



RESTRUCTURING PAPER  
ON A  
PROPOSED PROJECT RESTRUCTURING  
OF THE  
ESPÍRITO SANTO INTEGRATED SUSTAINABLE WATER MANAGEMENT PROJECT  
APPROVED ON MARCH 28, 2014  
TO THE  
STATE OF ESPÍRITO SANTO

WATER GLOBAL PRACTICE

LATIN AMERICA AND THE CARIBBEAN REGION

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**ABBREVIATIONS AND ACRONYMS**

<b>AGERH</b>	State Water Resources Agency
<b>ARAP</b>	Abbreviated Resettlement Action Plan
<b>ARSP</b>	Regulatory Agency for Public Services of Espírito Santo
<b>BOD</b>	Biochemical Oxygen Demand
<b>CEPDEC</b>	State Coordination of Protection and Civil Defense
<b>CESAN</b>	Espírito Santo Water and Sanitation Company
<b>DBO</b>	Design, Build & Operate
<b>DER</b>	Department of Buildings and Roads of Espírito Santo
<b>DRM</b>	Disaster Risk Management
<b>E&amp;S</b>	Environmental & Social
<b>GoES</b>	Government of Espírito Santo
<b>GVMR</b>	Greater Vitória Metropolitan Region
<b>GRM</b>	Grievance Redress Mechanism
<b>INCAPER</b>	State Rural Technical Assistance Research and Extension Institute
<b>PAD</b>	Project Appraisal Document
<b>PDO</b>	Project Development Objective
<b>PES</b>	Payment for Environmental Services
<b>PIU</b>	Project Implementing Unit
<b>SEAMA</b>	State Secretariat of Environment and Water Resources
<b>SEP</b>	State Secretariat of Economy and Planning
<b>WWTP</b>	Wastewater treatment plant



**BASIC DATA**

**Product Information**

Project ID P130682	Financing Instrument Investment Project Financing
Original EA Category Partial Assessment (B)	Current EA Category Partial Assessment (B)
Approval Date 28-Mar-2014	Current Closing Date 30-Mar-2023

**Organizations**

Borrower State of Espirito Santo	Responsible Agency
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**Project Development Objective (PDO)**

Original PDO

The objectives of the Project are to: (a) improve sustainable water resources management, and (b) increase access to sanitation in the Borrower’s territory.

**Summary Status of Financing (US\$, Millions)**

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net Commitment	Disbursed	Undisbursed
IBRD-83530	28-Mar-2014	28-Sep-2015	30-Nov-2015	30-Mar-2023	172.40	98.28	74.12

**Policy Waiver(s)**

Does this restructuring trigger the need for any policy waiver(s)?

No



## I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

**1. This Restructuring Paper (RP) seeks the approval of the Regional Vice President on a Level 2 Restructuring of Loan 83530-BR for the Espírito Santo Integrated Sustainable Water Management Project (P130682).** The proposed restructuring entails the following changes to the Loan Agreement: (i) a 15-month extension of the closing date, from March 30, 2023 to June 30, 2024; (ii) adjustments to indicators, target values and end dates in the Results Framework; (iii) reallocation of funds among disbursement categories; (iv) amendment of Project Description comprising a new sub-activity under Component 1 to support the structuring of a new investment project<sup>1</sup> in addition to other activities (see detailed proposed changes below); and (v) Revisions to Withdrawal of Loan Proceeds comprising two new Categories 1 (b) and 2 (b). This is the second restructuring to the Project and it is necessary to achieve the PDO, bring back implementation to a satisfactory status and allow for the full disbursement of funds. The proposed restructuring responds to a request from the Government of the State of Espírito Santo (GoES).

### A. Project Status

**2. The Loan in the original amount of US\$225 million was approved by the Board on March 28, 2014 and became effective on November 30, 2015.** The Project Development Objective (PDO) is to: (a) improve sustainable water resources management; and (b) increase access to sanitation in the Borrower's territory. This would be achieved by strengthening the State's water sector institutions, providing increased wastewater collection and treatment services, supporting reforestation and sustainable land management practices, and improving the state's capacity to identify, monitor and prepare for disaster risks. The Project comprises four components: (1) Integrated Water Management and Disaster Risk Management; (2) Efficient Water Supply Services and Increased Access to Sanitation; (3) Watershed Management and Restoration of Forest Cover; and (4) Project Management, Supervision and Institutional Strengthening.

**3. On April 22, 2021, the Bank approved a first restructuring of this Project, which included a 23-month extension of the closing date, from April 30, 2021, to March 30, 2023.** This restructuring aimed to ensure the continued implementation of activities that had been delayed by COVID-19 and other circumstances and included: (i) revisions to the scope of activities under Components 1, 2 and 3; (ii) adjustments to indicators, target values and end dates in the Results Framework; (iii) a partial cancellation of the Loan totaling US\$52.6 million (resulting in a revised Loan amount of US\$172.4M); (iv) the reallocation of funds among categories; (v) an increase in the percentage of financing under Category 5 (Environmental Services Payments); and (vi) changes to the implementation arrangements. To date, the

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<sup>1</sup> The Espírito Santo Water Security Management Project (P176982), under preparation with the Bank and scheduled for approval in FY23. Although the Borrower for the new operation is the same, the scope and implementing agencies are different and the proposed loan amount is fully committed. Therefore, it would not be an option to transfer pending activities from the ongoing project to be implemented under the new one.



Project has disbursed US\$98.28 million (57% of the revised Loan amount) while 100% of the Project funds have been committed.

**4. Although the first restructuring enabled the Borrower to overcome procurement setbacks and make progress across all three components,** it proved insufficient for the timely completion of most of the sanitation works under Component 2, as the previous implementation lag was compounded by additional factors:

- (a) Delays in obtaining environmental licenses<sup>2</sup> and approving environmental and social documents to allow for the beginning of works.
- (b) Recurrent extreme rainfall events in 2021 and 2022 affecting more than sixteen municipalities and disrupting the implementation of works in these areas.
- (c) Scarce labor resources, especially in the interior of the State, due to the competition with the coffee production labor market, which has more attractive payment conditions than construction works.
- (d) Economic crisis and high inflation resulting from the pandemic affecting the price of construction works – including material, equipment, and labor – thus impacting productivity and implementation pace.
- (e) Judicial dispute in the municipality of Castelo regarding the location of the Wastewater Treatment Plant (WWTP).

**5. These delays have been overcome.** Works are now ongoing; licenses have been obtained; construction firms have been able to hire workers achieving reasonable productivity; the judicial dispute in the municipality of Castelo has been resolved; and contract performance has improved following close monitoring and oversight by the Project Implementing Unit (PIU) under strong support from the State Government. Despite these improvements, the completion periods of most of the Component 2 works now fall outside of the current closing date, and range from July 2023 to March 2025.

**6. In the latest Implementation Status & Results Report (ISR) dated December 2022, the Project has been rated Moderately Unsatisfactory (MU) on Progress towards achievement of PDO and on Overall Implementation Progress (IP).** The PDO rating is expected to be upgraded as soon as the restructuring is finalized, as the proposed changes would allow for reaching revised PDO targets by the extended closing date, whereas the IP rating will be revisited, and possibly upgraded, subject to demonstrable progress.

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<sup>2</sup> The processes for obtaining environmental licenses and permits were delayed for over one year due to: (a) reduction in the licensing team of environmental agencies due to COVID-19; (b) the need to develop modelling studies, unforeseen by the PIU, and that could only be performed during the rainy season; (c) Projects from the DBO contract that needed to be ready and were delayed during the pandemic. As of now, all the licenses and permits have been obtained and therefore it is no longer a bottleneck, with the exception of the discharge permit for the Cariacica Sede wastewater treatment station, which is still pending on the river basin committee decision.



7. **Procurement is rated Moderately Satisfactory.** There are no critical issues and the focus is now on effective contract management, to ensure that companies and management firms deliver on agreed contractual terms and that risks to execution are promptly flagged and accompanied by mitigation measures or fallback procedures. **Financial Management is considered Satisfactory**, as the FM Arrangements (FM staffing/personnel, budgeting, accounting, internal control, funds flow, financial reporting, and auditing) are adhering to the standards required by the Bank.

8. **Environmental and Social (E&S) Safeguards are rated Moderately Satisfactory.** There has been substantial progress in the completion of environmental and social safeguards documents. However, should the Project end by the current closing date, there would be significant safeguard overhang risks from outstanding activities, such as the payment of compensation and/or expropriation costs to affected population, where applicable. Currently, there is only one area under Component 2 pending approval of an Abbreviated Resettlement Action Plan (ARAP) and one area pending approval of an Environmental and Social Assessment Report (ESAR) and environmental license. Table 1 below outlines the status of E&S requirements under sewerage works of Component 2. It is expected that all the ARAPs will be fully implemented by the proposed revised closing date. The Borrower is committed to use own resources to ensure that all E&S requirements will be implemented following Bank’s policies. The Task Team is following implementation of E&S instruments closely and will prepare both a Pre-Closure and a Post-Closure Action Plan (PCAP) at least 6 months before the proposed extended closing to monitor E&S commitments, and will continue to follow the implementation of all remaining activities after the extended closing date.

Table 1 – Status of E&S requirements for sewerage works under Component 2

Municipality	Status of environmental licenses & permits	Status of ESARs	Status of RAPs or ARAPs	Timeframe to complete pending documents
<b>For completed works:</b>				
1. Marechal Floriano	Approved	Approved	Approved	N/A
2. Divino São Lourenço	Approved	Approved	Approved	N/A
3. Conceição do Castelo	Approved	Approved	Approved	N/A
<b>For works to be completed within the proposed extension date:</b>				
4. Dores do Rio Preto	Approved	Approved	Approved	N/A
5. Santa Leopoldina	Approved	Approved	Approved	N/A
6. Santa Maria de Jetibá	Approved	Approved	Approved	N/A
7. Viana	Approved	Approved	Approved	N/A
8. Pedra Menina	Approved	Approved	Approved	N/A
9. Ibatiba	Approved	Approved	Approved	N/A
10. Iuna	Approved	Approved	Approved	N/A
11. Irupi	Approved	Approved	Approved	N/A
12. Apiacá	Approved	Approved	Approved	N/A
13. Afonso Cláudio	Approved	Approved	Approved	N/A
14. Domingos Martins	Approved	Approved	N/A	N/A
15. Cariacica-Bandeirantes	Approved	Approved	Approved	N/A
<b>For works to be completed after the proposed extension date:</b>				
16. Vila Velha – Araçás	Approved	Approved	N/A	



17. Vila Velha-Grande Terra Vermelha	Approved	Approved	Approved	N/A
18. Castelo	Approved	Approved	Sub-basins B, J, K approved	N/A
			Sub-basins C, D, I, I1: Pending	By 04/01/2023
19. Cariacica-Nova Rosa da Penha	Approved	Approved	Approved	N/A
20. Cariacica- Sede	Pending	Pending	N/A	By 05/15/2023

9. A description of the Project’s current status by component is presented below.

10. **Component 1 - Integrated Water Management and Disaster Risk Management – US\$38.2M (Satisfactory rating).** Most activities have been successfully completed: out of 27, only 6 remain ongoing and are expected to be finalized by the proposed extended closing date, namely three acquisitions of goods for disaster risk management, a study to revise the organizational structure of the State Water Resources Agency (AGERH) (linked to the new operation), the final dissemination of the Urban Waters Master Plan for the Greater Vitoria Metropolitan Region (GVMR), and the completion of the installation of hydrological stations. The Project has delivered important results under Component 1: (i) improved sustainable water resources management by carrying out 11 plans and studies following an integrated approach and by strengthening the state’s hydrological and water quality monitoring networks; (ii) strengthened disaster risk management (DRM) capacity through the construction of the State Disaster Risk Management Center, the training of civil defense officials and the establishment of hydrometeorological monitoring stations; and (iii) strengthened capacity of the Environment and Water Resources Secretariat (SEAMA) with the acquisition of IT equipment and the development of an integrated environmental information system.

11. **Component 2 - Efficient Water Supply Services and Increased Access to Sanitation - US\$166.20M (Moderately Unsatisfactory rating).** Four activities to improve the Espirito Santo Water and Sanitation Company’s (CESAN) operational and energy efficiency have been successfully delivered, with the exception of the retrofitting of one pump (1 out of 15) which will be concluded by the current closing date. Under the large sanitation subcomponent, twenty (20) work fronts to improve wastewater collection and treatment in several municipalities across the state make up the largest share of Project investments, and have been severely impacted by the aforementioned delays. Works in three (3) municipalities have been concluded and the other seventeen (17) are contracted. All of these 17 works have already started implementation with Bank funding, with the exception of one area (Cariacica Sede), whose contract is ongoing but under design stage<sup>3</sup>.

<sup>3</sup> The municipality of Cariacica (a city in the GVMR) comprises works in three sanitation systems - Nova Rosa da Penha, Bandeirantes and Cariacica Sede – the latter is a sewage system whose discharge permit has not been obtained yet and remains under discussion with the State Water Resources Agency. In light of these constraints, the Borrower is seeking an alternative arrangement that will



12. As part of the extension request, the Borrower has submitted a revised timeline to conclude the seventeen (17) works, indicating that twelve (12) would be completed by the proposed closing date (i.e., June 30, 2024), while five (5) would be finalized after the extended closing date (see table 2). The GoES has formally committed to funding the remaining investments of the five works with its own resources as well as to continue complying with the Bank safeguards instruments after the extended closure, if required (refer to page 25 of the GoES’ Restructuring Proposal), which will be monitored through a PCAP.

Table 2 – Projected completion of sewerage works

Municipality	Proposed completion
<b>Completed:</b>	
1. Marechal Floriano	July 2020
2. Divino São Lourenço	October 2020
3. Conceição do Castelo	October 2020
<b>To be completed within the proposed extension date:</b>	
4. Dores do Rio Preto	July 2023
5. Santa Leopoldina	July 2023
6. Santa Maria de Jetibá	July 2023
7. Viana	July 2023
8. Pedra Menina	October 2023
9. Ibatiba	December 2023
10. Iuna	December 2023
11. Irupi	December 2023
12. Apiacá	March 2024
13. Afonso Cláudio	March 2024
14. Domingos Martins	March 2024
15. Cariacica-Bandeirantes	March 2024
<b>To be completed after the proposed extension date:</b>	
16. Vila Velha – Araçás	October 2024
17. Vila Velha-Grande Terra Vermelha	March 2025
18. Castelo	March 2025
19. Cariacica-Nova Rosa da Penha	March 2025
20. Cariacica- Sede	March 2025

13. **Component 3 - Watershed Management and Restoration of Forest Cover – US\$26.30M (Moderately Satisfactory rating).** The Project supported the expansion of the Reflorestar Payment for Environmental Services (PES) Program to 21 municipalities and started restoring 4,500 hectares of forests and, as of December 2022, over 2,600 rural property owners were participating in the Program. In addition the Project is supporting the reduction of sediments that impact the water quality of the Mangaraí river, one of the water supply sources to the GVMR. The Mangaraí turnkey contract is ongoing, road works are progressing albeit with delays, with an estimated completion by the end of CY2023. The related activities of environmental education and social mobilization focused on gender equality have

allow the works to be finalized by March 2025, to be completed with its own funds. The works for the other two systems are ongoing.





been successfully concluded, with over 150 women benefitting from training for economic and social empowerment.

**14. Component 4 - Project Management, Supervision and Institutional Strengthening – US\$16.8M (Satisfactory rating).** This component is supporting the Project management with the adequate staffing, monitoring and evaluation of the Project Management Unit; the supervision of works; the execution of external audit services and the institutional strengthening of the State water regulator (*Agência de Regulação de Serviços Públicos - ARSP*) with the development and implementation of the water supply and sanitation tariff review and restructuring. With the exception of the supervision of sanitation works related to Component 2 and external auditing, all activities are either finalized or expected to be completed by the extended closing date.

## B. Rationale for Restructuring

**15. Borrower's request.** The GoES has formalized, through letters Ofício EME No. 012/22 dated September 14, 2022 and Ofício SEG No. 076/22 dated November 10, 2022, their request for the amendment of the Loan Agreement to extend the closing date, reallocate resources among disbursement categories, include new disbursement categories, adjust percentage of financing, and revise Project description set forth in Schedule 1 to the Loan Agreement. The proposed restructuring will allow the Borrower to:

- (a) **Complete most activities under Component 2 and ensure achievement of the PDO.** The proposed 15-month extension would allow completion of twelve sanitation works (Component 2) beyond the three already concluded, and to fully implement wastewater treatment plants, pumping stations and networks in these areas, thus reaching 116,504 people with access to improved sanitation facilities, 27,697 household connections and removal of 2,043 tons of BOD/year. The five additional works will only be finalized by March 2025, however will not impact achievement of the PDO. The GoES would provide US\$33M of its own financial resources to conclude pending works after June 2024 (in addition to US\$75.1M in counterpart funds allocated during the Project's lifetime, until the extended closing date).
- (b) **Support strengthening of the Borrower's capacity for water resources management within Component 1 and promote readiness of the new operation by the:** (i) transfer of the State Water Resources Agency's (AGERH) institutional modeling and organization studies from 1(d) to a new Part 1(g) and (ii) inclusion of the elaboration of studies, projects, data surveys, and technical visits, technical and operational support for the management and planning of structuring actions to advance readiness of the Espirito Santo Water Security Management Project (P176982) in the context of the new operation under 1(g). AGERH's institutional modeling and organization studies is key for the implementation of the new operation as well as all other activities being included under 1(g), hence the need to combine them into a new category. SEAMA, the entity responsible for the implementation of Part 1, will also be in charge of 1(g).



(c) **Achieve full disbursements.** Disbursements are expected to reach 100% (US\$172.4M) by the extended closing date. The division of Category 2 into 2(a) and 2(b), with the increase in the percentage of works financed under 2(b) (from 65% to 70%) in order to increase Bank financing for the works that will be implemented until the extended closing date; and Category 1 (from 75% to 100% for the specific activities<sup>4</sup> relating to the preparation of the new operation under Part 1(g) will support the client to reach higher disbursements faster.

(d) **Ensure that household sewer connections are fully executed.** The majority of connections are completed after the other phases of civil works have been successfully implemented and are essential to bring the full benefits of improved sanitation to the beneficiaries. This step may take time to find tailored solutions for each residence and requires strong social engagement and close supervision by the management firm and the Borrower, with the Bank's support.

**16. The Project restructuring maintains a constructive relationship with an important client,** with which the Bank is actively preparing future lending<sup>5</sup>; it provides the state with additional time to implement outstanding project activities and to disburse all remaining Bank financing; it embeds an expectation of accelerated performance from the project teams; and it entails a relatively low risk of not completing the planned works.

**17. The proposed restructuring complies with the Bank Directive for Investment Project Financing:**

- (a) the Project's Development Objectives remain achievable;
- (b) the performance of the Borrower remains satisfactory;
- (c) the Bank and the Borrower agree on actions that will be undertaken by the Borrower to complete the Project;
- (d) the Project is not subject to suspension of disbursements; and
- (e) the Borrower does not have any outstanding audit reports nor there are audit reports which are not satisfactory to the Bank.

## II. DESCRIPTION OF PROPOSED CHANGES

### Extension of closing date

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<sup>4</sup> Category 1(b) comprises technical assistance, such as the preparation of studies, data collection, technical visits, technical and operational support. It does not include civil works.

<sup>5</sup> The new water operation (Espírito Santo Water Security Risk Management Project - P176982, US\$86.1M) is currently under preparation, with Board consideration scheduled for May 2023, in addition to the Espírito Santo Digital Development Project (P180462, US\$61.2M), scheduled for approval in FY24.



18. The restructuring includes a 15-month extension of the current closing date, from March 30, 2023 to June 30, 2024<sup>6</sup> to allow for the completion of twelve sanitation system works contracts and ensure the achievement of the PDO.

### Revisions to the scope of Component 1 activities (Integrated Water Management and Disaster Risk Management)

19. It is proposed, first, the revision of subcomponent 1(d)'s description to move the third activity currently listed ("the preparation of studies for the organizational structure of AGERH") to the subcomponent 1(g) being created and, as a result, the subcomponent 1(d) will read as follows: "Strengthening SEAMA by (i) developing an environmental management information system integrated to Geobases, and (ii) acquiring equipment for SEAMA's environmental management information system". Secondly, it is proposed the creation of subcomponent 1(g) to read as follows: "Strengthening the Borrower's capacity to manage water resources through, *inter alia*: (i) the preparation of studies for the organizational structure of AGERH; and, (ii) the preparation of studies and designs, data collection, carrying out technical visits, providing technical and operational support for the management and planning of actions to support the structuring and implementation of a state program for integrated management of water resources and the revitalization of watersheds."<sup>7</sup>

### Reallocation of funds

20. To support the completion of works under Component 2 and the new proposed activities of Component 1, it is proposed to reallocate funds among Categories and increase the percentage of financing under Category 2 (from 65% to 70%), through the creation of Category 2(b) with 70% Bank financing (covering the works to be implemented within the extended closing date) and the creation of Category 1(b) with 100% Bank financing (covering preparatory activities to advance readiness of the investment operation under preparation).

### Changes in the Results Framework

21. The following changes are proposed in the Results Framework:

- (a) **End Date.** The end dates of all indicators will be revised to reflect the new extended Project closing date.
- (b) **Changes in PDO indicators.** The end target of the following indicators will be modified reflecting the non-conclusion of three wastewater treatment systems under Component 2 within the new proposed timeframe: Castelo, Cariacica Sede and Cariacica-Nova Rosa da Penha. Vila Velha's (Grande Terra Vermelha and Araçás) works results had already been excluded during the previous Project restructuring.

<sup>6</sup> If approved, this second extension would provide for a total project duration of 10 years, 3 months, with a cumulative extension of 38 months.

<sup>7</sup> The latter in reference to the Espírito Santo Water Security Management Project (P176982).



- i. Volume (mass) of BOD load removed by treatment plant under the Project: end target will change from 2,861 to 2,043 tons of BOD per year.
- ii. People provided with access to ‘improved sanitation facilities’ under the Project: end target will change from 143,726 to 116,504 people.

(c) **Changes in intermediate indicators.** The following revisions will be made to intermediate indicators:

- iii. The end target of the following intermediate indicator will be modified: New household sewer connections constructed under the project: end target will change from 31,696 to 27,697 people.
- iv. A new indicator on Citizen Engagement (CE) will be added to the Results Framework under Component 4, related to the Grievance Redress Mechanism (GRM): “Percentage of claims received and addressed in a timely manner”. The baseline will be 80%, the end target will be 85%.

**22.** No changes to the current implementation arrangements nor to risk ratings are envisaged.

**III. SUMMARY OF CHANGES**

	Changed	Not Changed
Results Framework	✓	
Components and Cost	✓	
Loan Closing Date(s)	✓	
Reallocation between Disbursement Categories	✓	
Disbursement Estimates	✓	
Implementation Schedule	✓	
Implementing Agency		✓
DDO Status		✓
Project's Development Objectives		✓
PBCs		✓
Cancellations Proposed		✓
Disbursements Arrangements		✓
Overall Risk Rating		✓
Safeguard Policies Triggered		✓
EA category		✓
Legal Covenants		✓
Institutional Arrangements		✓



Financial Management		✓
Procurement		✓
Other Change(s)		✓
Economic and Financial Analysis		✓
Technical Analysis		✓
Social Analysis		✓
Environmental Analysis		✓

**IV. DETAILED CHANGE(S)**

**COMPONENTS**

Current Component Name	Current Cost (US\$M)	Action	Proposed Component Name	Proposed Cost (US\$M)
Integrated Water Management and Disaster Risk Management	38.20	Revised	Integrated Water Management and Disaster Risk Management	32.25
Efficient Water Supply Services and Increased Access to Sanitation	166.20	Revised	Efficient Water Supply Services and Increased Access to Sanitation	185.35
Watershed Management and Restoration of Forest Cover	26.30	Revised	Watershed Management and Restoration of Forest Cover	20.33
Project Management, Supervision and Institutional Strengthening	16.80	Revised	Project Management, Supervision and Institutional Strengthening	9.57
<b>TOTAL</b>	<b>247.50</b>			<b>247.50</b>

**LOAN CLOSING DATE(S)**

Ln/Cr/Tf	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IBRD-83530	Effective	30-Apr-2021	30-Mar-2023	30-Jun-2024	30-Oct-2024

**REALLOCATION BETWEEN DISBURSEMENT CATEGORIES**



Current Allocation	Actuals + Committed	Proposed Allocation	Financing % (Type Total)	
			Current	Proposed
IBRD-83530-001   Currency: USD				
iLap Category Sequence No: 1	Current Expenditure Category: GO, CW, CS, NON-CS, TRG - Part 1, except Part 1(g)			
28,707,187.00	18,944,459.64	21,394,265.00	75.00	75.00
iLap Category Sequence No: 2	Current Expenditure Category: CIVIL WORKS - Part 2			
104,966,794.00	53,823,079.07	53,951,622.00	65.00	65.00
iLap Category Sequence No: 3	Current Expenditure Category: GO, CS, NON-CS, TRG - Part 2			
4,282,033.00	3,492,832.38	3,638,296.00	80.00	80.00
iLap Category Sequence No: 4	Current Expenditure Category: GO, CW, CS, NON-CS, TRG - Part 3			
6,525,294.00	1,270,904.55	6,074,196.00	75.00	75.00
iLap Category Sequence No: 5 B	Current Expenditure Category: ENVIRON. SERVICES PAYMENTS Pt 3a			
9,176,250.00	1,027,650.14	5,126,389.00	75.00	75.00
iLap Category Sequence No: 5A	Current Expenditure Category: ENVIRON. SERVICES PAYMENTS Pt 3a			
2,706,000.00	2,699,830.77	2,699,831.00	50.00	50.00
iLap Category Sequence No: 6	Current Expenditure Category: GO, CS, NON-CS, TRG - Part 4			
15,473,942.00	4,458,867.71	9,005,551.00	100.00	100.00
iLap Category Sequence No: FEF	Current Expenditure Category: FRONT END FEE			
562,500.00	562,500.00	562,500.00		
iLap Category Sequence No: 1 B	Current Expenditure Category: GO, CS, NON-CS, TRG - Part 1(g)			



	0.00	0.00	3,727,366.00	100
iLap Category Sequence No: 2 B			Current Expenditure Category: CIVIL WORKS - Part 2	
	0.00	0.00	66,219,984.00	70
<b>Total</b>	<b>172,400,000.00</b>	<b>86,280,124.26</b>	<b>172,400,000.00</b>	

**DISBURSEMENT ESTIMATES**

Change in Disbursement Estimates  
Yes

Year	Current	Proposed
2014	0.00	0.00
2015	562,500.00	562,500.00
2016	5,000,000.00	5,000,000.00
2017	2,421,275.27	2,421,275.27
2018	7,000,000.00	7,000,000.00
2019	18,910,234.17	18,910,234.17
2020	6,297,379.42	6,297,379.42
2021	30,087,683.47	17,759,010.29
2022	60,000,000.00	36,528,001.22
2023	35,000,000.00	58,861,159.63
2024	10,000,000.00	19,060,440.00



Results framework

COUNTRY: Brazil

BR Espirito Santo Integrated Sustainable Water Management Project

Project Development Objectives(s)

The objectives of the Project are to: (a) improve sustainable water resources management, and (b) increase access to sanitation in the Borrower’s territory.

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	PBC	Baseline	Intermediate Targets						End Target
			1	2	3	4	5	6	
<b>Improve sustainable water resources management.</b>									
Number of plans, studies and systems carried out/executed under the project following an integrated approach (Number)		0.00	9.00						12.00
<i>Action: This indicator has been Revised</i>									
<b>Increase access to sanitation in the Borrower's territory.</b>									
Volume(mass) of BOD pollution load removed by treatment plant under the project (Tons/year)		0.00					555.00	1,013.00	2,043.00
<i>Action: This indicator has been Revised</i>									
People provided with access to ‘improved sanitation facilities’		0.00	54,385.00						116,504.00





Indicator Name	PBC	Baseline	Intermediate Targets						End Target
			1	2	3	4	5	6	
under the proj. (CRI, Number)									
<i>Action: This indicator has been Revised</i>									
People provided with access to “improved sanitation facilities” - urban (Number)		0.00							116,504.00
<i>Action: This indicator has been Revised</i>									
Direct project beneficiaries (Number)		13,000.00	930,000.00						2,630,000.00
<i>Action: This indicator has been Revised</i>									
Female beneficiaries (Percentage)		0.00							50.00

**Intermediate Results Indicators by Components**

Indicator Name	PBC	Baseline	Intermediate Targets						End Target
			1	2	3	4	5	6	
<b>Integrated Water Management and Disaster Risk Management</b>									
Percentage of Espirito Santo territory covered by a hydrometeorological monitoring station in the		0.00					70.00	80.00	90.00







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Indicator Name	PBC	Baseline	Intermediate Targets						End Target
			1	2	3	4	5	6	
addressed in a timely manner (Percentage)									
<b>Action: This indicator is New</b>									

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