Senegal:
Evaluation of the Bank’s Country Strategy and Program
2004–2013
Executive Summary
IDEV conducts different types of evaluations to achieve its strategic objectives.
Executive Summary

Evaluation Goal and Methodology

As a key component of the Comprehensive Evaluation of the African Development Bank’s Development Results (CEDR), this evaluation measures the relevance, effectiveness, sustainability and efficiency of Bank Group assistance to Senegal over the period, as well as the institutional performances of the Borrower and the Bank between 2004 and 2013. The Government, civil society and the other actors concerned hope to learn lessons that will be reflected in the design and smooth implementation of the Bank’s 2016-2020 Country Strategy Paper (CSP) for Senegal. A summary report has been prepared on six evaluations conducted by independent consultants in each of the six priority sectors: (a) transport; (b) governance (multi-sector); (c) agriculture and rural development; (d) energy; (e) water and sanitation; and (f) social development (education and health). The data was collected from a documentary review, consultations with experts, and quick surveys on the intervention sites during which there were individual and group discussions, consultation workshops and direct observation.

Country Context and Development Challenges

The most westerly point on Africa’s Atlantic seaboard is located on the Cap-Vert Peninsula in Dakar, and this offers Senegal an opportunity to play a greater role in regional and international shipping. Dakar alone is home to 55% of the 13 million Senegalese, 51% of whom are women and 43.4% people under 15 years of age. Over the past ten years, real GDP has grown by 3-4% which is below the 7% target to take into account exponential population growth and achievement of the Millennium Development Goals. The number of poor people in the country has therefore been rising steadily since 2006. Senegal’s economy faces the following major challenges: high cost of labour; an institutional and regulatory framework with insufficient incentive (administrative red-tape, corruption); legal insecurity, especially in land ownership; lack of road, rail, port, energy, water and sanitation infrastructure; relatively little financing of local businesses by the national banking system; an economy over-focused on services; a structural current account deficit partly due to the fact that services are not easily exported and to imported inflation fueled by a combination of sluggish agricultural productivity and strong demand for food products. The economy is also exposed to external shocks, in particular, oil price fluctuations, the threat of locusts, irregular rainfall and frequent floods, which increase the vulnerability of agricultural production.

Bank Assistance Strategy and Program for the Country between 2004 and 2013

Over the 2004-2013 period, the Government prepared several successive economic and financial programs which provided a basis for dialogue with the Bank. Three Country Strategy Papers (2002-2004, 2005-2009 and 2010-2015) were prepared on the basis of the Poverty Reduction Strategy Papers (PRSP) I and II, the National Economic and Social Development Strategy (SNDES) and its update, and the Emerging Senegal Plan (PSE). Between 2004 and 2013, the Bank approved 32 operations, amounting to about UA 525.9 million, in six priority sectors or pillars: transport (38%), public sector or governance reform (20%), agriculture and rural development (15%), electric power (12%), water and sanitation (11%) and social development (4%) in women’s and youth employment. Eight operations, completed or closed

1. This was the year following the establishment of ORQR (2008) during which project completion reports became more frequent and comprehensive.
between 2009 and 2013, have been included in the evaluation to take into account all the results achieved by the Bank. The evaluation thus covers 40 operations in the 3 successive CSPs over the 2014-2013 period. Despite its declared intention in certain CSPs, the Bank has carried out little economic and sector work, but has focused on project preparation studies and environmental impact assessments.

**Evaluation Results of Bank Strategies and Programs**

**Relevance**

*Relevance is fairly satisfactory.* The Bank has successfully aligned its operational program with the Government’s development policy priorities and the expectations of the population and economic agents, thanks mainly to the Results-Based CSP framework, the clarity of the government’s priorities, and the practice of consultation including the private sector and non-State actors. However, it lacks selectivity and its strategic positioning does not stem from a deliberate choice.

**Effectiveness**

*Effectiveness is fairly satisfactory.* Sector performances are variable. Most of the objectives were achieved in terms of physical outputs. However, these outputs did not always produce the desired development outcomes. Despite difficult operating conditions, the transport infrastructure helped to improve urban mobility and cross-border trade, as well as develop local economies in rural areas. Public management reforms helped to establish good governance structures and institutions. However, implementation of the reforms remains erratic in some administrations. Irrigation schemes and multifaceted support to farmers and stockbreeders have increased sown areas and local production. Nevertheless, a general decline in yields has been observed. The water and sanitation facilities established have not helped to achieve the set objectives. The electric power generation and distribution initiatives have been implemented but operational difficulties, particularly outages, have prevented households and businesses from obtaining low-cost electric power. Classrooms and health centres have been constructed, and health care and community supervisory personnel trained, but the structures have flaws.

**Efficiency**

*Efficiency is fairly unsatisfactory.* Cost overruns are almost systematic in the construction of health care facilities and are sources of dissatisfaction. The same applies to the energy sector where the slippage on start-up of the Sendou coal-fired power plant has resulted in significant additional costs despite lower unit and supervision costs. The poor performance of the Dakar Sanitation Project has affected the efficiency of the Bank’s portfolio in the water and sanitation sector where the unit cost of drinking water supply is, however, at the midpoint level of performance by Senegal’s other partners. Coordination and management costs represent on average 10.61% of the total cost of governance projects, below the reference standard of 13% for the other multilateral donors. Operations in the sector have not been seriously affected by delays due to the Bank’s presence in Dakar, regular mobilization of counterpart funds, and responsiveness of actors in the MEFP whenever project implementation units (PIUs) are anchored in that Ministry. Similarly, the anchoring of PIUs in oversight structures and the involvement of decentralized service staff have facilitated implementation and contributed to savings through sharing of operating costs in agriculture and rural development. However, there is a time lag of 6 to 8 months between loan signature and effectiveness because of problems relating to non-fulfilment of the conditions precedent. Average
project management costs are below the reference standard, with the exception of the Invasive Aquatic Weeds Control Project.

Sustainability

Sustainability is fairly probable. Sustainability is fairly probable in the transport sector due to unpredictability of the State budget contribution to the Autonomous Road Maintenance Fund. In the energy sector, the gradual reduction of government tariff compensation could help to achieve financial viability. Arrangements for ensuring maintenance of water and sanitation structures are inadequate. In the governance sector, reform measures are not applied comprehensively and thoroughly by the public administrations. In education and health, defects, design flaws and lack of training for staff in the use and maintenance of ultra-modern equipment makes sustainability of the facilities improbable.

Performance of Partners

Bank performance is fairly satisfactory. Since the opening of its Regional Office in 2005, the Bank has intensified advisory services and technical assistance through more responsive direct contacts, facilitated dialogue with the authorities and non-State actors, and helped the Government to adopt more efficient practices. It has contributed to the inclusion of disadvantaged groups, particularly women and youths, by creating jobs and new income-generating activity opportunities in priority sectors. However, the beneficiaries are often unaware of the Bank’s achievements due to lack of communication. The Bank has supported the transition to green growth through climate change mitigation and adaptation measures in the agriculture sector. The Bank has also established itself in its role as driver of private investment through PPPs. However, knowledge management is not yet systematic, and cumbersome procedures impact negatively on the Bank’s performance.

The performance of the Senegalese Government is fairly satisfactory. The country has clear strategic priorities, which have produced tangible results. However, difficulties relating to mobilization of counterpart funds, slippage on the fulfillment of the conditions precedent to the first disbursement, as well as start-up of activities have affected this performance. Aid coordination by the Government has been strengthened, and it consults non-State actors, particularly the private sector and civil society.

Recommendations

Strengthen the Bank’s strategic positioning. Greater selectivity of intervention areas, based on adequate analytical studies, is recommended to allow the Bank to optimize its development outcomes. As regards transformation of local economies and poverty reduction, the Bank could, by targeting specific areas: (i) invest in the development of rural roads which will complement the main highways; as well as (ii) seize the existing opportunities for public-private partnerships (PPP) to increase its driver effect in the areas of energy, water and sanitation, agriculture and rural development. With respect to governance, deepening of ongoing reforms and support for more effective operation of facilities and institutions could have more significant impact and help the country to make further progress, especially as regards the business environment.

Ensure sustainability of infrastructure. For roads, in particular, one area for dialogue with the Government is the establishment of a mechanism that will ensure timely State budget contribution to the Autonomous Road Maintenance Fund to comply with the annual Road Maintenance Program. Furthermore, closer involvement of community-based organizations in the management of local infrastructure should be
considered in the implementation of the Bank’s procedures not only in terms of consultation but also of participation in management through the award of contracts.

**Improve effectiveness of project/program supervision** through three complementary actions: (i) assist the Government in establishing an efficient national results-based monitoring/evaluation system which could also provide the Bank with reliable data on implementation performance and development outcomes; (ii) organize supervision missions to cover all relevant aspects, including stricter monitoring of implementation of environmental management plans and quality control to prevent the numerous physical defects noted in some structures; and (iii) ensure compliance with the implementation of supervision mission recommendations.
About this Evaluation

This evaluation measures the relevance, effectiveness, efficiency and sustainability of the AfDB Group assistance to Senegal over the period 2004-2013. It also draws relevant lessons to help improve implementation of the Bank’s 2016 - 2020 Country Strategy Paper (CSP) for Senegal.

Between 2004 and 2013, the Bank approved 32 operations, amounting to about UA 525.9 million, in six priority sectors: transport (38%), public sector or governance reform (20%), agriculture and rural development (15%), electric power (12%), water and sanitation (11%) and social development (4%) in women’s and youth employment.

Overall, the Bank has successfully aligned its operational program with the Senegalese government’s development policy priorities and the expectations of the population and economic agents, however, it lacks selectivity.

Specifically, on effectiveness, this evaluation rates the AfDB program and strategies in Senegal as moderately satisfactory. Sector performances are variable. Most of the physical outputs have been achieved. However, these outputs have not always been translated into development outcomes. Efficiency is moderately unsatisfactory mainly as a result of slippage on implementation and cost overruns or underruns. Sustainability is fairly probable. The communities have assumed ownership of the assets in certain sectors. However, there are still problems regarding mobilization of the infrastructure maintenance budget, as well as poor operating conditions of the structures and training on the use of equipment.

Based on these findings, this evaluation formulates practical and relevant recommendations to improve future programs and strategies: (a) strengthen the Bank’s strategic positioning, (b) ensure the sustainability of infrastructures, and (c) improve the effectiveness of project/program supervision.