



Public Sector Performance Project (P150116)

AFRICA | Madagascar | Governance Global Practice |
IBRD/IDA | Investment Project Financing | FY 2016 | Seq No: 3 | ARCHIVED on 29-Jun-2017 | ISR28972 |

Implementing Agencies: PREA - Programme des réformes pour l'efficacité de l'administration, Ministry of Finance

Key Dates

Key Project Dates

Bank Approval Date:13-Jun-2016

Effectiveness Date:27-Mar-2017

Planned Mid Term Review Date:29-Jun-2018

Actual Mid-Term Review Date:--

Original Closing Date:30-Jun-2020

Revised Closing Date:30-Jun-2020

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project Development Objective (PDO) is to improve revenue management, and local service delivery nationwide and in the education sector in Selected Regions.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components

Name

Improving Revenue Management:(Cost \$16.80 M)

Improving Service Delivery Capacity of Local Governments:(Cost \$12.00 M)

Improving Governance Mechanisms in the Education Sector:(Cost \$7.80 M)

Improving Controls and Performance Monitoring:(Cost \$3.40 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Moderately Satisfactory	● Moderately Unsatisfactory
Overall Implementation Progress (IP)	● Moderately Unsatisfactory	● Moderately Unsatisfactory
Overall Risk Rating	● High	● High



Implementation Status and Key Decisions

The Madagascar Public Sector Performance Project (PAPSP) was approved by the Bank's Board of Executive Directors on June 13, 2016; Initially planned to be effective by November 30, 2016, the project entered into effectiveness only on March 28, 2017 following three extensions due to delays in the realization of effectiveness conditions.

Delays have been encountered in implementing project activities and the performance of each component vary from moderately unsatisfactory to moderately satisfactory. On PDO indicators, one indicator (improvement of tax revenues in comparison with the Gross Domestic Product - GDP) has already reached its annual target. Other PDO indicators remain to be measured under ongoing project activities. However, due to delays in activity implementation, measurement of other indicators have also encountered significant delays. The disbursement of 5 million USD under the result based scheme may be jeopardized as the government has not been able to disburse this amount on the eligible expenditure lines.

While the next ISR would have been due by September 24, the current update is undertaken on the basis of the Madagascar portfolio review.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	● High	● High	● High
Macroeconomic	● Substantial	● Substantial	● Substantial
Sector Strategies and Policies	● Moderate	● Moderate	● Moderate
Technical Design of Project or Program	● High	● High	● High
Institutional Capacity for Implementation and Sustainability	● Substantial	● Substantial	● Substantial
Fiduciary	● Substantial	● Substantial	● Substantial
Environment and Social	● Moderate	● Moderate	● Moderate
Stakeholders	● High	● High	● High
Other	--	--	--
Overall	● High	● High	● High

Results

Project Development Objective Indicators

► Increased tax revenue collection (Domestic tax revenue/GDP ratio) (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	10.00	10.00	10.00	11.80
Date	31-Mar-2016	06-Feb-2017	06-Feb-2017	30-Jun-2020



Comments
End of Year Target Met.

► TADAT PO-8 indicators "Efficient Revenue Management" rated B (Text, Custom) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	D	--	D	B
Date	31-Mar-2016	06-Feb-2017	06-Feb-2017	30-Jun-2020

Comments
The indicator is Not Yet Able to Be Measured or No Data Currently Exists.

► Communes with IGL higher than 6 (Percentage, Custom) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	60.00
Date	31-Mar-2016	06-Feb-2017	06-Feb-2017	30-Jun-2020

Comments
This indicator is Not Yet Able to Be Measured or No Data Currently Exists.

► Availability of a teachers' information management system (Text, Custom) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	None	--	None	Yearly update of teachers' database
Date	31-Mar-2016	--	06-Feb-2017	30-Jun-2020



Comments

This indicator is Not Yet Able to Be Measured or No Data Currently Exists.

► Direct Project Beneficiaries (number), of which female (percentage) (Number, Custom) (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	3,277.00
Date	31-Mar-2016	06-Feb-2017	06-Feb-2017	30-Jun-2020

Comments

This indicator is Not Yet Able to Be Measured or No Data Currently Exists

Overall Comments

One PDO indicators (improvement of tax revenues in comparison with GDP) has already reached its annual target. Other PDO indicators are due to be measured under ongoing project activities. Implementation of activities suffered significant delays and the projected availability of PDO indicators values by the next ISR is at risk. Activities to collect necessary information are currently being initiated.

Intermediate Results Indicators

► Modernization of the Integrated Tax Administration System (ITAS) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	None	--	None	ITAS operational (in pilot tax centers covering 90% of tax revenue)
Date	31-Mar-2016	--	06-Feb-2017	30-Jun-2020

Comments

The indicator to be achieved by July 30: Technical specification of ITAS available: The indicator is at risk and will not be achieved by the projected timeline for July 2017 but will be achieved by the end of 2017.



► Increased rate of confirmed suspicious customs transactions related to home use at Tomasina Custom Office (in case of physical examination). (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	5.00	--	9.60	15.00
Date	31-Mar-2016	--	06-Feb-2017	30-Jun-2020

Comments
Annual Target Met.

► Number of revenue offices that have been subject to external evaluation of their performance contracts/program (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	2.00	2.00	6.00
Date	31-Mar-2016	06-Feb-2017	06-Feb-2017	30-Jun-2020

Comments
Annual Target Met.



► Improved taxpayers registration (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	200,000.00	254,584.00	254,584.00	320,000.00
Date	31-Mar-2016	06-Feb-2017	06-Feb-2017	30-Jun-2020

Comments
Annual Target Met.

► Establishment of a single administrative identification number (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	2,500,000.00
Date	31-Mar-2016	06-Feb-2017	06-Feb-2017	30-Jun-2020

Comments
An audit of the current system will be undertaken. However, due to delays in activity implementation, reform of the identification system suffered significant delays. However, it is expected to be achieved by December 2017.

► Improved formalization of small-scale miners (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	15,000.00
Date	31-Mar-2016	--	06-Feb-2017	30-Jun-2020

Comments
The indicators is Not Yet Able to Measure or No Data Currently Exists.



► Improved timeliness of service-delivery fiscal transfers to local governments (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No standard available to measure acceptable delays for transfer execution	--	No standard available to measure acceptable delays for transfer execution	Completion of the transfer program with a tolerance threshold of 30 days on average
Date	31-Mar-2016	--	06-Feb-2017	30-Jun-2020

Comments

A stocktaking of all transfers to communes is currently under finalization and will be available by July 2017 to meet the annual target for 2017.

► Improved recovery of revenue (not including grants) by local governments (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	30.00	--	30.00	50.00
Date	31-Mar-2016	--	06-Feb-2017	30-Jun-2020

Comments

This indicator is Not Yet Able Measured or No Data Currently Exists.

► Share of schools targeted by the component with an operational FEFFI, planning and implementing PECs (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	75.00
Date	31-Mar-2016	--	06-Feb-2017	30-Jun-2020



Comments

1680 Schools (representing 50% of all targeted schools) have been targeted in 2017 and have been supported for the implementation of FEFFI. Data collection on effectively implemented FEFFI will be undertaken by July 30 to collect data related to this indicator.

► Percentage of FRAM teachers in the areas selected by the component receiving subsidies with less than two months of delay (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	5.00	5.00	5.00	50.00
Date	31-Mar-2016	06-Feb-2017	06-Feb-2017	30-Jun-2020

Comments

This Indicator is Not Yet Able to Be Measured or No Data Currently Exists.

► Timely availability of the Court of Account (CA) public report (process indicator) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	None	--	The 2015 public report has been prepared and will be published at the end of the first quarter of 2017; the 2016 report will likewise be published before the end of 2017.	Yes
Date	31-Mar-2016	--	06-Feb-2017	30-Jun-2020

Comments

Annual Target Met.



► High/substantial risks audits completed by Internal Audit Departments (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	6.00
Date	31-Mar-2016	--	06-Feb-2017	30-Jun-2020

Comments

This indicator is Not Yet Able to Be Measured or No Data Currently Exists.

► Semiannual public debates on the budget law, the performance of revenue agencies and project performance led by CSOs. (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	--	1.00	2.00
Date	31-Mar-2016	--	06-Feb-2017	30-Jun-2020

Comments

This Indicator is Not Yet Able to Be Measured or No Data Currently Exists.

Overall Comments

Intermediate indicators related to an increase in the confirmation of suspect customs transactions (IRI 7), the number of performance contracts in place (IRI 8), and the number of registered taxpayers (IRI 9), have met their end of year targets. Likewise, the indicator measuring the availability of Court of Accounts reports (IRI 17) was achieved as the 2015 public report (FY 2014) has been prepared and will be

published at the end of the first quarter of 2017; the 2016 report (FY2015) will likewise be published by end of June 2017. Other intermediate indicators are to be measured under ongoing project activities. However, delays in project implementation put at risk the availability of data by the next ISR as initially planned.

Data on Financial Performance

Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
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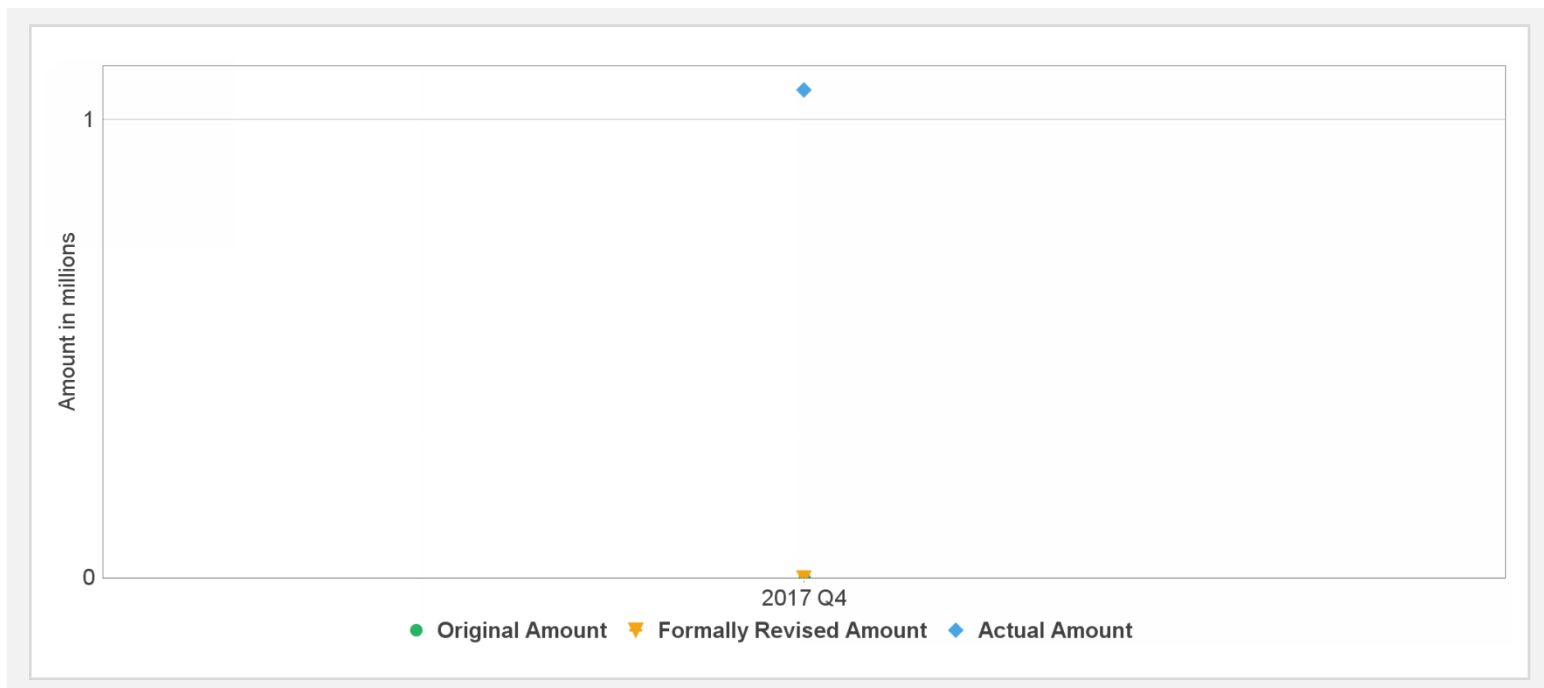


P150116	IDA-58350	Effective	XDR	28.40	28.40	0.00	1.07	27.33	<div style="width: 4%; height: 10px; background-color: green;"></div>	4%
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Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P150116	IDA-58350	Effective	13-Jun-2016	28-Oct-2016	27-Mar-2017	30-Jun-2020	30-Jun-2020

Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.