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Report No: {PP1924}

PROJECT PAPER

ON A

PROPOSED GRANT

IN THE AMOUNT OF (US\$ 0.30 MILLION EQUIVALENT)

TO

REPUBLIC OF SENEGAL

FOR A

*SENEGAL SUPPORT TO EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE  
COMPLIANCE PROCESS PROJECT*

18 May 2016

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## CURRENCY EQUIVALENTS

(Exchange Rate Effective on March 15, 2016)

US\$ 1 = 590.55 FCFA

## FISCAL YEAR

January 1 – December 31

## ABBREVIATIONS AND ACRONYMS

CDCM	Centre for Documentation and Mining Cadastre
CPS	Country Partnership Strategy
DH	Hydrocarbons Directorate
DMG	Directorate of Mines and Geology
EGPS	Extractives Global Programmatic Support
EITI	Extractive Industries Transparency Initiative
FM	Financial Management
GoSN	Government of Senegal
GRS	Grievance Redress Service
HDI	Human Development Index
IA	Independent Administrator
IDA	International Development Association
IBRD	International Bank for Reconstruction and Development
IFAC	International Federation of Accountant
LNG	Liquefied Natural Gas
MDTF	Multi-Donor Trust Fund
MEF	Ministry of Economy and Finance
EITI-NC	EITI National Committee
PDO	Project Development Objective
PSE	Plan Senegal Emergent
US\$	United State Dollar
SENELEC	<i>Société Nationale d'électricité du Sénégal</i>
SMHPM	Mauritanian Society Hydrocarbons and Mining Estate
SSA	Sub-Saharan Africa
TA	Technical Assistance

Regional Vice President:	Makhtar Diop
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Task Team Leader:	Ilhem Salamon

## SENEGAL

### *Senegal Support to Extractive Industries Transparency Initiative Compliance Process Project*

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# APPRAISAL DATA SHEET

*Senegal*

*SENEGAL SUPPORT TO EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE  
COMPLIANCE PROCESS PROJECT (P160022)*

## PROJECT PAPER

*AFRICA*

*0000009266*

Report No.: PP1924

Basic Information			
Project ID P160022	EA Category C - Not Required	Team Leader(s) Ilhem Salamon	
Lending Instrument Technical Assistance	Fragile and/or Capacity Constraints [ ]		
	Financial Intermediaries [ ]		
	Series of Projects [ ]		
Project Implementation Start Date 15-June 2016	Project Implementation End Date 31-Dec-2018		
Expected Effectiveness Date 15-June 2016	Expected Closing Date 31-Dec-2018		
Joint IFC No			
Practice Manager/Manager Paulo De Sa	Senior Global Practice Director Charles Feinstein	Country Director Louise J. Corde	Regional Vice President Makhtar Diop
Approval Authority			
Approval Authority CD Decision			
Borrower: Republic of Senegal (Ministry of Economy and Finance)			
Responsible Agency: EITI Permanent Secretariat			
Contact:	Cheikh Tidiane Toure	Title:	Permanent Secretary
Telephone No.:	+(221) 338200854/ 773320512	Email:	chtoure@gmail.com
Project Financing Data(in USD Million)			
Total Project Cost:	0.30	Total Bank Financing:	0.00
Financing Gap:	0.00		

Financing Source					Amount					
Extractives Global Programmatic Support					0.30					
Total					0.30					
Expected Disbursements (in USD Million)										
Fiscal Year	2016	2017	2018	2019	0000	0000	0000	0000	0000	0000
Annual	0.00	0.15	0.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cumulative	0.00	0.15	0.30	0.30	0.00	0.00	0.00	0.00	0.00	0.00
Institutional Data										
Practice Area (Lead)										
Energy & Extractives										
Contributing Practice Areas										
Cross Cutting Topics										
[ ] Climate Change										
[ ] Fragile, Conflict & Violence										
[ ] Gender										
[ ] Jobs										
[ ] Public Private Partnership										
Sectors / Climate Change										
Sector (Maximum 5 and total % must equal 100)										
Major Sector				Sector		%	Adaptation Co-benefits %		Mitigation Co-benefits %	
Energy and mining				Oil and gas		50				
Energy and mining				Other Mining and Extractive Industries		50				
Total						100				
<input checked="" type="checkbox"/> I certify that there is no Adaptation and Mitigation Climate Change Co-benefits information applicable to this project.										
Themes										
Theme (Maximum 5 and total % must equal 100)										
Major theme				Theme				%		
Public sector governance				Other accountability/anti-corruption				50		
Social dev/gender/inclusion				Participation and civic engagement				30		

Environment and natural resources management	Other environment and natural resources management	20	
Total		100	
<b>Proposed Development Objective(s)</b>			
The project development objective is to assist Republic of Senegal in implementing its EITI agenda.			
<b>Components</b>			
<b>Component Name</b>	<b>Cost (USD Millions)</b>		
EITI Implementation Support	0.19		
Communication and Outreach	0.03		
Project Management	0.08		
<b>Compliance</b>			
<b>Policy</b>			
Does the project depart from the CAS in content or in other significant respects?	Yes [ ]	No [ X ]	
Does the project require any waivers of Bank policies?	Yes [ ]	No [ X ]	
Have these been approved by Bank management?	Yes [ ]	No [ X ]	
Does the project meet the Regional criteria for readiness for implementation?	Yes [ X ]	No [ ]	
<b>Safeguard Policies Triggered by the Project</b>	<b>Yes</b>	<b>No</b>	
Environmental Assessment OP/BP 4.01		X	
Natural Habitats OP/BP 4.04		X	
Forests OP/BP 4.36		X	
Pest Management OP 4.09		X	
Physical Cultural Resources OP/BP 4.11		X	
Indigenous Peoples OP/BP 4.10		X	
Involuntary Resettlement OP/BP 4.12		X	
Safety of Dams OP/BP 4.37		X	
Projects on International Waterways OP/BP 7.50		X	
Projects in Disputed Areas OP/BP 7.60		X	
<b>Legal Covenants</b>			
<b>Name</b>	<b>Recurrent</b>	<b>Due Date</b>	<b>Frequency</b>
<b>Description of Covenant</b>			

<b>Conditions</b>				
<b>Source of Fund</b>	<b>Name</b>			<b>Type</b>
<b>Description of Condition</b>				
<b>Team Composition</b>				
<b>Bank Staff</b>				
<b>Name</b>	<b>Role</b>	<b>Title</b>	<b>Specialization</b>	<b>Unit</b>
Ilhem Salamon	Team Leader (ADM Responsible)	Senior Oil and Gas Specialist	Oil and Gas	GEEDR
Cheick Traore	Procurement Specialist (ADM Responsible)	Senior Procurement Specialist	Procurement	GGODR
Mamata Zida/ Tiendredreogo	Procurement Specialist (ADM Responsible)	Senior Procurement Specialist	Procurement	GGODR
Fatou Fall Samba	Financial Management Specialist	Financial Management Specialist	Financial Management	GGODR
Ruma Tavorath	Safeguards Specialist	Senior Environmental Specialist	Sr. Environmental Specialist	GENDR
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Issa Thiam	Team Member	Finance Analyst	Disbursement	WFALS
<b>Extended Team</b>				
<b>Name</b>	<b>Title</b>	<b>Office Phone</b>	<b>Location</b>	
<b>Locations</b>				

<b>Country</b>	<b>First Administrative Division</b>	<b>Location</b>	<b>Planned</b>	<b>Actual</b>	<b>Comments</b>

## I. STRATEGIC CONTEXT

### A. Country Context

1. **Senegal, with an estimated population of 14.7 million and an annual growth rate of 3.1 percent, is one of the most politically stable countries in Africa and has considerably strengthened its democratic structures in recent years.** Since the 1980s, the democratic institutions and democratization process in Senegal have fared better than in most sub-Saharan African (SSA) countries. In the March 2009 municipal elections, the opposition who united under the “Benno Siggil Senegal” coalition won and reinforced the country’s democratic model. The coalition was formed after the contested 2007 presidential election results and subsequent boycott of parliamentary elections. On March 20, 2016 a constitutional referendum was held where people voted to reduce the Presidential term from seven to five years from 2019. The “Yes” vote was 62.7% (1,357,412) against 37.3% (807,255) for “No”. However, the national turnout was low at only 38.3%, and in Touba – the second largest city of Senegal and capital of the powerful Muridiya Islamic Brotherhood – the “No” vote won. Presidential elections will be organized in 2019, while the next legislative elections are expected in 2017.

2. **In terms of human development, however, Senegal is still lagging behind. In 2015, Senegal was ranked 170 out of 188 countries (in the low human development category) on the UNDP Human Development Index (HDI).** Senegal’s HDI for 2014 was below the average for SSA. Between 1980 and 2014, Senegal’s life expectancy at birth increased by 17.6 years, mean years of schooling increased by 0.3 years and expected years of schooling increased by 4.3 years. Senegal’s GNI per capita increased by about 15.0 percent between 1980 and 2014. Under-5 and infant mortality ratios were respectively estimated at 47 and 42 (per 1000 live births) in 2015. Maternal mortality, was a ratio of 315 for 100,000 living births in 2015. In 2014, the primary school completion rate stood at 61 percent. The primary completion rate has come a long way, but at 72 percent, Senegal is still below the global average for other lower middle-income countries (97%). At middle and secondary school levels, important progress has been made over the last five years in terms of increases in enrolment. However, this has not been accompanied by adequate investment resources, and curricula are not designed to prepare students for scientific or technical studies.

3. **Progress towards poverty reduction in Senegal has been mixed in the first decade of the 21st century.** Between 2001 and 2005 the national poverty rates fell by 6.9 percentage points (from 55.2 to 48.3%), but stalled between 2005 and 2011. Extreme poverty followed the same trend, as the percentage of people unable to cover their basic food needs decreased only slightly from 17.2 percent in 2001 to 14.8% in 2011. Further, the absolute number of poor increased by 600,000 people over the entire period due to a relatively high level of population growth of 2.5% per year. Increasing human capital is key to increase households’ income and further reduce poverty, as it has the potential to help spur economic growth and generate broader economic opportunities for the population. Education is highly correlated with both the quantity and quality of jobs, and appears to be the single most effective asset associated with households’ emergence out of poverty and reduced likelihood of falling into poverty. However, the educational levels of the workforce, particularly youth, is low despite recent improvements. In 2011, 62 % of the

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<sup>1</sup> The small change of -1.6% recorded between 2005 and 2011 was statistically insignificant.

employed workers and 45 % of those aged 15 to 29 years had no education. Unless the lack of human capital is effectively addressed, the low educational endowments of the next generations will be a severe constraint to eliminating poverty.

4. **After experiencing lackluster growth of 3.3% since 2006, growth began to improve in 2014, and according to the government's recent estimates was 6.5% in 2015 and estimated to be 6.4% in 2016.** The 2015 outcome reflected a bumper agricultural season. Senegal benefited from lower international commodity prices, and good rainfall, which combined with government efforts, boosted agricultural value added by around a third. The higher growth also reflects good performances in industry and services, as the economy benefited from various developments including the implementation of the Plan Sénégal Emergent (PSE), strengthened trade with Mali, and falling oil prices. There is a clear consensus among key players that to achieve the PSE growth targets, Senegal needs to accelerate reforms to encourage small and medium enterprises (SMEs) and foreign investment, continue to downsize the government, and implement some difficult structural reforms in energy, transportation, and agriculture.

5. **Relatively strong macro fundamentals underpin the reform and expenditure program. The government budget is increasing by 5.4% in 2016, which is roughly equivalent to 35% of GDP.** There is a modest fiscal deficit of 4.2% of GDP predicted for 2016, down by 0.6 percentage points compared to 2015. Revenue collection is projected to improve in 2016 to reach 22.3% of GDP, up from 21.6% in 2015. Securing the revenue base is an important objective for the authorities to preclude future increases in borrowing or budget deficits. The immediate priority is to increase tax mobilization through continued capacity building and modernization of tax administration, as well as the rationalizing of spending related to wages and salaries. In addition, a decrease in the current expenditure to total expenditure ratio from 80% in 2015 to 75% in 2016 will contribute to the reduction of the deficit while allowing for an increase in the investment ratio and for the development of the social safety net.

## **B. Sectoral and Institutional Context**

6. **The Government of Senegal has sought to improve its investment climate and recently the institutional setting of the extractives sector is under review.** The Ministry of Energy and Renewable Energy Development is the entity responsible for the implementation and monitoring of government policy for the hydrocarbons sector. Two agencies are in charge of monitoring the exploration and exploitation of hydrocarbons in Senegal: Directorate of Hydrocarbons (DH) of the Ministry of Energy and the Renewable Energy Development, and the Oil Company of Senegal (PETROSEN), a limited liability company with majority public ownership (99% owned by the Government), created in May 1981. The January 8, 1998 Petroleum Code and its implementing decree (No. 98-810 of 6 October 1998) govern the prospecting, exploration, exploitation and transportation of hydrocarbons and the fiscal regime of these activities. An exercise to review the code is now underway. With regards to the mining sector, the Ministry of Industry and Mines is responsible for the implementation and monitoring of government policies. In 2013, the Directorate of Mines and Geology (DMG), was in charge of monitoring exploration operations and exploitation of minerals in Senegal. DMG has several divisions including the Centre for Documentation and Mining Cadastre (CDCM) which is an information center covering all the geological and mining data about Senegal. The November 24, 2003 Mining Code and its

implementing decree (No. 2004-647 of 17 May 2004) govern the sector's activities. A code revision exercise was initiated in 2013.

7. **The Government of Senegal (GoSN) declared its interest in becoming an EITI Candidate country in July 2012 and submitted an Extractive Industries Transparency Initiative (EITI) Candidature application in July 2013.** The EITI- National Committee (EITI-NC) was confirmed by Presidential Decree in June 2013. The decision to join the Extractive Industries Transparency Initiative (EITI) in this context symbolizes the ambition of Senegal to make good governance a reality in the management of public affairs and its intention to make the extractive sector an engine of economic growth. Senegal has also expanded the scope of the EITI reporting to include the reconciliation of payments from quarrying companies. The first EITI report was due in October 2015 with expected validation by October 17, 2016. In accordance with these commitments, the first EITI report of Senegal was published in October 2015 (covering the year 2013). As is common with early EITI reports, Senegal's first report does not contain all the information required to become compliant with the EITI standard. However, it provides a particularly important assessment of the actions that should be undertaken to enable the country to improve the level of transparency in its extractive industries in order to meet the EITI standard by October 2016.

8. **According to 2013 EITI report, Senegal's extractives sector contributed about USD 82 million to the government in 2013 mainly from the mining sector with a small contribution from the oil and gas sector.** The report cites Senegal as a world leader in the production of phosphates but also highlights a missed opportunity in revenues from minerals that remain underground. The commencement of new mining operations such as the mineral sands project in Diogo and the discovery of an oil field off the coast of Senegal in 2014 signal the need to boost reforms for good governance and transparency, and strengthen the Government's capacity to manage the extractives sector. The hydrocarbons sector could transform the country's future in light of large reserves that have been discovered offshore. If strong potential gas indices are found, several scenarios for Senegal's economic development will become feasible. The mining sector on the other hand is touted to be instrumental for achieving Senegal's goal of economic growth at seven percent for the next decade.

9. **The report also indicates that the sector's revenue reconciliation exercise showed a difference of USD 21 million between declarations of tax payments and collected tax revenues.** In addition, the reconciliation exercise was done without a list of clearly established significant revenue streams and does not track the sub-streams, nor provides information on revenues that are potentially associated with the transportation of petroleum products, gas and mining, and ignores social spending. Finally, the reliability of the data included in the first report remains a concern. The recommendations of the Independent Administrator (IA) stressed the need to educate reporting entities on the EITI process, to increase the reliability of data, simplify the data collection exercise and to add a few revenue flows into the EITI perimeter. Other recommendations of the report included: (i) the need for a petroleum sector database, (ii) the need for verification/audit of government data, and (iii) the urgent need for awareness and training of reporting agencies. In addition, it will be necessary for the declaring public authorities to develop the human resources and logistical capacity to track and manage the sector in a comprehensive manner. The quality of the next report will be crucial as the previous report is not adequate to

enable the country to be declared compliant with the EITI Standard and that such compliance requires at least one report meeting all the requirements of EITI be published by October 17, 2016. Continued support through the proposed grant is, therefore, an important contribution to ensuring viability and sustainability of the EITI process in Senegal.

10. ***Mining Sector.*** **Senegal is a world leader in the production of phosphates with an annual production of 1.4 million tons and deposits of heavy metals have the potential to bring the country to the status of world leading producer of ilmenite and zircon, especially on the Grande Côte site which is 50 kilometers north of Dakar.** There is an evident contradiction, between the significant production figures of the mining sector and its weight in the economy. The 2013 EITI Report notes that Senegal’s current mining code exempts companies in the exploration phase from taxes and from paying customs on equipment, supplies, and imported petroleum products used in exploration. The EITI Report also notes that proposed revisions to the 2003 mining code include moderate increases in royalties, the introduction of a tiered tax system based on the price of minerals and the level of local processing, the introduction of a “take it or lose it” clause requiring mining license-holders to extract minerals in an effort to curb speculation, and provisions aimed at promoting the use of local goods, services and staff.

11. **In 2013 a presidential decree established the “Commission de revision des contrats minier et du code miner” (Commission for the revision of mining contracts and the mining code) which is composed of public institution representatives (government, Parliament, etc.) to revise the 2003 mining code.** One of the key objectives of the new mining code is to increase revenues to the government from the mining sector. A new mining code will, however, not substitute for a comprehensive strategy for the sector’s development which would advance the national development plan (PSE). The growth of the mining sector in Senegal has reinforced the importance of a policy towards the management of artisanal mining, management of social and environmental impacts, increase in geological knowledge of available resources throughout the territory, and mainly the need for better mobilization of revenues from the sector.

12. ***Oil and Gas Sector.*** **In the last two years, Senegal has made significant crude oil and gas discoveries.** In late 2014, Cairn Energy PLC (40 percent), ConocoPhillips (35 percent), FAR (15 percent), and Société Pétroles du Sénégal (Petrosen) (10 percent) made two significant discoveries of deep-sea oil in southern Senegal: FAN-1, an oil finding, and SNE-1, an oil and gas finding. These exploration wells were the first to be drilled along the Senegalese coast in more than 20 years and were the first deep-sea exploration wells. The appraisal program for resources at the SNE location includes a 3D seismic review which was completed in 2015 and four appraisal wells. The first appraisal well, SNE-2, was successfully drilled in January 2016, the second appraisal well, SNE-3, was successfully drilled in March 2016, and the third appraisal well, BEL-1, was successfully drilled in April 2016, thereby confirming that the oil and gas discovery should be commercially viable with a crude oil API of about 32° and daily flows projected to be about 10,000 barrels. Drilling of a fourth appraisal well (SNE-4) will help finalize the resource appraisal of the reservoir which is expected to enclose more than 400 million barrels.

13. **In a Council of Minister press release of January 27, 2016, President Macky Sall indicated that a significant ultra-deep discovery of gas had been made in the Geumbeul-1 well. The Guembeul-1 discovery is one of the most important in the gas industry in West**

**Africa in several years.** In addition, it is especially important for the future development of oil and gas potential in Senegal, where a great many offshore wells have been drilled since the 1950s, with very limited success thus far. The Guembeul-1 well encountered the reservoir target at a water depth of close to 2,700 meters and 5,000 meters of sediment. The presence of gas-water contact has not yet been established. The drilling led to the discovery of a gas column with a depth of over 100 meters. According to Kosmos, there is reservoir continuity as well as static pressure communication between Guembeul-1 and Tortue-1, suggesting a single, large gas accumulation, estimated at 20 Tcf after a first appraisal well was drilled on the Mauritanian side of the reservoir. While ultra-deep off-shore drilling are costly and challenging, the discovery is about four times the minimum size required to develop a liquefied natural gas (LNG) export project. It is, therefore, expected that the appraisal program will be able to be financed and completed in a relatively short term.

14. **If the oil and gas potential is confirmed during the upcoming testing and follow-up resource certification, developments in Senegal’s oil and gas sector have the potential to radically transform the country.** Both discoveries could potentially create revenue flows that GoSN can use to finance its economic growth strategy and create direct and indirect employment and other local content, as well as to fuel shared and equitable growth. However, Senegal is also in a position of experiencing a potential ‘resource curse’ that could negatively affect the country’s economic performance and the associated risks of violent conflict and increased rent seeking behavior. Unless effectively managed, the sector’s contribution to the economy could lead to a ‘paradox of plenty’ rather than growth, shared prosperity, and poverty reduction. Therefore, political decision-making rooted in good governance principles of transparency and accountability with EITI as a tangible tool is critical more than ever before among GoSN’s other policy and institutional considerations in the short term future.

### **C. Higher Level Objectives to which the Project Contributes**

15. The implementation of EITI would support GoSN’s efforts for improving governance and enhancing transparency in the mining and oil and gas sectors. Through the implementation of EITI, the government can demonstrate its adherence to an internationally recognized standard and practices of good, open and responsible corporate governance. Greater transparency in production data, licenses, and payments and revenues can boost prospective investors’ confidence and enhance competition. This could support Senegal in consolidating its credibility with international public and private partners.

16. The proposed project is in line with and supports the World Bank Group’s Country Partnership Strategy (CPS) for Senegal (FY13-17) (Report No. 73478-SN). The CPS supports Senegal's efforts to pursue a higher growth and shared prosperity path over the medium-term. The CPS is built upon one foundation and two pillars, as follows:

- Foundation: strengthening the governance framework and building resilience;
- Pillar 1: accelerating inclusive growth and creating employment; and
- Pillar 2: improving service delivery.

17. The grant and implementation of EITI contributes to the governance of the extractives sector and enhancing the overall transparency in the extractives sectors. The project, therefore, contributes to the foundational pillar of the CPS—improving governance and strengthening resilience—through increased accountability in the public sector. Further, the EITI framework facilitates dialogue between civil society and the government through the EITI Multi-Stakeholder Group (MSG), known in Senegal as the EITI- National Committee (EITI-NC) in Senegal. By helping Senegal implement its EITI agenda, the proposed activity would be a small but important element in support of the Bank’s partnership with Senegal.

## **II. PROJECT DEVELOPMENT OBJECTIVES**

### **A. PDO**

18. The project development objective (PDO) is to assist Senegal in implementing its EITI agenda.

### **B. Project Beneficiaries**

19. Direct project beneficiaries of the project include members of the Senegal EITI-NC, staff of the Senegal EITI Permanent Secretariat, operators in the extractives industries, Parliamentarians, and civil society organizations/representatives who will benefit from capacity building activities supported by this project. Trainings to be supported by this project will enable stakeholders to better understand the key issues and challenges pertaining to extractive sector development. With enhanced capacity, stakeholders can influence positively decisions on sustainable management of the extractives sector in Senegal. Further, disclosure of payment and revenue flows between the industry and the government through EITI Reports and analytical work related to the regulatory and legal framework reduces opportunities for corruption and as such the implementation of this project will benefit the wider public in Senegal.

### **C. PDO Level Results Indicators**

20. Progress in achieving the PDO will be measured by the following key results indicators:

- a) Progress of EITI implementation in Senegal as measured by EITI validation completed.
- b) Enhanced capacity of state agencies and operators to comply with EITI disclosure requirements as measured by increased value of revenues reconciled in the EITI reports.
- c) Increased stakeholder engagement in governance and accountability of the extractive industries as measured by follow up action plans to address EITI report’s recommendations are developed and agreed by the EITI-NC annually.

## **III. PROJECT DESCRIPTION**

### **A. Project Background**

21. GoSN together with other stakeholders has taken a strong ownership of the EITI process and a number of domestic stakeholders are showing interest in advancing governance and

accountability in the extractives sector. EITI-NC in Senegal has started to play a regional leadership role and facilitator of the process of transparency both at the national and the regional levels. For example, the EITI-NC hosted a meeting of African EITI National Coordinators to discuss the evolution of the Standard and the needs of their respective countries. Further, civil society and private sector stakeholders have successfully established independent constituency groups led by the “Coalition for transparency in extractive industries”, a coalition of some 40 CSOs, and the Senegalese Chamber of Mines. These constituency groupings are facilitators of the EITI dialogue but do not represent exclusive organizations monopolizing the EITI mandate, as the members of EITI-NC are drawn from a nationwide pool of stakeholders.

22. Senegal’s membership to EITI has allowed a dialogue on the sector’s role in the economy. For example, the government has undertaken a review of its mining code which awaits approval by the National Assembly and has expressed its intention to revise the hydrocarbon legislation as well. Recognizing the efforts that remain to be undertaken, EITI-NC has developed an exercise in self-assessment of progress and works closely with an inter-ministerial committee on the achievement of progress expected by 17 October 2016. The efforts made so far are important and recognized as such. HE Professor Ismaila Fall, EITI-NC Chair, was elected alternating member of the International Board of EITI, which clearly demonstrates the appreciation of the efforts of EITI-NC to make Senegal meet the international standard of transparency and accountability.

23. The World Bank has supported GoSN since its EITI candidature approval in October 2013 through an initial donation of \$500,000 over two years and an additional funding of \$ 145,000 in July 2015. The quality of the implementation of the previous EITI grant that closed on December 31, 2015 was satisfactory: (i) EITI-NC is fully operationalized; it has developed its internal regulations and established several working subcommittees; (ii) the structure has ensured its sustainability through the development of an interactive website; and (iii) EITI-NC was able to involve several stakeholders, such as the ‘Parliamentary Network for the Government of Mineral Resources in Senegal’, a media network and several networks of civil society. The support increased contributions to the parliamentary debate on the extractives sector policies such as the review of the mining code through a better understanding of industry issues and collaboration with other members of EITI-NC.

24. The Bank has been the main donor for EITI implementation in Senegal. The next largest direct supporter has been the UK Embassy that funded a visit of EITI-NC to the gold mining region of Kédougou. The Government of Canada, Department for Foreign Aid, Trade and Development (DFATD) has indirectly supported EITI by making the production of the first report a condition for budget support; DFATD has also funded some complementary activities such as: (1) a local development project (through SME support) in a major mining region, (2) a West African Economic and Monitoring Union region policy dialogue on the mining sector, (3) a study on mining production data, (4) a study on mining companies’ Corporate Social Responsibility programs, and (5) a strategic planning exercise to finalize the multiyear work plan. An ongoing USAID support to civil society engagement in EITI will end in 2016 and there is no plan for a new project.

## B. Project Components

25. The proposed grant would be a follow-on grant to an EITI Multi-Donor Trust Fund (MDTF) grant (Senegal EITI Implementation Support Project, P131626) which financed the establishment of Senegal's EITI Permanent Secretariat and the first EITI report's preparation and dissemination. The proposed grant is meant to push EITI implementation in Senegal forward and support critical efforts needed to help the country reach EITI compliance. Additional financing is needed to ensure the sustainability and mainstreaming of EITI in Senegal.

26. **Component A: EITI Implementation Support** (US\$ 190,000). This component will support the activities essential to EITI implementation and meeting Senegal's obligations as an EITI candidate country to reach compliance. These activities include:

- Annual EITI report for Senegal (US\$ 90,000). Recruitment of an Independent Administrator (IA) in charge of the preparation of one EITI report covering all extractive industries for the calendar year 2014. Building on lessons learnt from the preparation of the first report, it will be important to help operators and state agencies better understand the EITI requirements. The project will thus support advisory services for state agencies and companies operating in the extractives industries to comply with EITI reporting requirements.
- Assessment of the legal and institutional framework as it relates to the licensing and awarding of contracts in the oil, gas and mining sector in collaboration with DH (US\$ 100,000). Recruitment of a consultant to: (i) review the legal and institutional framework in Senegal as it relates to license allocations (EITI requirement 2.2), registration of licenses (EITI requirement 2.3), and disclosure of contracts (EITI requirement 2.4), (ii) assess whether the legal and regulatory environment aligns to international best practice, and (iii) make recommendations on policy reforms the government can adopt in order to address the gaps and strengthen the sector in this aspect. While this assessment cannot influence reforms in the short-term, the recommendations should be shared with the Independent Administrator for the 2014 report prior to publication so the findings can be incorporated. Under the previous grant, two studies were undertaken in 2014 pertaining to the mining sector: "Legal and Fiscal Diagnostic of the Mining Sector" and "Institutional Assessment of the Ministry of Mines". In regards to the mining sector, therefore, the consultant's scope of work will focus on areas not covered under the two studies as well as a stock-taking of the progress with the implementation of recommendations from the two studies.

27. **Component B: Communication and Outreach** (US\$ 25,000). This component will support the communications and outreach plan of the EITI Permanent Secretariat for the first year of project implementation and will include the following activities:

- Dissemination of the first EITI Report (US\$ 20,000). Support for the EITI Permanent Secretariat to: (i) publish and disseminate crucial information on EITI implementation through the production of a short video and brochures in order to inform the public on the overall extractives industry, EITI implementation and related events, and (ii) print and disseminate the first EITI report including in the mining regions and through a

dissemination workshop in the capital. The workshop will include dissemination of information on the new EITI Standard (2016) and the EITI validation process.

- Internet and social media activities (US\$ 5,000). Support for the management of a Senegal EITI website and social media accounts that contains information specifically related to the EITI implementation in Senegal as well as wider information on activities related to transparency of extractive industries in Senegal, as well as global news and trends on EITI implementation experiences from other countries.

28. **Component C: Project Management** (USD\$ 85,000). This component will support the costs of three EITI Permanent Secretariat staff (Permanent Secretary, Administrative and Financial Officer, and Database Specialist) as well as an audit. GoSN covers the costs of office space and associated utility costs, operation costs associated including office supply, office maintenance, internet, phone, banking charges, vehicles and fuel, and travel costs related to the work of the Secretariat and of EITI-NC members as needed.

29. While the cost described above will be covered for one year of project implementation, another year of implementation could be financed when additional EGPS financing becomes available to Senegal. Triggers will be added to the project paper for the completion of specific actions during this phase before financing for the next phase kicks in.

	<i>Activities to be financed under the proposed grant</i>	<i>Trigger for additional financing</i>	<i>Activities to be financed under additional financing</i>
<b>Component A: EITI Implementation</b>	<p>-Annual EITI report for Senegal</p> <p>-Assessment of the legal and institutional framework as it relates to the licensing and awarding of contracts in the oil, gas and mining sector</p>	<p>Contract with Independent administrator is signed.</p> <p>Contract with consultant is signed.</p>	<p>-50% financing for third EITI report</p> <p>-Technical Assistance to produce the Roadmap for Beneficial Ownership</p>
<b>Component B: Communication and Outreach</b>	<p>- Organization of awareness raising events</p> <p>- Internet and social media activities</p>	Dissemination workshop in Dakar conducted.	<p>- Print and visual media outreach campaigns</p> <p>- Organization of awareness raising events</p>

			<ul style="list-style-type: none"> <li>- Tailored training for relevant stakeholders on oil and gas development</li> <li>-Training to Parliamentary Network</li> <li>-Capacity building of CSOs</li> <li>- Internet and social media activities</li> </ul>
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**C. Project Cost and Financing**

30. Funding in the amount of US\$ 300,000 will be provided through the Extractives Global Programmatic Support (EGPS) MDTF in the form of a grant. GoSN has been co-financing EITI implementation and will continue parallel co-financing (approximately 170 million CFA annually) going forward to cover the majority of the operational and staff costs that is not reflected in the table below.

<b>Project Components</b>	<b>Project cost</b>	<b>Grant Financing</b>	<b>% Financing</b>
1. EITI Implementation Support	190,000	190,000	100%
2. Communication and Outreach	25,000	25,000	100%
3. Project Management	85,000	85,000	100%
Total Project Costs	300,000	300,000	100%
<b>Total Financing Required</b>			
	300,000	300,000	

31. An additional financing will be requested when additional funds become available for Senegal through the EGPS MDTF depending on the successful implementation of the proposed grant.

**IV. IMPLEMENTATION**

**A. Institutional and Implementation Arrangements**

32. GoSN established the EITI-NC by Decree No 2013-881 of 20 June 2013 which outlines the organization and functioning of the committee. EITI-NC is chaired by an official of the A1 hierarchy appointed by decree. Currently, HE Ismaila Madior Fall, Minister and Special Advisor for Legal Affairs to the President, serves as its chair. The annual budget of EITI-NC is approved by the Ministry of Finance and supported by the State budget and external resources.

33. EITI-NC is supported by a technical Permanent Secretariat headed by a Permanent Secretary. EITI-NC is a tripartite multi-stakeholder structure comprising members from the

Government, public and private extractive companies, and civil society organizations with 30 members currently. The EITI Permanent Secretariat is the executive body that carries out the implementation of the EITI action plan in Senegal. In addition, the EITI Permanent Secretariat assesses the capacity of stakeholders to ensure ownership and effective implementation of the standard. Per its mission, the EITI Permanent Secretariat ensures communication and popularization of EITI, particularly in respect to payments made by extractive industries to the state. It executes and monitors decisions by the EITI-NC, develops the annual progress reports, and monitors the implementation of EITI in Senegal. The EITI Permanent Secretariat includes a 5-person team that ensures the implementation of activities.

34. It is important to clarify the responsibilities of the EITI-NC and the EITI Permanent Secretariat in order to ensure that both entities function seamlessly and complement one another. The EITI-NC must function as a high level committee in charge of making policy reviews and decisions which are expected to affect all stakeholders. EITI-NC members are not paid a salary but could be reimbursed for travel related costs. EITI-NC must include members who are widely recognized as a representative/member of their respective stakeholder groups (including Civil Societies Organizations, Government Officials, State Agencies and sector operators) with the capacity to act on their behalf. As the EITI-NC decides on the EITI work plan and evaluates its execution, EITI-NC members will be ineligible to bid for activities financed under this grant in order to avoid conflict of interest.

35. The proposed grant will be recipient-executed by GoSN through the Senegal EITI Permanent Secretariat which will undertake grant activities with the oversight of the Senegal EITI-NC. The EITI Permanent Secretariat, under guidance of EITI-NC and its Chair will plan and execute the use of the grant proceeds based on the agreed work plan and related procurement plan. Modalities for the functioning of the secretariat will be defined in an Implementation Manual to be reviewed by the World Bank. The World Bank team (Washington-based) will provide technical support during implementation, monitor the operational progress, and provide fiduciary oversight/clearances.

36. **Financial Management (FM) Arrangements:** The EITI Permanent Secretariat will be responsible for financial management and disbursements of this grant. The latter has experience implementing Bank financed projects. The Administrative and Financial Officer of the EITI Permanent Secretariat who has gained experience in implementation of Bank grants will be responsible for financial management and disbursements under this grant. The existing manual of administrative financial and accounting procedures is adequate for this grant. It clearly defines FM procedures and operations documentation. The EITI Permanent Secretariat uses the SYSCOA software which is the current accounting standard used for on-going projects in Senegal and is deemed adequate and acceptable to the Bank for the implementation of this grant. The EITI Permanent Secretariat will prepare an annual budget based on an agreed annual work program. Periodic reports of budget monitoring and variance analysis will be prepared by the FM team each semester. The Grant Agreement will require the submission of the project's annual Audits of Financial Statements to the Bank. An external auditor with qualifications and experience satisfactory to the Bank will be appointed to conduct an audit of the project's financial statements within six months after the end of each year and following project closure, i.e. two audits of the project's financial statements are required at the end of the second year of implementation and

after the project disbursement deadline date. A single opinion on the Audited Project Financial Statements in compliance with International Federation of Accountant (IFAC) will be required. The external auditors will prepare a Management Letter providing observations and comments as well as recommendations for improvements in accounting records, systems, controls and compliance with financial covenants in the grant Agreement.

37. **Financial Covenant.** The Borrower shall establish and maintain a financial management system including records, accounts and preparation of related financial statements in accordance with accounting standards acceptable to the Bank. The Borrower will be compliant with all the rules and procedures required for withdrawals from the Designated Accounts (DA) of the project.

38. **Disbursement Arrangements:** The grant funds will be disbursed in accordance with the disbursement procedures of the Bank and managed according to the disbursement procedures described in the Disbursement Letter. The designated account (DA) will be located in a commercial Bank and managed by the DI which is the entity of the Ministry of Economy and Finance in charge of managing designated accounts in Senegal. Disbursements under the Grant would be transactions based. Direct Payment and Statement of Expenditures (SOEs) methods and special commitments will apply as appropriate. The DA would be replenished through the submission of Withdrawal Applications on a monthly basis. All documentation supporting expenditures claimed against SOEs must be easily accessible and kept at an appropriate place for control and audit purposes.

39. No withdrawal shall be made for payments made prior to the date of the Grant Agreement (GA), except withdrawals up to an aggregate amount not to exceed \$50,000 equivalent may be made for payments made prior to the date of the GA (covering salaries of Permanent Secretariat consultant staff under component 3) but on or after January 1, 2016 for Eligible Expenditures under the Project.

40. The summary disbursement table is as follows:

<b>Category</b>	<b>Amount financed by MDTF USD \$</b>	<b>% financed by MDTF</b>
Goods, consultants' services, and Training under the Project	300,000	100%
<b>Totals</b>	<b>300,000</b>	<b>100%</b>

## **B. Results Monitoring and Evaluation**

41. Monitoring and evaluation will be managed by the EITI Permanent Secretariat. The Results Framework is included in Annex 1 of this Project Paper. The Bank would assist the EITI Permanent Secretariat in tracking performance indicators during regular supervision missions. The

EITI Secretariat will also be responsible for overall day-to-day technical supervision of the implementation of the project activities and will benefit from technical input from the EITI-NC to this end.

42. Project monitoring and evaluation will include the following:

- (a) **Status Reports:** With input from the EITI-NC, the EITI Permanent Secretariat will prepare status reports on the implementation of the project activities as part of the terms of the Grant Agreement. These reports must be submitted on a bi-annual basis (December 31, 2016, June 30, 2017, December 31, 2017, June 30, 2018, December 31, 2018) to the World Bank. The goal of status reporting is to ensure timely support and feedback from GoSN on the activities outlined in the Grant Agreement. These reports will also include the status of the Project Results Framework: PDO and Intermediate Results Indicators, when applicable and as contained in Annex 1.
- (b) **Completion Report:** With input from the EITI-NC, the EITI Permanent Secretariat will also prepare a completion report within six months of grant closing, to ensure that the objectives outlined in the Grant Agreement are met and there is a plan for their sustainable continuation.
- (c) **Financial Statements:** An unaudited Interim Financial Report (IFR) will be prepared by the EITI Permanent Secretariat each semester. It will comprise sources and use of funds by project expenditure classification as well as a comparison of budgeted and actual project expenditures (commitments and disbursements) to date for the semester. The EITI Permanent Secretariat will submit the financial reports to the Bank within 45 days following the end of each calendar semester. The IFR format used for the closed EITI project will be used for the proposed grant. The EITI Permanent Secretariat will produce the project’s annual financial statements which will comply with IFAC and World Bank requirements. These financial statements will include: (a) balance sheet and a statement of sources and uses of funds; (b) a statement of commitments; and (c) accounting policies adopted and explanatory notes.

## V. KEY RISKS AND MITIGATION MEASURES

### A. Systematic Operations Risk-rating Tool

Risk category	Rating
<b>1. Political and Governance</b>	M
<b>2. Macroeconomic</b>	L
<b>3. Sector Strategies and Policies</b>	L
<b>4. Technical Design of Project or Program</b>	L
<b>5. Institutional Capacity for Implementation and Sustainability</b>	M
<b>6. Fiduciary</b>	L

<b>7. Environment and Social</b>	L
<b>8. Stakeholders</b>	L
<b>9. Other: Sustainability</b>	M
<b>OVERALL</b>	M

## B. Overall Risk Rating Explanation

43. **Overall risk is rated Moderate due to moderate political and governance risks, moderate implementation capacity risk, and moderate sustainability risk.** The small size of the grant, limited scope of activities and well-conceived concept proven over many years of implementation in other countries, limits substantially the potential risks for this operation. However, even with mitigation measures, given the complex operating environment, three risks categories have been rated Moderate leading to an overall Moderate risk rating:

- (a) **Political and Governance.** The political situation is broadly stable but subject to the pressures on a coalition in a lively democracy. Senegal has had three peaceful political transitions with four presidents: Leopold Sedar Senghor (1960-1980), Abdou Diouf (1981-2000), Abdoulaye Wade (2000- 2012), and since March 2012, Macky Sall. The opposition has criticized President Macky Sall for failing to reduce his current term as previously declared during his campaign during the 2012 election. In February 2016 President Macky Sall declared that he would serve the full seven years. On March 20, 2016 a constitutional referendum was held where people voted to reduce the Presidential term from seven to five years from 2019. The next presidential election is expected in 2019. Hundreds of Senegalese were killed in a local separatist conflict in the southern region of Casamance but violence has waned since a 2014 ceasefire. Political unrest in Mali and Guinea Bissau appear to be subsiding, but instability in any of the neighboring countries continues to be a possibility.
- (b) **Institutional Capacity for Implementation.** While MEF has a good record in implementing Bank-financed projects, the EITI Permanent Secretariat is relatively new and became fully functional under the previous grant. However, the disbursement under the old grant was 85.98% and the project was implemented satisfactorily given the additional financing five months before closing. Full disbursement was not possible also due to the permanent closing of the EITI MDTF on December 31, 2015. As there is no turnover of staff, the staff of the EITI Permanent Secretariat will continue to build their capacity on executing the grant and the Bank will provide implementation support including guidance on World Bank Procurement Procedures including on drafting of relevant terms of references.
- (c) **Sustainability.** GoSN has committed to implementing EITI and to provide the necessary resources to ensure that EITI Reports are produced on time. However, in this initial phase of EITI implementation, GoSN has asked for funding support from the EGPS MDTF. There is a moderate risk that funding for the uninterrupted operation of the EITI Permanent Secretariat will not be available once this programmatic approach comes to a close. The Bank will work closely with GoSN and other donors in ensuring that adequate resources

are made available to ensure satisfactory performance of the EITI Permanent Secretariat. The project will support a dialogue on options for future EITI mainstreaming that will help to inform the reforms and resources needed to transition to Government's systems.

## **VI. APPRAISAL SUMMARY**

### **A. Economic and Financial Analyses**

44. The proposed project is purely a technical assistance project meant at supporting GoSN's efforts to comply with EITI requirements and thereby establish the principles of a sustainable resource management system and enhance transparency in the extractive industries. Therefore, benefits are not easily quantifiable making it difficult to accurately carry out a traditional cost benefit analysis. Instead, a qualitative assessment indicates that the proposed project will have substantial economic benefits to Senegal as it will improve transparency, accountability and governance in the extractive industries. By enhancing the stakeholders' capacity to comprehend resources management and EITI, the project is also expected to help reach sustainable agreements in the industries and to make these industries better contributors to shared growth and employment.

45. The proposed project also has financial benefits that are sustainable. In the first place, by introducing EITI practices, it will enhance the prospects for attracting renowned investors to invest in upstream oil and gas, and mining, and directly leverage funds towards this end. By supporting GoSN's effort to reach EITI compliance, the project will also contribute towards reducing the risk that extractives industries become a curse rather than a blessing as is the case in many resource rich countries.

### **B. Technical Issues**

46. The activities covered in the proposed project are all part of the EITI work plan, which was approved by the Senegal EITI-NC. They are, therefore, consistent with the set of activities traditionally financed by EITI and essential for Senegal to become an EITI compliant country.

### **C. Financial Management**

47. The fiduciary arrangements will be carried out by the EITI Permanent Secretariat. The Bank performed a simplified financial management assessment of this proposed project in accordance with OP/BP 10.00 and the Financial Management Practice Manual (issued by the Financial Management Sector Board in March 1, 2010). It was concluded that the recipient agency has an adequate financial management system in place that can provide, with reasonable assurance, accurate and timely information on the status of the funds as required by the Bank.

48. The EITI Permanent Secretariat has experience in implementing Bank funded projects. It has implemented a previous Bank grant for EITI implementation which closed in December 2015. The financial management arrangements for the grant will be based on the existing arrangements for the EITI Permanent Secretariat. The accounting system operates satisfactorily and staffing is adequate to handle project activities. Auditors have issued an unqualified opinion on the 2014 financial statements of the EITI project and the internal control procedures are in place. The interim

unaudited financial reports for the closed project have also been submitted on time and the quality of reports was satisfactory.

49. The overall risk for the grant is rated Moderate. It is considered that the financial management arrangements satisfy the Bank's minimum requirements under OP/BP 10.00 and, therefore, are adequate to provide, with reasonable assurance, accurate and timely financial management information on the status of the project required by the World Bank.

#### **D. Procurement**

50. Procurement of goods and works and selection of consultants shall be conducted in accordance with: (i) "Guidelines: Procurement of Goods, Works, and non-Consulting Services Under IBRD Loans and IDA Credits & Grants by WB Borrowers," dated January 2011, revised on July 2014; (ii) "Guidelines: Selection and Employment of Consultants Under IBRD Loans and IDA Credits & Grants by WB Borrowers," dated January 2011, revised on July 2014; and (iii) "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants," dated October 15, 2006, and revised in January 2011.

51. The following methods may be used for the procurement of consultants' services for those assignments which are specified in the Procurement Plan: (A) Selection based on Consultants' Qualifications; (B) Selection of Individual Consultants; and (C) Single-source procedures for the Selection of Individual Consultants.

52. The following method may be used for procurement of goods, and non-consulting services for those contracts which are specified in the Procurement Plan: Shopping. The Procurement Plan shall set forth those contracts which shall be subject to the World Bank's Prior Review. All other contracts shall be subject to Post Review by the World Bank. The procurement plan will be updated at least annually or as required to reflect the actual project implementation needs.

53. Most of the grant funds for this Project, will fund consultant services. There is substantial global experience in the Bank and other EITI Implementing countries with standard requirements and terms of references for similar tasks and, therefore, the procurement work load will be relatively straightforward. As the procurement and financial management duties are assumed by the same staff of the Permanent Secretariat (Administrative and Financial Officer), it has been agreed that the staff member will not be a member of the evaluation committee and all procurement decisions will be determined by the evaluation committee.

#### **E. Environment and Social (including Safeguards)**

54. The proposed Project is a technical assistance grant of a limited scope with activities that do not have any likely adverse environmental or social impacts. Funding of the EITI Report and training and other capacity building activities are aimed at improving the transparency of payments and revenues in the extractives sector. Therefore, per OP 4.01 Environmental Assessment, the proposed project is classified as a Category C Project.

## **F. World Bank Grievance Redress**

55. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate GRS, please visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org).

**Annex 1: Results Framework and Monitoring**

**Country: Senegal**

**Project Name: Senegal Support to Extractive Industries Transparency Initiative Compliance Process (P160022)**

**Results Framework**

**Project Development Objectives**

PDO Statement

The project development objective (PDO) is to assist Senegal in implementing its EITI agenda.

**These results are at** | Project Level

**Project Development Objective Indicators**

Indicator Name	Baseline	Cumulative Target Values									
		YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8	YR9	End Target
EITI validation completed (Yes/No)	No	Yes	Yes								Yes
Increased total value of revenues reconciled compared to the previous year (Yes/No)		Yes	Yes								Yes
Follow up action plans to address EITI report's recommendation	No	Yes	Yes								Yes

s are developed and agreed by the EITI-NC annually (Yes/No)											
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**Intermediate Results Indicators**

Indicator Name	Baseline	Cumulative Target Values									
		YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8	YR9	End Target
Senegal EITI Report completed and published in a timely manner (Number)	1.00	1.00	2.00								2.00
Assessment of the legal and institutional framework as it relates to the licensing and awarding of contracts in the oil, gas and mining sector (Yes/No)	No	No	Yes								Yes
Percentage of female representation on the MSG(Percentage)	15.00	17.00	20.00								20.00

Successful dissemination of the first Senegal EITI Report (Number)	0.00	1.00	1.00								1.00
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## Indicator Description

### Project Development Objective Indicators

Indicator Name	Description (indicator definition etc.)	Frequency	Data Source / Methodology	Responsibility for Data Collection
EITI validation completed	The EITI International Secretariat will undertake validation in Senegal for the compliance process	Annual	Press Release	EITI Permanent Secretariat
Increased total value of revenues reconciled compared to the previous year	Based on information from the Independent Administrator, evaluation of increased compliance in EITI reporting from state and private companies	Annual	Status Report	EITI Permanent Secretariat
Follow up action plans to address EITI report's recommendations are developed and agreed by the EITI-NC annually	In response to the findings of EITI Report, MSG develops action items that may include draft proposal for legislative changes, action plans for internal MSG actions, TORs for new studies, etc.	Annual	MSG Meeting Minutes	EITI-NC, EITI Permanent Secretariat

### Intermediate Results Indicators

Indicator Name	Description (indicator definition etc.)	Frequency	Data Source / Methodology	Responsibility for Data Collection
Senegal EITI Report completed and published in a timely manner	Senegal EITI report is finalized by the consultant, approved by MSG and published.	Annual	Status Report	EITI Permanent Secretariat, EITI-NC
Assessment of the legal and institutional framework as it relates to the licensing and awarding of contracts in the oil, gas and mining sector	Recruitment of a consultant to deliver and assessment of the legal and institutional framework as it relates to the licensing and awarding of contracts in the oil, gas and mining sector	Annual	Status Report	EITI Permanent Secretariat
Percentage of female representation on the MSG(Percentage)	EITI Permanent Secretariat to refer to MSG meeting notes and membership to	Annual	MSG Minutes	EITI Permanent Secretariat

	report on this percentage of female MSG Members on the status report.			
Successful dissemination of the first Senegal EITI Report	EITI Report Dissemination Workshop in Dakar with all relevant stakeholders in attendance including a short video on the report's key findings	Annual	Status Report	EITI Permanent Secretariat