td>French Development Agency</td>
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<tr>
<td>CC</td>
<td>Climate Change</td>
<td></td>
</tr>
<tr>
<td>CLTS</td>
<td>Community-Led Total Sanitation</td>
<td></td>
</tr>
<tr>
<td>CSP</td>
<td>Country Strategy Paper</td>
<td></td>
</tr>
<tr>
<td>DA</td>
<td>Directorate of Sanitation</td>
<td></td>
</tr>
<tr>
<td>DAR</td>
<td>Directorate of Rural Development</td>
<td></td>
</tr>
<tr>
<td>DCE</td>
<td>Directorate of Environmental Control</td>
<td></td>
</tr>
<tr>
<td>DH</td>
<td>Directorate of Water</td>
<td></td>
</tr>
<tr>
<td>DPSC</td>
<td>Directorate of Planning, Monitoring and Cooperation</td>
<td></td>
</tr>
<tr>
<td>DWS</td>
<td>Drinking Water Supply</td>
<td></td>
</tr>
<tr>
<td>EOD</td>
<td>Ending Open Defecation</td>
<td></td>
</tr>
<tr>
<td>ERR</td>
<td>Economic Rate of Return</td>
<td></td>
</tr>
<tr>
<td>ESMP</td>
<td>Environmental and Social Management Plan</td>
<td></td>
</tr>
<tr>
<td>FE</td>
<td>Foreign Exchange</td>
<td></td>
</tr>
<tr>
<td>GEF</td>
<td>Global Environment Facility</td>
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<tr>
<td>LDCF</td>
<td>Least Developed Countries Fund</td>
<td></td>
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<tr>
<td>MAED</td>
<td>Ministry of Economic Affairs and Development</td>
<td></td>
</tr>
<tr>
<td>MDED</td>
<td>Ministry in Charge of Environment and Sustainable Development</td>
<td></td>
</tr>
<tr>
<td>MDG</td>
<td>Millennium Development Goals</td>
<td></td>
</tr>
<tr>
<td>MDR</td>
<td>Ministry of Rural Development</td>
<td></td>
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<tr>
<td>MHA</td>
<td>Ministry of Water and Sanitation</td>
<td></td>
</tr>
<tr>
<td>NGO</td>
<td>Non-governmental Organization</td>
<td></td>
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<tr>
<td>ONSER</td>
<td>National Rural Water Services Board</td>
<td></td>
</tr>
<tr>
<td>PIF</td>
<td>Project Identification Form</td>
<td></td>
</tr>
<tr>
<td>RWSSI</td>
<td>Rural Water Supply and Sanitation Initiative</td>
<td></td>
</tr>
<tr>
<td>SC</td>
<td>Steering Committee</td>
<td></td>
</tr>
<tr>
<td>UA</td>
<td>Unit of Account</td>
<td></td>
</tr>
<tr>
<td>UNFCCC</td>
<td>United Nations Framework Convention on Climate Change</td>
<td></td>
</tr>
</tbody>
</table>
Additional Financing Information

Client Information

BORROWER/DONEE: Government of the Islamic Republic of Mauritania

Financing Plan

<table>
<thead>
<tr>
<th>Sources of Financing</th>
<th>Amount (UA million)</th>
<th>Instrument</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADF</td>
<td>0.920</td>
<td>Loan</td>
</tr>
<tr>
<td>LDCF</td>
<td>4.190 (USD 6.350 million)</td>
<td>Grant</td>
</tr>
<tr>
<td><strong>TOTAL COST</strong></td>
<td><strong>5.110</strong></td>
<td></td>
</tr>
</tbody>
</table>

ADF/LDCF Key Financing Information

- Loan/Grant Currency: UA for the ADF, USD for the LDCF
- Interest Type: N/A
- Interest Rate Margin: N/A
- Commitment Charge: 0.50%
- Other Charges: 0.75%
- Tenure: 50 years
- Grace Period: 10 years

Timeframe – Main Milestones (expected)

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Financing Approval</td>
<td>December 2013</td>
</tr>
<tr>
<td>Signature of ADF Loan Agreement</td>
<td>January 2014</td>
</tr>
<tr>
<td>ADF Loan Effectiveness</td>
<td>March 2014</td>
</tr>
<tr>
<td>Last Disbursement</td>
<td>December 2018</td>
</tr>
</tbody>
</table>
RESULTS MATRIX (Entire project, including activities to build resilience to climate change)

<table>
<thead>
<tr>
<th>RESULTS CHAIN</th>
<th>PERFORMANCE INDICATORS</th>
<th>MEANS OF VERIFICATION</th>
<th>RISKS/MITIGATIVE MEASURES</th>
</tr>
</thead>
<tbody>
<tr>
<td>IMPACT</td>
<td>Sustainable improvement in the living conditions of rural populations and water management</td>
<td>1. Average rate of access to DWSS in Southern Mauritania</td>
<td>Sources: EPCV-ONS, MHA and MICs surveys</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Rate of open defecation</td>
<td>Method: National surveys and reports</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. Prevalence rate of water-borne diseases</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>4. Rate of increase of farm incomes (irrigation and stockbreeding)</td>
<td></td>
</tr>
<tr>
<td>OUTCOMES</td>
<td>Outcome 1: Populations have better access to DWSS</td>
<td>1.1 Population provided with drinking water</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1. Number of people provided with drinking water in 2012 (to be determined at project start-up)</td>
<td>Sources: MHA and ONS reports, project progress reports</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Number of public latrines in 2012 (to be determined at project start-up)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. Number of EOD villages in 2012 (to be determined at project start-up).</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Outcome 2: More water is available for livestock in grazing areas</td>
<td>1. Additional volume of water for livestock</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Volume of water available per head of cattle in 2013 (to be determined at project start-up)</td>
<td>Sources: MHA, ONS and field mission reports, MAED, MDEDD and GPRSP IV (2015-2020) reports</td>
</tr>
<tr>
<td></td>
<td>Outcome 3: Increase in market garden production in the three regions</td>
<td>3. Market production in the three regions</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>3. Market garden production in 2013 (nil in the project area)</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>4.1. The 2030 Investment Plan and Programme now available</td>
<td></td>
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<td></td>
<td></td>
<td>4.2. SESCIA Report and Action Plan available in 2014</td>
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</tbody>
</table>

**ISLAMIC REPUBLIC OF MAURITANIA: National Integrated Rural Water Sector Project (PNISER)**

**Project Goal:** Contribute to: (i) improving the living conditions of rural populations and building their resilience to climate change in Southern Mauritania (the Wilayas of Brakna, Gorgol, Tagant, Trarza, Guidimakha and Hodh Gharbi) through the supply of water for various purposes (drinking water, small-scale irrigation, pastoral water and sanitation); (ii) developing a national integrated water resource mobilization and management strategy; and (iii) implementing activities to improve the resilience of water investments.

### PERFORMANCE INDICATORS

<table>
<thead>
<tr>
<th>Indicator (including CSI)</th>
<th>Baseline Situation</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Average rate of access to DWSS in Southern Mauritania</td>
<td>53% access rate for water and 21% for sanitation in 2011</td>
<td>75% in 2015 and 80% in 2020 for drinking water, 32% in 2015 and 65% in 2020 for improved sanitation</td>
</tr>
<tr>
<td>2. Rate of open defecation</td>
<td>60% open defecation rate</td>
<td>Reduction of open defecation rate from 51% in 2012 to 6% in 2020</td>
</tr>
<tr>
<td>3. Prevalence rate of water-borne diseases</td>
<td>60% prevalence rate of water-borne diseases in 2008</td>
<td>25% reduction in the prevalence rate of water-borne diseases in 2020</td>
</tr>
<tr>
<td>4. Rate of increase of farm incomes (irrigation and stockbreeding)</td>
<td>Average farm income in 2010</td>
<td>Average farm income has doubled by 2020</td>
</tr>
</tbody>
</table>

### MEANS OF VERIFICATION

- Sources: EPCV-ONS, MHA and MICs surveys
- Method: National surveys and reports
<table>
<thead>
<tr>
<th>Outcome 5: build up communities’ resilience to climate change</th>
</tr>
</thead>
<tbody>
<tr>
<td>5. Climate change adaptation activities in the water, agriculture, food security, energy and resource management domains</td>
</tr>
<tr>
<td>5.1 Rural population (sedentary and nomadic) informed about and trained in climate change adaptation techniques</td>
</tr>
<tr>
<td>5.2 Activities for vulnerable populations implemented</td>
</tr>
<tr>
<td>Number of training / information sessions</td>
</tr>
<tr>
<td>Number of income-generating activities</td>
</tr>
<tr>
<td>Number of forestry-pasture activities (reforestation, tree planting)</td>
</tr>
</tbody>
</table>

Output 1: Development of DWSS and agricultural infrastructure

1. Drinking water and sanitation infrastructure works
2. Pastoral water and small-scale irrigation infrastructure works

- 2.2 ONSER Action Plan prepared
- 2.3 Support to regional directorates
- 2.4 Support to agricultural cooperatives

- 1.1) 32 DWS systems and 120 communal latrines built
- 1.2) 140 villages declared EOD
- 1.3) 50 boreholes, 2 livestock wells and 3 water retention basins constructed;
- 1.4) 40 hectares of land developed and irrigated (20 two-hectare small-scale irrigation areas)

Output 2: Institutional support

- 2.1) Strategy available in 2013.
- 2.2) Action Plan available in 2014
- 2.3) Regional Directorates (MHA and MDR) equipped and functional
- 2.4) 20 associations and management committees receive training in management, organization and farming techniques (about 2 000 women).

Output 3: Project management

- 4.1) Establishment of coordination unit
- 4.2) Financial auditing
- 4.3) Establishment of monitoring and evaluation system

- Senior officers and counterparts from sector departments appointed
- Contracts signed and monitoring carried out
- Monitoring and evaluation system and implementation indicators

Components

**COMPONENTS**

| COMPONENT A: Infrastructure Development | 74.71 (%) |
| COMPONENT B: Institutional Support | 17.03(%) |
| COMPONENT C: Project Management | 8.26(%) |

**RESOURCES**

| ADF/RWSSI (initial project) | UA 7.144 million |
| ADF (additional) | UA 1.628 million |
| LDCF | UA 0.790 million |
| Government | UA 8.527 million |
| Beneficiaries (the beneficiaries will participate indirectly, through CLTS), in the construction of family latrines | Overall Project Cost: UA 14.672 Million |

Risks

- Delays due to inadequate familiarity with Bank’s rules of procedure
- Poor performance of contractors

Mitigative measures

- Training in financial management, disbursement and procurement
- Promote regional competition for works contracts

**PROJECTS**

**PRODUCTS**

**PRODUITS**

**KEY ACTIVITIES**

- UA 7.144 million
- UA 1.628 million
- UA 0.790 million
- UA 8.527 million
- UA 0.920 million
- UA 4.190 million (USD 6.350 million)
- UA 1.035 million
- Overall Project Cost: UA 14.672 Million

iv
1. The award of ADF and RWSSI Trust Fund financing totalling UA 8.527 million to Mauritania to finance the National Integrated Rural Water Sector Project (PNISER) was approved in December 2012 and the Loan and Grant Protocol Agreements signed in February 2013. The expected outcomes of this operation comprise: improvement of the rate of access to drinking water and pastoral water, and of small-scale irrigation and sanitation in the country’s poorest regions; the implementation of an integrated water resource mobilization and management strategy for drinking water supply, pastoral water and small-scale irrigation; and national capacity building for integrated water resource management.

2. PNISER was launched in March 2013. Its executing agency (the Water Directorate) was reinforced by a coordinator from the Ministry of Water and Sanitation. Its support staff (an administrative and financial officer and a procurement officer) has been recruited. Since then, the project has made significant progress. The process of procuring engineering and consulting services (studies and works control, study on the water resource mobilization and management strategy, study on the ONSER development plan and project financial auditing) has been initiated and project coordination support equipment procured. All the conditions precedent to loan and grant effectiveness and first disbursement have been fulfilled. The implementation of project activities is consistent with the initial planning and no problem has been identified so far.

3. The project is expected to have considerable environmental and social impacts. The climatic context (drought and desertification), the degradation of natural resources as well as poverty, particularly among the least privileged segments of the population, have increased the pressure on and demand for water facilities and the need for integrated resource management planning to cope with climate change. Thus, with the help of partners, the Government of Mauritania has, for several decades now, implemented a vigorous water sector development and resource management policy, particularly in rural areas.

4. Besides the Bank, many donors are involved in the water sector through independent sub-sector operations. However, coordination between these various operations is ineffective. Furthermore, the degradation of resources and the living conditions of the population, particularly rural dwellers, due to the effects of climate change clearly calls for intervention in the water sector through a programmatic vision that takes into account the multiple uses of water and the sector’s resilience to climate change.

5. According to its original design, the project’s objective is to develop water (drinking water, pastoral water and small-scale irrigation) and sanitation facilities in areas lacking them, for the benefit of the vulnerable populations. It also seeks to design an integrated water resource mobilization and management strategy and an action plan for the various uses of water, to better coordinate operations and boost investments in the water sector through a coherent institutional framework for integrated management based on the programme approach.

6. The project has benefitted from additional ADF (UA 0.920 million) and LDCF\(^1\) (USD 6.350 million, or about UA 4.190 million) financing to strengthen physical investments and implement

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\(^1\) The Least Developed Countries Fund (LDCF) was established on directives to the Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) at its seventh session to address the needs of least developed countries (LDCs) under the Convention on Climate Change. Absolute priority is accorded to adaptation and particularly the financing of the preparation and implementation of National Climate Change Adaptation Programmes of Action (NAPAs). The Fund’s objective is to finance projects that address the urgent and immediate climate change
activities to help to increase the resilience of the natural environment, the infrastructure and the most vulnerable segments of the rural and nomadic populations to climate change. The additional ADF financing fills the gap in respect of the financing activities initially proposed but which could not be included in the project due to the limited ADF allocation for Mauritania.

7. This supplementary financing, like that for the initial project, is in line with the Bank’s intervention strategy defined in the CSP 2011-2015, notably Pillar I: Strengthening infrastructure (basic infrastructure to support water development). The Bank accordingly seeks to strengthen this infrastructure, whose development is indispensable for consolidating sustained and diversified growth, and will mainly focus on rural water development support.

adaptation needs of LDCs by seeking to reduce the vulnerability of sectors and resources which are essential to social progress and national development such as water, agriculture and food security, health, the management and prevention of catastrophic risks, and infrastructure, as have been identified and prioritized in NAPAs.
REPORT AND RECOMMENDATION OF MANAGEMENT CONCERNING
A PROPOSAL TO PROVIDE SUPPLEMENTARY FINANCING TO MAURITANIA
FOR THE NATIONAL INTEGRATED RURAL WATER SECTOR PROJECT
(PNISER)

Management submits this report and recommendation concerning a proposal to award a UA 0.920
million ADF loan and a USD 6.350 million LDCF grant to Mauritania to finance the National
Integrated Rural Water Sector Project (PNISER).

I. INTRODUCTION

1.1 On 7 December 2012, the Board approved, on a “lapse-of-time” basis, the financing of the
National Integrated Rural Water Sector Project (PNISER) covering the Wilayas of Gorgol, Brakna and
Tagant (that is a rural population of about 736 000). The expected project outcomes are: (i) improved
rate of access to drinking water and sanitation through the construction of DWSS facilities; (ii) the use
of water resources mobilized to promote agricultural and stockbreeding activities around small-scale
irrigation areas, livestock wells and water retention basins; and (iii) improved water sector governance
through the development of a national strategy for the mobilization and management of water resources
for multiple uses in order to create conditions conducive to the mobilization of other donors for an
additional and coordinated intervention in the water sector.

1.2 The estimated project cost is UA 9.562 million. The Bank’s financing to the project stands at
UA 8.527, of which a UA 3.052 million ADF loan, a UA 2.448 million ADF grant and a EUR 3.5
million RWSSI Trust Fund grant. The Loan and Grant Protocol Agreements were signed on 12 February
2013. The RWSSI and ADF Grant Protocol Agreements, which came into force on the day of their
signature, complied with the conditions precedent to first disbursement, on 31 May and 20 August 2013
respectively. The ADF Loan became effective on 13 September 2013.

1.3 After its official launching, PNISER started its activities on 14 March 2013. The Executing
Agency (the Water Directorate) has been reinforced by the appointment of the Project Coordinator and
recruitment of an Administrative and Financial Officer, a Procurement Officer and support staff. The
procurement processes (calls for expression of interest, tender invitations and requests for proposals) for
many project activities have been initiated.

1.4 Following the ADF-12 resource reallocation, an additional amount of UA 1.66 million (UA
920 000 in the form of a loan and UA 740 000 in the form of a grant) was awarded to Mauritania. Given
the country’s substantial needs regarding access to water and sanitation in rural areas, part of these
resources, that is UA 920 000, was allocated to PNISER as additional financing.

1.5 At the same time, on 12 March, the LDCF Council validated the Project Identification Form
(PIF) and, on 8 April 2013, gave its approval for the preparation of the project entitled “Improving
Climate Resilience of Water Sector Investments with Appropriate Climate Adaptive Activities for
Pastoral and Forestry Resources in Southern Mauritania”. This project, which will be financed with a
grant of USD 6.350 million (equivalent to UA 4.190 million), will cover climatic variability-related
costs. These are added costs relating to climate change adaptation in regions of Southern Mauritania,
including the Wilayas of Gorgol, Brakna, Tagant, Guidimakha, Trarza Hodh Gharbi and Hodh Chargui.
1.6 It should be noted that, in the drinking water and sanitation sub-sector, the Bank is currently financing the DWSS Project in Southern Mauritania (covering the Wilayas of Assaba, Gorgol, Hodh Chargui and Hodh Gharbi). At the same time, the French Development Agency (AFD) and the European Union are financing the Drinking Water and Sanitation Project in five Wilayas (Gorgol, Guidimakha, Assaba, Hodh Gharbi and Hodh Chargui). The Spanish Agency for International Cooperation (AECID) is operating in the Wilayas of Trarza, Gorgol and Guidimakha. The density and vulnerability of rural populations warrant the increase in the operations of partners in these Wilayas. Furthermore, these regions share large grazing areas which constitute the transhumance hub of livestock coming from the western and northern parts of the country in search of pasture and water points (insufficient to satisfy the ever-growing needs). This increases pressure on and conflicts over water resources and the occupation of agricultural and grazing lands.

1.7 Despite these operations, and considering the effects of drought and climate change, numerous facilities and investments are needed to meet the water needs of rural and nomadic populations. Climate change has created a genuine need for adaptation in vulnerable sectors, particularly water, agriculture and stockbreeding, which constitute the backbone of food security. Many communities do not have water points and increasing pressure is exerted on grazing areas and existing water points. The lack of water points for human or livestock consumption has a negative impact on the populations and their lives (increased vulnerability and transhumance).

1.8 Through the additional ADF and LDCF financing, PNISER’s initial objective (to contribute to improving the living conditions of the rural populations in Brakna, Gorgol and Tagant through water supply for various uses) will be further supported. Moreover, the entire project is in line with the Bank’s 2013-2022 Strategy in terms of green growth, which advocates the development of sustainable infrastructure, ecosystem preservation and the efficient and sustainable use of natural resources – particularly water, which plays a key role in growth – to build the resilience of investments to climatic shocks.

II. INITIAL PROJECT

2.1 Project Context and Origin

2.1.1 To address the recurrent effects of drought, desertification and climate change, which have a profound and structural impact on water resources and the population’s productive capacity, the Government of Mauritania has, for several decades now, implemented a vigorous water sector development and resource management policy, particularly in rural areas. The GPRSP III 2011-2015 Action Plan identified water, sanitation and food security as priority areas and rural areas as the main focus. The strategic objectives and orientations seek to “improve access to water and sanitation in terms of quantity, quality and affordability for all in a sustainable manner” and to contribute to achieving Millennium Development Goals (MDGs) by 2015. The review, in 2010, of the water sector development strategy stipulates that it should be based on planning by objectives accompanied by a unified and coherent programme of action. The objective with regard to pastoral water and irrigation is to develop irrigation farming and implement a National Livestock Development Programme that contributes to national economic growth through job creation, income generation and poverty reduction, particularly for the most vulnerable segments of the rural population.
2.1.2 The initial project targeted the Wilayats of Gorgol, Brakna and Tagant with a total rural population of 736 000. The area covered by the project is considered as the country’s poorest area (poverty triangle) and is alone home to 33.5% of the country’s poor. About 74% of households still rely on water sources of doubtful quality. These three regions share large grazing areas and constitute the transhumance hub of livestock coming from the western and northern parts of the country in search of pasture and water points which are largely insufficient to satisfy the ever-growing needs. According to statistics, these areas keep about 364 000 head of cattle, 221 000 camels and 7 200 000 sheep/goats, of which 10% to 15% from transhumance.

2.1.3 The project activities will help to strengthen the impact of the Bank’s sector operations in regions where significant needs relating to drinking water, sanitation, pastoral water and irrigation infrastructure are still to be met. This operation is intended to contribute to achieving some MDGs, namely: (i) combating rural poverty (Goal 1) by improving living conditions and creating jobs; (ii) increasing the rate of access to drinking water; (iii) promoting gender equality (Goal 3) by improving girls’ access to adequate sanitation in their family and school environments and reducing time devoted to fetching water; and (iv) lowering the infant mortality rate (Goal 4) and diminishing the impact of and the health hazards caused by malaria and diseases associated with poor sanitation (Goal 6, “combating HIV/AIDS, malaria and other diseases”). It will also have an impact on Goal 5, “improving maternal health” by reducing the burden of household chores and improving nourishment.

2.1.4 Concerning pastoral water, the construction of water points will help to: (i) develop grazing areas by improving water availability and ensuring better herd distribution; and (ii) improve animal health through improved water quality and availability. Surface water in ponds in grazing areas is often contaminated by faeces and animal waste, which are vectors of parasites causing microbial disease outbreaks. Additionally, cutting the distance between water points and grazing areas or camping sites will allow for sturdier stock, in that it will limit dehydration and favour weight gain.

2.1.5 With regard to small-scale irrigation, allocation of small plots of land and capacity building for women’s and youth groups will help: (i) provide them opportunities for the creation of income-generating activities; (ii) improve their level of organization and consolidate their position in rural communities; and (iii) significantly increase market garden production.

2.1.6 The project has been classified under Environmental Category 2 in accordance with the Bank’s rules and procedures. Environmental impacts and the monitoring of the implementation of mitigative measures have been evaluated and an ESMP will be implemented to mitigate the negative impacts. However, the project did not use an integrated approach in environmental and social diagnoses and mitigative and/or optimization measures in resource management. To correct this situation, LDCF’s financing seeks to extend the scope of the initial project and implement specific climate change adaptation measures to build the resilience and sustainability of future investments. The fight against poverty through improved living conditions and job creation will mainly target nomadic populations and stockbreeders, for whom the availability of water for health and livestock purposes is crucial.

2.2 Project Objective

The main objective of the entire project remains the same. It seeks to: (i) improve the living conditions of rural and nomadic populations through the supply of water for various uses (drinking water, small-scale irrigation, pastoral water and sanitation); and (ii) improve water sector governance

2.3  Project Components

2.3.1  As appraised in 2012, PNISER is based on a programmatic approach and a strategic vision which focus on multiple uses of water. It adopts the programmatic water resource management option to eliminate the major sector constraints, including: (i) the absence of an integrated resource mobilization and management strategy; (ii) the low rate of access to drinking water, pastoral water and sanitation in the country’s poorest regions; and (iii) the low integrated water resource management capacity. These factors have, to date, resulted in limited and incoherent operations by development partners. The project seeks to prepare a national programme and an action plan for the various uses of water, to enable better coordination of operations and contribute to boosting investment in the sector within a coherent institutional framework for integrated management based on the programme approach.

2.3.2  Project preparation involved broad-based public consultations to identify priority actions and potential beneficiaries and clarify institutional responsibilities. This participatory approach also involved development partners operating in the sector (AFD, EU, UNDP, UNICEF and Spanish Agency for International Cooperation). The concerns expressed relate to the proposed approach as well as the distribution of infrastructure, taking into account demand and complementarity with on-going or planned operations. This approach will be pursued with local authorities and beneficiary communities to identify climate change-related activities.

2.3.3  Project components have not changed and are as follows:

A.  Development of Drinking and Pastoral Water, Sanitation and Small-scale Irrigation Infrastructure: this component seeks to provide drinking and pastoral water facilities and infrastructure through the construction of boreholes and DWS systems as well as surface water retention basins for pastoral use. It also involves the construction of basic sanitation facilities in public places and individual sanitation through the CLTS approach.

B.  Institutional Support: it comprises the formulation of the long-term National Integrated Water Resource Mobilization and Management Strategy and the study on the ONSER development plan as well as the building of the capacity of regional services and local players to strengthen sector governance.

C.  Project Management (operation, environmental monitoring and auditing).

2.4  Project Cost and Financing Arrangements

2.4.1  The project cost was estimated at appraisal at UA 9.562 million. The Bank’s financing stands at UA 8.527 million (that is 89.18% of the total cost) comprising a UA 3.052 million ADF Loan, a UA 2.448 million ADF Grant and a EUR 3.5 million RWSSI Trust Fund Grant. The Mauritanian Government’s contribution is UA 1.035 million, that is 10.82% of the total project cost.

2.4.2  The tables below show the initial amounts allocated by component, expenditure category and source of financing.
Table 1
Estimated Project Cost by Component

<table>
<thead>
<tr>
<th>Component</th>
<th>Foreign Exchange</th>
<th>Local Currency</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development of Water Infrastructure</td>
<td>3.875</td>
<td>1.677</td>
<td>5.552</td>
</tr>
<tr>
<td>Institutional Support</td>
<td>0.505</td>
<td>0.760</td>
<td>1.265</td>
</tr>
<tr>
<td>Project Management</td>
<td>0.105</td>
<td>0.508</td>
<td>0.613</td>
</tr>
<tr>
<td>Total Base Cost</td>
<td><strong>4.485</strong></td>
<td><strong>2.945</strong></td>
<td><strong>7.430</strong></td>
</tr>
<tr>
<td>Physical Contingencies/Price Escalation</td>
<td>1.288</td>
<td>0.844</td>
<td>2.132</td>
</tr>
<tr>
<td>TOTAL COST</td>
<td><strong>5.773</strong></td>
<td><strong>3.789</strong></td>
<td><strong>9.562</strong></td>
</tr>
</tbody>
</table>

Table 2
Project Cost by Expenditure Category

<table>
<thead>
<tr>
<th>Expenditure Category</th>
<th>Foreign Exchange</th>
<th>Local Currency</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>WORKS</td>
<td>2.433</td>
<td>1.087</td>
<td>3.520</td>
</tr>
<tr>
<td>GOODS</td>
<td>1.108</td>
<td>0.258</td>
<td>1.366</td>
</tr>
<tr>
<td>SERVICES</td>
<td>0.918</td>
<td>1.139</td>
<td>2.057</td>
</tr>
<tr>
<td>OPERATION</td>
<td>0.026</td>
<td>0.461</td>
<td>0.487</td>
</tr>
<tr>
<td>Total Base Cost</td>
<td><strong>4.485</strong></td>
<td><strong>2.945</strong></td>
<td><strong>7.430</strong></td>
</tr>
<tr>
<td>Physical Contingencies/Price Escalation</td>
<td>1.288</td>
<td>0.844</td>
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</tr>
<tr>
<td>TOTAL COST</td>
<td><strong>5.773</strong></td>
<td><strong>3.789</strong></td>
<td><strong>9.562</strong></td>
</tr>
</tbody>
</table>

Table 3
Project Cost by Source of Financing

<table>
<thead>
<tr>
<th>Source of Financing</th>
<th>Foreign Exchange</th>
<th>Local Currency</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADF Loan</td>
<td>2.351</td>
<td>0.701</td>
<td>3.052</td>
</tr>
<tr>
<td>ADF Grant</td>
<td>1.161</td>
<td>1.287</td>
<td>2.448</td>
</tr>
<tr>
<td>RWSSI Grant</td>
<td>2.261</td>
<td>0.766</td>
<td>3.027</td>
</tr>
<tr>
<td>Government</td>
<td>0.000</td>
<td>1.035</td>
<td>1.035</td>
</tr>
<tr>
<td>TOTAL COST</td>
<td><strong>5.773</strong></td>
<td><strong>3.789</strong></td>
<td><strong>9.562</strong></td>
</tr>
</tbody>
</table>

2.5 Project Implementation Status

2.5.1 Legal Conditions: the Loan and Grant Agreements were signed on 12 February 2013. The Grant Agreements entered into force upon their signature and the Loan Agreement entered into force on 13 September 2013. The conditions precedent to first disbursement of Grants were fulfilled on 31 May 2013 respectively, for the RWSSI Grant and 20 August 2013 for the ADF Grant.

2.5.2 Implementation: the general initial project implementation schedule has not undergone any changes and implementation has started and is progressing satisfactorily. The current status is as follows:

(i) The project launching mission was conducted by the Bank on 14 March 2013. All water sector players were invited to the launching workshop to empower them for the implementation of the various components (drinking water supply, sanitation, pastoral water, and small-scale irrigation) and, particularly, to solicit their support during the preparation of the national integrated water resource mobilization and management
strategy which will involve national consultations to be attended by all stakeholders, development partners and civil society;

(ii) At the beginning of March 2013, the Ministry of Water and Sanitation provided the project with a coordination framework and appointed focal points in the Directorate of Sanitation, the Directorate of Rural Development and the Directorate of Livestock, to monitor the implementation of the various components;

(iii) Regarding capacity building, an Administrative and Financial Officer and a Procurement Officer were recruited on a competitive basis in May 2013;

(iv) The Steering Committee comprising representatives of all the parties involved in project implementation was established in June 2013. The Committee will also monitor the AFD/EU Project;

(v) The administrative, accounting and financial procedures manual was prepared in September 2013 and submitted to the Bank for validation;

(vi) Computer hardware, office automation equipment and vehicles were procured in September 2013;

(vii) Competitive bid solicitation for sanitation in 140 villages using the CLTS approach was launched in July 2013 and the bid evaluation report submitted to the Bank;

(viii) Tender invitations for: (i) studies on and control of works relating to boreholes, DWS systems and institutional latrines; (ii) studies on and control of pastoral water and irrigation scheme works (pastoral boreholes and wells, irrigated areas and retention basins); (iii) preparation of the water resource management strategy; and (iv) preparation of the ONSER development plan have been submitted to the Bank for review. Two tendering procedures have already been launched;

(ix) The bidding documents for financial auditing (2013 to 2015 financial years) have also been launched.

There has been no implementation delay so far. The project coordination is benefitting from PAEPA procurement and disbursement experience. Such synergy between PNISER and PAEPA will help to avoid problems regarding project implementation and progress. The Water Directorate has also undertaken to organize periodic meetings between the coordination bodies of the two projects in order to strengthen such synergy.

III. REVISED PROJECT FINANCING ARRANGEMENTS

3.1 Project Objectives and Description

3.1.1 The project’s objectives have not changed and remain as described in paragraph 2.2 above. However, given the spatial distribution of the various donors’ operations and the available resources in relation to the people’s needs, new activities will cover the Wilayas of Assaba and Hodh Gharbi. It should be noted that, despite the Bank’s involvement in these two Wilayas through the DWSS Project in
Southern Mauritania and that of the AFD through the MDG Project, drinking water infrastructure needs are still significant. The additional action will help to strike a balance in the spatial distribution of operations and ensure equitable and sustainable regional development. Hence, the total beneficiary population of the wilayas will increase from 760,000 at appraisal to 1.3 million (population of the five wilayas according to the preliminary results of the 2013 census).

3.1.2 The LDCF financing seeks to maintain and step up the resilience of the population and ecosystems to climate change in the project area. More specifically, it is aimed at better incorporating climate change-related aspects into the initial project activities and ensuring preservation of ecosystems, notably the management and use of natural resources, especially water resources.

3.1.3 The expected outcomes include: (i) the implementation of activities to build the capacity of pastoral ecosystems to adapt to and resist the harmful effects of climate change; (ii) the stepping up of the fight against the degradation of pastoral areas and improvement of management and planning capacity building; and (iii) the construction of drinking and pastoral water infrastructure in areas with insufficient water points. The project target population will increase from 110,000 to 150,000. It will benefit 30,000 or 40,000 additional head of cattle.

3.1.4 The project also seeks to build the resilience of vulnerable populations, especially women, to climate change. Climate change adaptation measures and activities will be undertaken for women, especially in the areas of water, food security, agriculture, energy, health and resource management (notably extension and training services, information and technology). Women’s priorities and needs will be taken into account and women will take part in decision making with respect to the allocation of resources to climate change-related initiatives.

3.2 Description of Additional Activities to be Carried Out

3.2.1 Drinking and Pastoral Water Infrastructure

The additional activities to be carried out are included in component A of the initial project (drinking and pastoral water, sanitation and small-scale irrigation infrastructure development). They concern the construction of new solar-powered DWS systems for the supply of drinking water (tanks and standpipes) and pastoral water (setting up troughs for animals).

3.2.2 Climate Change Adaptation-related Activities

3.2.2.1 Like the other Sahel countries, Mauritania is facing two major pressures: (i) the variability of climatic factors and the effects of climate change reflected in progressive temperature rise; and (ii) the degradation of the vegetation cover which increases desertification. The marked reduction in rainfall, combined with high temperatures, contributes to the reduction of grazing areas and the increased demand for drinking and pastoral water, thereby accelerating rural infrastructure degradation.

3.2.2.2 According to the last Intergovernmental Panel on Climate Change (IPCC) report, Mauritania is located in one of the six regions of the world which will be hardest hit by the impacts of global warming. In Mauritania, there is a high risk of generalized weakening of ecosystems and agricultural potential, and reduction of surface water resources, soil and grazing areas.
3.2.2.3 The initial project plans to support water sector governance by: (i) developing an integrated water resource management strategy; (ii) preparing the OSNER development plan (sustainable rural DWS systems management); and (iii) building the capacity of decentralized services and project beneficiary communities. Climate change risks and adaptation measures are included in the strategy and its action plan. To ensure the sustainability of investments, the use of solar energy to increase the resilience of ground water supply and use systems will be a strategic thrust of the OSNER development plan study. The content of training (water management infrastructure) for beneficiary communities will be broadened to include climate change. Capacity building will have a positive impact on water resource management and will enable the populations to strengthen their resilience to climate change. Additional actions in the initial project areas and surrounding areas will hinge on promotion of land and water management techniques, especially in pastoral areas where the nomadic populations are most affected. Possible activities include tree planting, reforestation, dissemination of improved stoves, low water-consuming irrigation techniques, agro-forestry, retention basins and livestock breeding systems adapted to the reduction of green spaces. The promotion and implementation of these activities will help to reduce the vulnerability of water facilities and diversify the means of livelihood and incomes of the rural and agro-pastoral population. All adaptation measures to be financed with LDCF resources will be implemented in accordance with Mauritania’s National Adaptation Programme of Action (NAPA) concerning Climate Change

3.3 Revised Estimated Project Cost

3.3.1 The revised estimated project cost is as follows:

Revised Estimated Project Cost by Component (in UA million)

<table>
<thead>
<tr>
<th>Component</th>
<th>Initial</th>
<th>Additional</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Development of Drinking and Pastoral Water, Sanitation and Small-scale Irrigation Infrastructure</td>
<td>7.144</td>
<td>0.920</td>
</tr>
<tr>
<td>B</td>
<td>Institutional Support</td>
<td>1.628</td>
<td>-</td>
</tr>
<tr>
<td>C</td>
<td>Project Management</td>
<td>0.790</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9.562</strong></td>
<td><strong>0.920</strong></td>
<td><strong>10.482</strong></td>
</tr>
</tbody>
</table>

Additional ADF Resources 0.920

Additional ADF Financing by Expenditure Category (UA million)

<table>
<thead>
<tr>
<th>Expenditure Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Works</td>
<td>0.920</td>
</tr>
<tr>
<td>Services</td>
<td>-</td>
</tr>
<tr>
<td>Goods</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>0.920</strong></td>
</tr>
</tbody>
</table>

3.3.2 The LDCF grant totalling USD 6.350 million (equivalent to UA 4.190 million) will finance climate variability-related costs. These are additional costs relating to climate change adaptation in the previously described target regions. The activities to be carried out will comprise: (i) pastoral water facilities (particularly the construction of retention basins: USD 2.3 million) to improve the availability of water for nomadic populations; (ii) the creation of at least 30 forest and vegetation regeneration reserves to reduce pressure on available resources and increase the availability of vegetation for livestock breeding and, consequently, increase the population’s resilience (USD 1.5 million); (iii) the promotion of techniques and solutions aimed at reducing pressure on ground water (USD 1.8 million)
and (iv) the preparation and implementation of community climate change adaptation plans (USD 0.75 million).

3.4 **Revised Project Implementation Schedule**

The project implementation schedule will not undergo any changes inasmuch as the initial and new activities can be carried out simultaneously. Engineering studies to be conducted under the initial project will incorporate those of the proposed new facilities which will be constructed alongside the initial ones. The completion of project activities is scheduled for December 2017 and the deadline for last disbursement is December 2018. This will also apply to the ADF and LDCF additional financing.

3.5 **Project Implementation**

3.5.1 **Implementation Arrangements:** the initial institutional and implementation arrangements will be maintained. The project executing agency is the Ministry of Water and Sanitation (MHA) through the Directorate of Water (DH) which is responsible for monitoring and preparing activity programmes and annual budgets, preparing payment requests, drafting progress reports, preparing annual and periodic financial statements as well as preparing annual audits. Technical activities will be coordinated by the Coordinator, assisted by the Administrative and Financial Officer, the Procurement Officer and the support staff.

3.5.2 **Procurement Arrangements:** the procurement of goods, works and consultancy services financed with Bank and LDCF resources will be in accordance with the Bank’s Rules of Procedure for Procurement of Goods and Services or, as appropriate, the Bank’s Rules of Procedure for the Use of Consultants, using updated standard Bank bidding documents. Based on the assessment of the procurement capacity of executing agencies, the following actions and measures were adopted: (i) building the procurement and contract management capacity of the various directorates through the recruitment of a procurement expert to build the capacity of DH; (ii) providing appropriate training for the executing agencies as well as the Tenders Board involved in the project; and (iii) provide support to DH to improve the archiving of procurement documents. So far: (i) the Procurement Officer has been recruited; (ii) the Bank has already provided training on procurement procedures during project launching and a procurement training programme will be implemented for DH, executing agencies and the Tenders Board in 2014. Furthermore, measures have been taken to equip an office for the archiving of all project implementation documents. All these procurement arrangements already provided for and included in the initial financing agreements are sufficient and adequate to enable procurements related to the expected additional resources.

3.5.3 **Financial Management, Disbursement and Audit Arrangements**

3.5.3.1 **Financial Management Arrangements:** the fiduciary risk assessment was conducted by the Bank’s Fiduciary Services, taking into account an appropriate detailed mitigation plan. The financial management arrangements provide for: (i) the preparation of an administrative, financial and accounting procedures manual financed by counterpart contribution; (ii) the recruitment of an Administrative and Financial Officer (AFO) on a competitive basis; (iii) the establishment of a computerized accounting system to ensure adequate monitoring and facilitate the production of reliable financial information; and (iv) the recruitment of an independent auditor within the 4 months following project start-up. The first three arrangements have been implemented and the recruitment of a firm to audit project accounts (2013 to 2015 period) is on-going. Other financial management plan actions require special attention. These are the inclusion of PNISER as one of MHA’s priorities for effective mobilization of counterpart contribution and the training of the DH team on Bank rules and procedures. The Government’s
contribution for 2013 has been mobilized and the project team was provided initial training on Bank rules and procedures during project launching (March 2013) and during the combined CSP mid-term review and portfolio performance review mission (October 2013).

3.5.3.2 **Disbursement Arrangements:** the disbursement of the ADF Additional Loan and LDCF Grant will be in accordance with the project expenditure schedule and the list of goods and services associated with the activities of each financing. Additional Loan disbursements will be effected through the direct payment method for the procurement of goods, works and services. LDCF resources will be managed by the Bank in accordance with Bank rules and procedures and in compliance with the cooperation agreement. The list of works, goods and services and the disbursement methods will be specified during the preparation of climate change adaptation activities.

3.5.4 **Monitoring and Evaluation:** additional financing-related activities will be carried out according to the initial project implementation schedule and will be completed in December 2017: (i) DH will be responsible for monitoring the implementation of activities and their impacts, including the preparation of quarterly and annual progress reports based on the monitoring of the project logical framework indicators (physical implementation, disbursements and socio-economic and environmental impacts backed by the results obtained with the implementation of the social, economic, environmental and climate change adaptation manual); (ii) the Steering Committee, the Cooperation Planning and Monitoring Directorate (DPSC) of MHA and the Policies, Cooperation and Monitoring and Evaluation Directorate (DPCSE) of MDR will examine the project implementation status and evaluate its performance and the quality of its management and outputs; (iii) the implementation of the ESMP will be supervised by DCE (of the Ministry of the Environment and Sustainable Development) which is responsible for ensuring compliance with environmental and social standards in project implementation. The Coordinator of the National Programme on Climate Change (and UNFCCC National Focal Point) will be responsible for monitoring climate change resilience and adaptation actions. The Ministry which implements a number of environmental projects dealing particularly with climate change has the required experience for climate change resilience and adaptation actions.

During the preparation and design of climate change adaptation activities, the results logical framework will be reviewed using a participatory approach, to confirm project goal, objectives, expected outcomes, impacts and outputs. A monitoring and evaluation plan will also be adopted with clear identification of the responsibilities of stakeholders.

3.5.5 **Bank monitoring** will be through multidisciplinary and joint supervision missions with LDCF and technical and financial audits. Considering the integrated nature of this operation, the OWAS and OSAN Departments will be involved in monitoring and implementation of activities and output monitoring and evaluation. The Departments responsible for financial management (ORPF) and disbursements (FFCO) will be involved in these missions to support financial and fiduciary management evaluation. The services of the Bank’s Morocco Country Office (MAFO) and the Resident Economist will be enlisted for close implementation monitoring and will provide the required supervision assistance. Below is a summary of the updated implementation schedule (taking into account the actual initial project implementation status):
Activities | Party Responsible | Date /Period
---|---|---
Approval of Supplementary Loan | ADF | December 2013
Effectiveness of Supplementary Loan | ADF/GVT | February 2014
LDCF Grant Approval | LCDF | February 2014
Award/Signature of Contracts | DH | December 2013
Start-up of Consultancy Services | DH | January 2014
Launching of Works, Tender invitation | DH /AfDB | September 2014
Contract Award/Start-up of Works | DH /Contractors | December 2014
Mid-term Review | AfDB/LDCF/DH | March 2016
Physical Completion (Entire Project) | DH | December 2017
Completion Mission (Entire Project) | AfDB/LDCF/DH | September 2018

**IV. RATIONALE FOR ADDITIONAL FINANCING**

4.1 PNISER’s target area is one of the poorest parts of the country. Basic infrastructure needs (drinking and pastoral water, sanitation and small-scale irrigation) are significant and the impacts of drought on natural resources are increasingly severe, due to population pressure and increased and injudicious use of water and soil resources. The initial project design took into consideration the country’s limited financial resources and only priority activities capable of generating visible value added for the beneficiary population were included in the project.

4.2 With the ADF and LDCF additional financing, PNISER’s impact will be enhanced, particularly with respect to resilience, sustainability of water facilities and natural resource management in the face of climatic shocks. These additional resources will reduce the pressure on existing infrastructure and those to be constructed, and contribute to improving the population’s living conditions.

4.3 Furthermore, this financing is in line with the objectives of the Bank’s 2013 – 2022 Green Growth Strategy. It is an urgent response to the deterioration of natural resources and the vulnerability of the population of Southern Mauritania. The programmatic approach to be used takes into account the achievements of recent operations regarding the use of water resources.

4.4 The project is technically and economically viable. The economic rate of return was estimated at 14.42%. With the implementation of climate change resilience-related activities, the project’s economic benefits will increase, as well as its positive impacts on living conditions and infrastructure sustainability. The transition from a fragmented approach to an integrated and sustainable approach in mitigating the project’s negative environmental impacts through adaptation measures will help to enhance the economic value of water and the direct and indirect benefits for the environment and the populations.

**V. LEGAL INSTRUMENTS AND AUTHORITY**

5.1 Legal Instruments
The project’s legal instruments are an Additional ADF Loan and an LDCF Grant to be awarded to the Islamic Republic of Mauritania to complete the financing of this project’s activities.

5.2 **Conditions Associated with Bank Involvement**

*Conditions Precedent to Entry into Force of Supplementary Loan*

5.2.1 The entry into force of the Supplementary Loan Agreement shall be subject to fulfilment by the Borrower, to the satisfaction of the Fund, of the conditions set forth in Article 12.01 of the Fund’s General Conditions. The LDCF Grant Protocol Agreement shall enter into force on the date of its signature.

*Conditions Precedent to First Disbursement of LDCF Grant*

5.2.2 In addition to the entry into force of the Grant, the first disbursement of LDCF Grant resources shall be subject to fulfilment of the following conditions:

   (i) validation of Project financing by LDCF;

   (ii) provision by the Donee of evidence of the opening of a special account in the name of the project at a bank acceptable to the Bank and the Fund, to receive LDCF Grant resources.

5.3 **Compliance with Bank Policies**

5.3.1 The proposed Additional Loan is consistent with all relevant Bank policies. The LDCF Grant approval procedures are in line with the rules governing LDCF.

**VI. RECOMMENDATION**

Management recommends that the Board of Directors approve: (i) the proposal to award a UA 0.920 million ADF supplementary loan to the Islamic Republic of Mauritania; and (ii) the implementation of project activities financed through the LDCF Grant for an amount not exceeding USD 6.350 million, for the purpose and under the conditions set forth in this report.
Annex I

Map of Country and Project Area
March 12, 2013

Mr. Ignacio Tourino Soto
GEF Coordinator
African Development Bank
01 B.P. 1387 Abidjan
Cote D’Ivoire

Dear Mr. Soto:

I am pleased to inform you that the LDCF/SCCF Council has approved by mail, the LDCF Work Program consisting of the Project Identification Form (PIF) for: Mauritania: Improving Climate Resilience of Water Sector Investments with Appropriate Climate Adaptive Activities for Pastoral and Forestry Resources in Southern Mauritania for an indicative LDCF grant of $6,350,000, as well as the Agency fee of $635,000 for project cycle management services.

I look forward to receiving you final project document for my endorsement by September 2014. You are requested to inform the Secretariat as early as possible if this timeline cannot be met. We will then consult with the beneficiary country and your Agency prior to reaching a decision on whether to establish new milestones or to cancel the concept.

Sincerely,

Naoko Ishii
Chief Executive Officer and Chairperson

Copy to: Country Operational Focal Point
GEF Agencies, STAP, Trustee
PROJECT PREPARATION GRANT (PPG) – PROPOSED PROJECT PREPARATION ACTIVITIES

INVESTMENTS AND CAPACITY NEEDS ASSESSMENT

**Baseline: Area of influence current situation**

A preliminary review will be undertaken to analyze the current state of community resilience to existing climate variability and projected climate change impacts. Special attention should be given to the effect of changes in rainfall patterns and their impact on the needs of pastoralists and nomads to feed their cattle as well as their basic needs – such as food (including cooking capacities), beverages, etc. The way these changing conditions affect the existing and projected water infrastructure should also be assessed.

The baseline analysis will include a review of ongoing development projects concerning the agro-forestry, livestock (including nomads) and water supply systems. The baseline will also analyze the current policies that govern (i) the nomads and (ii) water use, and will identify potential areas for improving the climate change component of those policies and/or guidelines and their implementation.

**Promotion of Solutions**

Agro-forestry/vegetative investments and water availability investments are key to enhancing the adaptation of pastoralists to climate change and therefore reducing the vulnerability of water investments by limiting disruption in the baseline water investment (for pastoralists) and water and natural resources use conflicts. Apart from those pro-pastoralist activities, the experts need to identify/propose additional infrastructure (irrigation techniques) that will induce a diversification of revenue of the local population.

a. **Socio-economic studies**

Climate change vulnerability analysis and social-economic studies will be undertaken in the area of influence of the project. During the socio economic analysis, the proposed investment and options will be presented to the population to ensure that the investments are socially and culturally acceptable and relevant.

The socio-economic analysis should also provide a selection of diversification activities that can be implemented during the project execution phase. Those activities (Actors, Roles, Cost) should be identified. This socio economic study should give special attention to how beneficiaries, including women and youth, will be involved in the development of the project proposal and benefit from this project. The approach and results of the studies will be validated during the consultations.

b. **Specific sites and investment identification**

The project preparation funds will finance feasibility studies on:

- Water investments: The specific site dimensions and budget of the water infrastructure, particularly the ponds, will be presented;

- “Vegetative investments “At least 38 communities covering 30 forest reserves and several other areas will be included in the project through inventories. During the project preparation, those areas and nomad corridors which present the greater vulnerability and require major resilience of the population and of the baseline water infrastructures will be selected, and the investment, its scope and cost will be presented.
c. **Environmental and Social assessment**

In compliance with the current AfDB policies and guidelines, the E&S experts should update the existing baseline environment and social studies.

**Additionality dimension**

The additionality of the proposed project relative to baseline development needs will be clarified in the context of the proposed outcomes as outlined in the PIF. A detailed description will be provided showing how LDCF resources will be directed towards the additional cost of ensuring that baseline activities incorporate climate change concerns, especially in the water and agro-forestry sector:

a- **Agro-forestry**: to activities that seek to reduce the pressure on the vegetation (such as improved stoves or improved charcoal promotion) which will increase the availability of vegetation for livestock, thereby increasing population’s resilience.

b- **Underground water**: to activities and solutions that seek to reduce aquifer pressures, for instance the use of solar panels for pumping to reduce night water pumping.

**FINANCIAL PLAN AND PROCUREMENT**

PPG resources will be used to prepare adequate financial tables and procurement plans and ensure consistency of the budgets and procurement types envisaged under the project with Bank financial and procurement policies and guidelines.

**INSTITUTIONAL ARRANGEMENTS**

*Definition of project roles and responsibilities*: The ministries involved in the project activities are represented and coordinated by the baseline project steering committee. This committee should be reinforced and consulted during the preparation phase, in order to define the roles and responsibilities of each ministry and clarify the integration of aspects of the GEF activities into the baseline project and the manner in which the “project implementation unit” will be structured to respond to the needs. A capacity analysis will be undertaken with relevant ministries and/or other appropriate local institutions that will be involved in the project. This capacity analysis will pre-determine the implementation and reinforcement needs that will be further defined in the next activity.

**MONITORING AND EVALUATION**

*Finalization of a Strategic Results Framework and definition of monitoring and evaluation provisions*: Following the identification of the main implementing stakeholder, a participatory approach will be adopted, to finalize a detailed Strategic Results Framework. The Strategic Results framework will include revision and confirmation of the project goal, Objective, Outcomes and Outputs, and their corresponding indicators of success. Qualitative and quantitative monitoring and evaluation indicators to measure and verify successful delivery of Project Objective and Outcomes will be communicated to the identified stakeholders (AMAT framework will guide this exercise) for validation. The FSP will further contain a work plan to guide the project implementation phase.

A Strategic Results Framework and an M&E plan will be defined including clear identification of responsibilities and institutions, as well as appropriate budget allocation.

This will also reflect the requirements of AfDB vis-à-vis project baseline requirements as well as internal standard reporting and evaluation mechanisms (Project Implementation Progress and Results Report - (IPRR),
provisions for the Mid-term Review, the Project Completion Report (PCR), the independent evaluation, etc) will be included.

*Steps*

1- Key M&E stakeholders;

2- Results frameworks consulted and finalized;

3- Baseline compiled from the different subsectors (potable water and sanitation, pastoralism agro-forestry, irrigation, etc);

4- GEF Requirements baselines and templates included: PIRs, TT, MTR, AMAT and Terminal Evaluation;

5- AfDB Requirement: IPPR and CSI (AfDB Standards included);

6- M&E plan with budget.

**STAKEHOLDER CONSULTATIONS:**

During the preparation phase, nomad corridors will be identified and a “mobile” consultation undertaken to ensure that the focal point of the nomad population – as well as NGOs representing those communities – are fully involved in the process.

In alignment with the approved project objective, beneficiaries’ activities for adaptation to potential climate change impacts, priority adaptation options, stakeholder mapping and the definition of a communication and consultation strategy to be applied during the implementation phase will be covered. The communication strategy should clarify the means of transmission of results, lessons learned and best practices identified throughout the project to the various stakeholders both during and after the project.

*Steps*

1- Identification of the pastoral corridors;

2- Mapping of the main stakeholders, including women’s groups, representative of the nomads and key NGOs and CSOs;

3- Consultation and “mobile” consultation with the stakeholders: Presentation of the main activities and options;

4- Communication and consultation strategy to be conducted during the implementation phase.