



Dem Rep Congo - Western Growth Poles (P124720)

AFRICA | Congo, Democratic Republic of | Agriculture Global Practice |
IBRD/IDA | Specific Investment Loan | FY 2013 | Seq No: 5 | ARCHIVED on 05-Aug-2015 | ISR20277 |

Implementing Agencies: CFEF

Key Dates

Key Project Dates

Board Approval date:11-Jun-2013

Effectiveness Date:16-Oct-2013

Planned Mid Term Review Date:16-Nov-2016

Actual Mid-Term Review Date:--

Original Closing Date:30-Aug-2019

Revised Closing Date:30-Aug-2019

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The proposed Project Development Objective (PDO) is to increase productivity and employment in selected value chains in target zones.

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

No

Components

Name

Agriculture Value Chains Development in Bas-Congo:(Cost \$48.00 M)

Special Economic Zone of Maluku:(Cost \$27.00 M)

Proactive Business Development:(Cost \$16.00 M)

Coordination, Monitoring, Communication and Impact Assessment:(Cost \$8.00 M)

Overall Ratings

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



Implementation Status and Key Decisions

The project was signed on July 22, 2013 and declared effective on October 16, 2013. The Project Coordination Unit (PCU) is anchored in the Cellule d'exécution des financements en faveur des états fragiles or CFEF, within the Ministry of Finance. Additional staff have been competitively recruited to strengthen the CFEF which is fully operational since February 2014. The project was launched officially in Kinshasa on April 26, 2014 and launched in the Bas-Congo in September 2014.

IMPLEMENTATION PROGRESS: Progress has been slow on the implementation of most activities, and the team recently concluded an implementation support mission on the field (June 8 to 24, 2015) to identify bottlenecks and accelerate project implementation, with the following main outcomes.

So far, overall project implementation has been slow, keeping disbursements at very low levels. On Component 1, INERA and SENASEM have launched basic seeds production activities in the Bas-Congo, although a detailed evaluation of their capacity and needs is required to optimize the scope of assistance to be provided by the project. The bidding process for the rehabilitation of 500 km of rural roads has been launched, in collaboration with DVDA. The contract with UNIDO has been officially signed for an amount of \$4.7 million, while negotiations with SNV are at a final stage of review by the PCU.

On Component 2, the Government has created a "Commission d'Indemnisation" within the Ministry of Industry to lead the implementation of the Resettlement Action Plan (RAP) for the Maluku SEZ. The task team is conducting an aggressive communication campaign to reach out to affected populations and is leading the compensation process with the CAZES. So far, the communication campaign is ongoing and has already reached the majority of the affected population and most of them have already their Bank account to receive the compensation.

Important developments that require management attention include the signing of a deal between the Government (led by the Prime Minister's office) and Africom, a South African company, to build a wholesale market (*Marché International de Kinshasa or MIK*), on a plot of 15ha allocated by the Government within the Maluku SEZ. The team noted that Africom has already launched physical works in the ZES to start the construction of ancillary infrastructure (access road, power supply and port), expected to be carried out in the next 18 months. While this first investment could represent a valuable anchor investment in the zone, it is important to note that the Government has not adhered to safeguards requirements, particularly the RAP that is under execution (expected to be completed by end 2015) and the requirement for MIK to conduct an environmental and social screening of the site, followed by an environmental management plan. In addition, the team was not able to get any information on the contractual arrangements between the Government and Africom on the setting up of MIK. We were informed that in addition to MIK, other Africom companies are also planning on taking up land within the SEZ. The team requested the Government during the final debriefing session to suspend all physical works in the ZES until the RAP is fully executed and other environmental safeguard requirements completed.

On Component 3, the contract with CPCAI related to the implementation of investment climate reforms is at a final review stage, following several rounds of discussions. It has been agreed to focus on select reforms such as cross-border trade, starting a business, registering property and paying taxes.

Finally, the team is undertaking a Level 2 project restructuring at the Government's request. The current component 3.1 Project Development Fund (PDF), which has not been implemented due to shifts in Government's priorities, will be restructured to finance Technical Assistance to help the Government develop Agro-Industrial Parks (AIP) in DRC, improve food safety, and support the development of Micro, Small and Medium Enterprises (MSMEs) along the value chains developed in the Bas-Congo. Additional funds will also be allocated to Component 4 to support the setting up of an Executive Secretariat to be chaired at the Prime Minister's Office level in collaboration with Permanent Secretary-level and Project Director-level officials from technical Ministries to coordinate and execute policy guidance coming from Government's AIP Steering Committee; and provide additional capacity building to key ministries involved in the implementation of project activities. This restructuring is currently underway.





Risks

Systematic Operations Risk-rating Tool

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

Results

Project Development Objective Indicators

► Number of jobs created in select value chains (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	300.00	11000.00
Date	11-Jun-2013	15-Jun-2015	21-Jul-2015	30-Aug-2019



▲ Of which female (Percentage, Custom Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	40.00	50.00

▶ Direct project beneficiaries (Number, Core)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	3000.00	50000.00
Date	11-Jun-2013	15-Jun-2015	21-Jul-2015	30-Aug-2019

▲ Female beneficiaries (Percentage, Core Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	40.00	40.00

▶ Productivity of food crops in select value chains inter-alia: (Metric ton, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	--	--	--	--
Date	--	--	--	--

▲ (iii) Palm oil (Metric ton, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	3.00	--	3.00	15.00



Date	11-Jun-2013	15-Jun-2015	26-Jul-2015	30-Aug-2019
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▲ (ii) Rice (Metric ton, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.80	--	1.80	3.00
Date	11-Jun-2013	15-Jun-2015	26-Jul-2015	30-Aug-2019

▲ (i) Cassava (Metric ton, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	8.00	--	8.00	20.00
Date	11-Jun-2013	15-Jun-2015	26-Jul-2015	30-Aug-2019

Overall Comments

This is the first year of project implementation on the ground. The project has just launched the production of foundation seeds with the research stations (INERA) and these basic seeds need first to be multiplied by agrimultiplicateurs before coming to farmers' fields and be measured against yields improvements, in 2 campaigns.

Intermediate Results Indicators

► Volume of food crops produced by the supported farmers organizations and agro-industrial farms, inter-alia: (Metric ton, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	--	--	--	--
Date	--	15-Jun-2015	15-Jun-2015	--



▲ (iii) Palm oil (Metric ton, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	100.00	100.00	100.00	750.00
Date	11-Jun-2013	15-Jun-2015	26-Jul-2015	30-Aug-2019

▲ (ii) Rice (Metric ton, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	20.00	20.00	20.00	37.00
Date	11-Jun-2013	15-Jun-2015	26-Jul-2015	30-Aug-2019

▲ (i) Cassava (Metric ton, Custom Breakdown)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1000.00	1000.00	1000.00	3900.00
Date	11-Jun-2013	15-Jun-2015	26-Jul-2015	30-Aug-2018

► Value of private investment flows in the targeted value chains facilitated by the project (Amount(USD), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	1000.00
Date	11-Jun-2013	15-Jun-2015	26-Jul-2015	30-Aug-2019



► Volume of food processed at technical food processing centers (Metric ton, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	5000.00
Date	11-Jun-2013	15-Jun-2015	26-Jul-2015	30-Aug-2019

► Rural roads rehabilitated to link production centers to markets (Kilometers, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	500.00
Date	11-Jun-2013	15-Jun-2015	26-Jul-2015	30-Aug-2019

► Number of enterprises in the SEZ (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	1.00	10.00
Date	11-Jun-2013	15-Jun-2015	26-Jul-2015	30-Aug-2019

► Number of feasibility studies supported by the project which resulted in investments (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	40.00
Date	11-Jun-2013	15-Jun-2015	26-Jul-2015	30-Aug-2019



▶ Time to export (Doing Business) (Days, Custom)

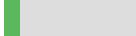
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	44.00	44.00	44.00	7.00
Date	11-Jun-2013	15-Jun-2015	26-Jul-2015	30-Aug-2019

Overall Comments

Since project activities have not started yet, there are no measurements available for intermediate indicators.

Data on Financial Performance

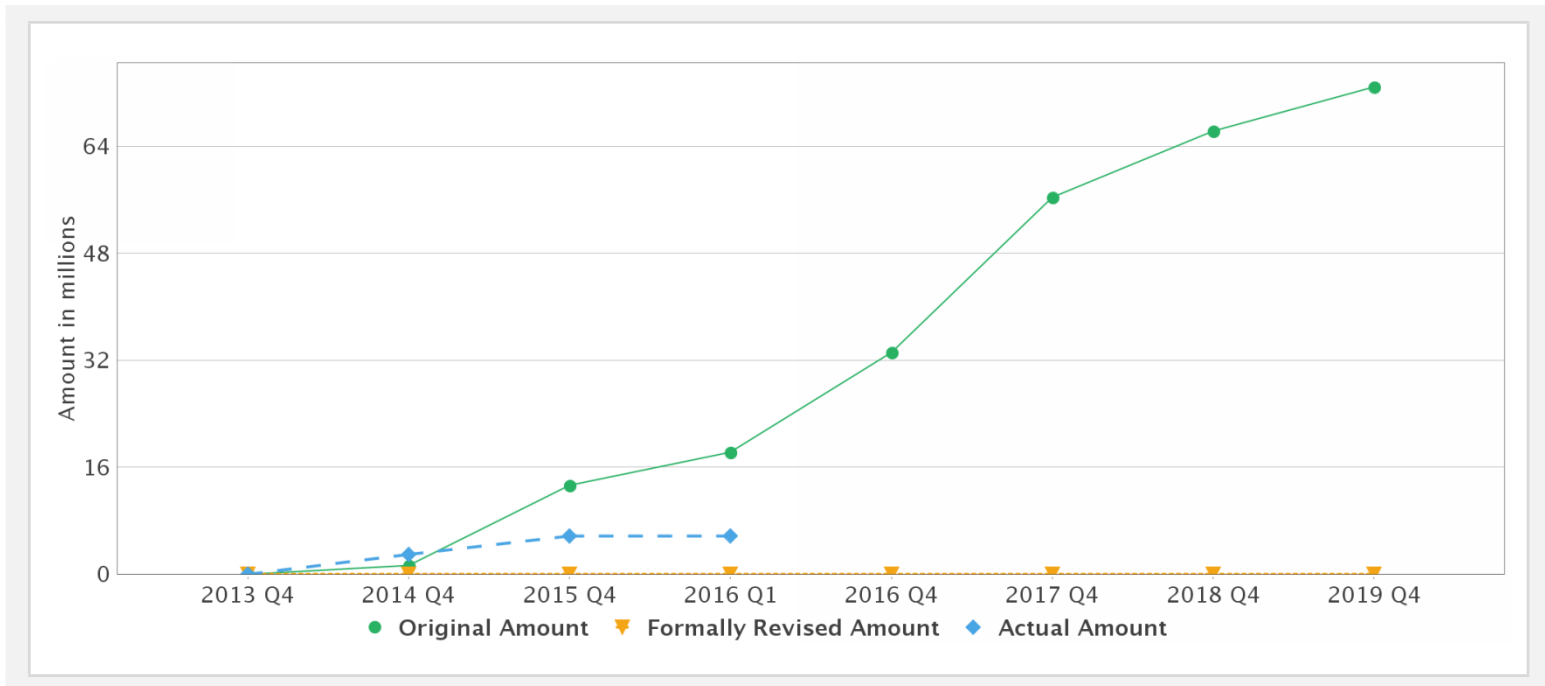
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P124720	IDA-H8600	Effective	XDR	72.90	72.90	0.00	5.74	67.16	 8%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P124720	IDA-H8600	Effective	11-Jun-2013	22-Jul-2013	16-Oct-2013	30-Aug-2019	30-Aug-2019

Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.