



Program Information Document (PID)

Concept Stage | Date Prepared/Updated: 26-Jun-2018 | Report No:



BASIC INFORMATION

A. Basic Program Data

Country Cote d'Ivoire	Project ID P164302	Parent Project ID (if any)	Program Name Enhancing Government Effectiveness for Improved Public Services
Region AFRICA	Estimated Appraisal Date 01-Oct-2018	Estimated Board Date 20-Dec-2018	Does this operation have an IPF component? Yes
Financing Instrument Program-for-Results Financing	Borrower(s) Republic of Côte D'Ivoire	Implementing Agency Ministry of Economy and Finance	Practice Area (Lead) Governance

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Proposed Program Development Objective(s)

The PforR development objective is to improve core government functions for service delivery in priority sectors.

COST & FINANCING

SUMMARY (USD Millions)

Government program Cost	300.00
Total Operation Cost	100.00
Total Program Cost	90.00
IPF Component	10.00
Total Financing	100.00
Financing Gap	0.00

FINANCING (USD Millions)

Total World Bank Group Financing	100.00
World Bank Lending	100.00



B. Introduction and Context

Country Context

1. **A period of post-crisis stability has become more fragile because of tensions that have emerged in the build-up to the 2020 elections.** The country successively executed both presidential and legislative elections in 2015 and 2016, which resulted in President Ouattara's reelection to a second term and the ruling alliance (RHPD) consolidating its majority in the Assembly. A new Constitution — a campaign promise by Ouattara to replace the one drafted under military rule — was overwhelmingly approved by referendum in 2016. Early preparations for the next Presidential election have created some tensions within the ruling party, as candidates for the campaign have yet to be selected. Moreover, two mutinies, along with the civil service strikes in 2017, have served to highlight the underlying societal wounds that have yet to heal. Domestic and regional migration is exacerbated by many people remaining without formal identity, an issue which creates problems to secure access to services and resources. And the both demobilization of many armed groups and their integration into civilian life and the security sector reform have been challenging and a source of tensions.

2. **Over the past seven years Côte d'Ivoire has sustained a trajectory of improved economic recovery.** Growth rates have been impressive, reaching 8.3 percent in 2016 and an estimated 7.6 percent in 2017. While these rates are slightly lower than the ones registered between 2012 and 2015, they remain historically high and second only to Ethiopia on the continent. The main drivers of economic expansion remain modern service sectors (communication, banking and transport) and a construction sector fueled by an ambitious public investment program and rapid urbanization. The contribution of the agricultural sector has varied, low in 2016 but high in 2017, due to its sensitivity to climatic conditions and international prices.

3. **However, the benefits of this growth have not been experienced equally by all Ivoirians.** Although poverty declined from 51 percent in 2011 to 46.3 percent in 2015, this decline is modest compared with the impressive rate of economic growth of 9.3 percent during this period. Poverty continues to be overwhelmingly concentrated in rural areas, which are home to 70 percent of poor households. Inequality and poverty in Côte d'Ivoire remain critical issues that need to be addressed by the Government with a sense of urgency. Employment creation in formal sectors has been weaker than anticipated; most of the population remains under employed, especially in urban areas. Regional disparities have not been reduced, with a clear divide between the North and the South and persistently high inequality. This is creating frustration, especially among the youth.

Sectoral (or multi-sectoral) and Institutional Context of the Program

4. **Côte d'Ivoire scores poorly on a range of selected governance indicators.** Côte d'Ivoire continues to trail strong performers on the 2017 global government effectiveness (World Bank), ranking 29 spaces behind Kenya and 20 behind Senegal, and on fighting corruption is ranked significantly lower than Senegal and Ghana. Despite recent progress in consolidating institutions and improving fiscal discipline, significant shortcomings in the public financial management, public procurement, and limited citizen engagement in decision making and articulation of public policies hamper strategic allocation of resources and service delivery. At sectoral level, the goods and services required by beneficiaries are not always delivered in optimal conditions due to several bottlenecks in the goods and services planning, procurement and delivery chain, which prevent the citizens from gaining easy, effective access to quality basic services.

5. **There are significant opportunities to improve service delivery outcomes in Côte d'Ivoire.** In terms of health outcomes, under-five mortality is still high at 108 deaths per 1,000 live births, down just 14 percent from 2005. An estimated 60 percent of these deaths are due to communicable diseases and perinatal causes. Basic immunization rates



have declined—for example, measles immunization decreased from 66 percent in 1999 to 65 percent—and recent years have seen outbreaks of polio and cholera. The use of anti-malarial drugs has remained around 20 percent. Adult HIV prevalence among 15-49-year-old is 3.7 percent (4.6 percent for females and 2.9 percent for males), one of the highest in West Africa. In Education, completion rates are low, 63.1% and 35.5% respectively for primary and secondary education respectively. This compares unfavorably to 72.6% and 48.6% for Africa (2015). The low level of completion is a combined result of inadequate access to education and low retention. Finally, in transport the road network quality is poor because of poor planning for maintenance and excessive costs that are attributed to systemic inefficiencies in how new and existing road assets are managed and implemented. Baseline data from Ministry of Economic Infrastructure estimate that only 30% of the road network is covered by a regular maintenance plan, though the actual percentage is likely to be somewhat lower.

6. **Governance challenges contribute to suboptimal delivery of goods and services to citizens in Côte d'Ivoire.** Public service (access, quality and cost effectiveness) is affected by bottlenecks in public financial management, procurement, information, and service delivery chains. Governance and management of the health system is problematic, with lack of effective central level control mechanisms and strategic planning capability. Costs for implementation of roads maintenance and new investments are excessive due to failures in planning, procurement, and contract management. Financing of private school places for children is inefficiently managed and not adequately monitored to provide assurance on outcomes.

7. **The Government decided to develop the Economic Governance for Service Delivery Program (EGSDP) to address governance bottlenecks to support service delivery effectiveness.** This program estimated to be in the range of US\$300 million will be implemented during the period 2018-22 and will address performance budgeting, procurement, and information for decision making across the government, and with a specific focus in Education, Financial Sector, Health, and Public Infrastructure. The Program is described in the section D as well as the specific result areas to be supported by the proposed PforR.

Relationship to CAS/CPF

8. **The proposed program is well aligned with the Côte d'Ivoire Country Partnership Framework (CPF) for FY16-19.** The country partnership strategy place strong emphasis on governance which is incorporated into one of two cross cutting themes (Governance and Spatial Inequality) and through Focus Area Three – Strengthening Public Financial Management and Accountability. Building on the SCD, where governance and land reform were identified as the prerequisites for inclusive and sustainable growth, the CPF includes three important objectives under Focus Area Three: (i) Objective Eight-- Improve Allocative Efficiency and Quality of Expenditures; (ii) Objective nine-- Increase domestic revenues and maintain debt sustainability; and (iii) Objective ten-- Increase accountability and transparency in public expenditures.

9. **Through its focus on improving service delivery systems and reducing associated governance related service delivery bottlenecks as well as financial inclusion, the proposed operation will also support the achievement of important objectives under focus areas one and two.** Under Focus Area One (Accelerating Sustainable private sector-led growth) this operation will support Objective Two (Strengthening economic infrastructure) and Objective Three (Improve business regulatory framework and access to finance). Under Focus Area Two (Building human capital for economic development and social cohesion) the proposed PforR will support Objective Five (Improve education service delivery and youth employability) and Objective Seven (Improve delivery of quality health and water services).

Rationale for Bank Engagement and Choice of Financing Instrument



10. **The proposed Bank Program represents a continuation of the World Bank’s engagement in economic governance and service delivery in Côte d’Ivoire.** The proposed new operation builds on the successful completion of the Governance and Institutional Development Project (P147016) which closed in November 2016. The project had four components: (i) Strengthening Public Financial Management; (ii) Strengthening the Capacity to Manage the Upstream Petroleum Sector; (iii) Setting up an Adequate Institutional and Regulatory Framework for the Cocoa Sector; and (iv) Project Management and Communication. Over eight years (including additional financing), the project’s main achievements were to put in place institutional mechanisms to improve economic governance, and lay the foundations to build a comprehensive PFM system and, develop a national anticorruption master plan, as well as create momentum for scaling up the use of country system and relying on national institutions to implement projects and programs financed by donors.

11. **The Program builds on important lessons learned from the World Bank Approach to support economic governance reforms.** The proposed operation aims to move beyond the upstream TA to strengthen the technical capacity to implement governance reforms to incentivizing stakeholders to advance on unblocking key results that impact on overall government effectiveness and directly impact the lives of citizens through service delivery. The choice of instrument recognizes that technical capacity is not a first order constraint in Côte d’Ivoire, rather, may of the challenges revolve around coordination failures, inadequate mechanisms of data and citizen feedback to inform strategic sectoral prioritization, planning, and performance, and political commitment. The PforR will ensure sustained funding to pre-existing priority government programs (under the umbrella over the National Master Plan for Public Finance Management Reforms) and create incentives for the achievement of identified policy objectives. The PforR will incorporate Disbursement Linked Indicators (DLIs) that establish a performance-based framework to measure progress in reform implementation.

12. **There are five main reasons that the PforR instrument is considered the most appropriate for the Government Economic Governance for Service Delivery Program.** First, it serves as a platform for deepening the result-orientation across sectoral ministries by providing the incentives needed for enhanced compliance with PFM systems implementation at the service delivery and decentralized levels. Specifically, the PforR disbursement modality, which links the achievement of results to disbursement, is particularly appropriate for incentivizing improvements in the service delivery chain which need to be tangible to be felt and perceived by service recipients. Second, the instrument is also appropriate for placing incentives at multiple critical points along the service delivery chain to resolve governance bottlenecks whether these be at the central, intermediate, or local government levels. Third, the process of developing a Government Program has created broad ownership of the results-oriented approach, and allows the Government to integrate other World Bank and Development Partner investments strategically into a broader program of service delivery improvements than supported by the PforR. Fourth, the flexibility of the instrument allows for an innovative results-based financing approach to strengthening institutional capacity and facilitating management for service delivery. Finally, the PforR allows for a shift in focus of World Bank engagement from upstream technical advice and financing of inputs to supporting specific and verifiable systems improvements.

C. Program Development Objective(s) (PDO) and PDO Level Results Indicators

Program Development Objective(s)

The PforR development objective is to improve core government functions for service delivery in priority sectors.

PDO Level Results Indicators



13. **Tentative PDO Result Indicators are:**

- a. Increase number of students with access to private school placements and textbooks
- b. Improved financing and reimbursement of primary health care services
- c. Improved statistics, multi-year planning and budgeting for service delivery
- d. Improved management and maintenance of the national road network
- e. Increased financial inclusion and digitization of government payment systems

D. Program Description

PforR Program Boundary

Economic Governance for Service Delivery Government Program

14. **Economic Governance for Service Delivery Program (EGSDP) is currently under development and builds on several government strategies and programs.** In particular, EGSDP builds on the followings previous programs: National Master Plan for Public Finance Reforms (2017-2019); National Statistical Development Strategy 2017-2021, and the Financial Sector Development Strategy of (2014) aims to ensure financial stability, greater inclusion, and an improved response to financing needs for lower income housing, SMEs/SMIs and agriculture. The new government program also builds on various sector strategies developed in collaboration with the Bank and other donors and seeks to assess governance dimension of service delivery bottlenecks in general education, primary healthcare, and infrastructure.

15. **EGSDP is expected to be implemented between 2018 and 2022 with an estimated budget of US\$ 300 million and will include five result areas which incorporate both horizontal reforms and service delivery.** The five result areas are: (i) Revenue Mobilization; Performance Budgeting, and Public Procurement; (ii) Service Delivery in Primary and Secondary Education; (iii) Service Delivery in Primary Health Care; (iv) Service Delivery in Roads Infrastructure; (v) Financial Sector Inclusion; and (vi) Improved Statistics.

16. **Revenue Mobilization, Performance Budgeting and Public Procurement.** This axis supports important improvements in the following cross-cutting areas: (i) domestic resource mobilization; (ii) the planning, programming, budgeting, monitoring & evaluation (PPBSE) chain for improved strategic resource allocation; (iii) public procurement system; (iv) budget execution controls; and (v) public finance management systems and processes of local governments.

17. **Service Delivery in the Primary and Secondary Education.** This result area will improve the supply of primary and secondary education, including and accountability mechanisms. It will focus on improvements in four key areas: (i) planning and budgeting of education expenditures; (ii) transparency and timeliness of transfers to schools; (iii) the criteria, mechanisms, and monitoring system for the financing of private education places for students; and (iv) the availability of textbooks and basic school supplies at the school level.

18. **Service Delivery in the Primary Health Care.** The health care axis focuses on strengthening the quality of health services by improving: (i) the quality and transparency of transfers to hospitals and health centers; (ii) drug distribution mechanisms in enhanced health districts and quality of health services; and the criteria and implementation mechanisms for reimbursements for the package of free services provided by hospitals and health centers.

19. **Service Delivery in Roads Infrastructure.** The infrastructure axis of the program focuses on increasing connectivity and mobility of citizens by instituting important improvements in the management of roads assets.

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Specifically, it aims to reinforce capacity to implement and rehabilitate the roads network by strengthening: (i) planning for annual road infrastructure including development of maintenance plans; (ii) management of contracts including the monitoring and enforcement of contract provisions; (iii) strengthening and harmonizing the nationwide classification of roads infrastructure; and (iv) development of cost benchmarks to facilitate realistic planning and budgeting for enhanced asset management.

20. **Financial Sector Inclusion.** This axis focuses on enhancing citizen and borrower access to financial services by improving: (i) implementation of the OHADA insolvency law adopted in 2016, and the overall regulatory framework for financial sector; (ii) the quality of the collateral credit registry to facilitate critical information on credit worthiness and facilitate SME access to finance; (iii) consumer access to basic information on the available types of financial products and services, including cost comparators through the operationalization of a Financial Services Observatory; and (iv) expanding the digitization of government payments systems to facilitate ease of payments to and from government, citizens, and taxpayers.

21. **Improved Statistics.** The statistics axis focuses on strengthening the production and quality of economic and social statistics. Specifically, it proposes to achieve this by improving: (i) core macroeconomic and national accounts statistics; (ii) social welfare statistics; and (iii) the availability, dissemination and use of statistics. The government program also aims to strengthen key statistics institutions such as INS by improving the budgeting, financing, and staffing for statistics production, and to facilitate the formal adoption and implementation of the National Statistical Development Strategy 2017-2021.

PforR Program Development Objective and Key Results

22. **The PforR development objective is to improve core government functions for service delivery in priority sectors. The PforR intervention will be focused on selected parts of EGSDP.** On the one hand, it will include three of the EGSDP horizontal reforms: Performance Budgeting; Public Procurement; and Information for Decision Making (statistics). On the other hand, it will cover four EGSDP sector areas: General (Primary and Secondary) Education, Primary Health, Transport Infrastructure, and Financial Sector. The logic of the operation is to combine the horizontal reform across the government with addressing bottlenecks related to the same specific reform areas (Performance Budgeting, Public Procurement, and Information) in the targeted sector areas.

23. The five Result Areas:

- Result Area 1: Strengthened performance based, budgeting, procurement and information for decision making.
- Result Area 2: Improved Management of General Education Resources
- Result Area 3: Strengthened Financing and Delivery of Essential Health Services
- Result Area 4: Improved Management and Maintenance of the Road Network
- Result Area 5: Increased Access to Financial Services



Table 1: EGSDP PforR Key Results and Filters

Horizontal Public Sector Reforms	Cross Cutting Reforms	Primary Health	General Education	Infrastructure	Financial Services
Planning and Budgeting	Budgeting/Planning Performance Based Budgeting Multi-annual planning	Budgeting Reimbursement mechanisms for free health services	Budgeting Private education finance	Budgeting/Planning Road Maintenance Planning	Budgeting Digitization government of payment systems
Procurement and Contract Management	Procurement/Contract Management Government-wide e-procurement Contract management	Procurement Supply of drugs	Procurement Supply of textbooks for primary schools	Procurement Monitoring and enforcement of contracts	
Information for Decision Making	Statistics National Accounts Statistics Institutional Strengthening Data dissemination and use	Information Citizen feedback, Sector performance indicators	Information Sector performance indicators	Information Unit cost benchmarking by road type	Information Financial Services Observatoire Credit Collateral Registry

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Result Area One: Strengthened performance based budgeting, procurement and information for decision making

24. This result area in line with the first pillar of EGSDP aims to support horizontal reform across the government:

- Performance based budgeting: Improving strategic allocation of resource and budget execution through establishing program and multi-annual budgeting; setting up of performance indicators; and devolution of commitment authority to line ministries.
- Procurement: Leveraging E-procurement and contract management for value for money.
- Information: Enhancing the Quality of Core Economic and Welfare Statistics for Decision-making and improve data dissemination and use.

Improved Strategic Allocation of Resources, Investment Planning and Performance-based Budgeting in Education, Health, and Instructure

25. The proposed PforR aims to improve government effectiveness through implementing the Performance-Based Budgeting. Supporting EGSDP objectives, the operation will focus on (i) developing a methodological framework to support key line ministries in shifting from inputs to outcomes and putting in place a new performance evaluation system.(ii) implementing program budgets, (iii) setting up a comprehensive performance monitoring framework to properly assess the results of the public policies and program budgets that will be financing (objectives, key performance indicators, annual projects of performances, annual reports on performances) and (iv) strengthening the implementation of a Result Monitoring Framework with available M&E information and results/causal chains underlying the Government’s program.



26. **The PforR will help to enhance the planning, programming, and budgeting, monitoring and evaluation (PPBSE) chain.** This will be achieved through close coordination between the Ministries of Economy and Finance, Planning, Budget and ministries of Education, Health and Infrastructure. It will include support for the process of devolving expenditure commitment authority to service delivery agencies consistent with performance based budgeting; and the upgrade and adaptation of the existing IT systems to integrate the new WAEMU Directives. This upgraded system will support the new budget preparation and execution framework, enhance the fiscal reporting capabilities and system capacity and performance.

Leveraging e-procurement and contract management for value for money

27. **The overall objective of this result area is to refocus procurement and contract management on achieving value for money.** Deciding carefully on what to buy, how and when to buy and from whom to buy can not only enhance the quality of the services delivered by the authority itself (in terms of the quality and timeliness of the product or service supplied to the public and the reduced costs in doing so), but also further promote the socio-economic goals of Government, influencing policy in areas such as economic development, social reform and environmental sustainability.

28. **The operation will support procurement planning, development of new procurement tools, and e-procurement.** These activities (i) appropriate procurement planning linked with budget processes to design procurement packages based on real needs from these contracting authorities; (ii) the development and dissemination of techniques and procedures for the use of new procurement tools under framework agreements and multi-year contracts; and (iii) the set-up of a system enabling electronic transactions between the contracting authorities and the procurement control body and regulatory body. The electronic system will be linked into monitoring and performance measurement systems which will enable the regulatory bodies to manage both compliance and performance and to enable them to identify and implement improvements to the overall procurement system. As a planning tool, ICT can assist contracting authorities in defining their needs and in establishing a comprehensive and consistent plan of action for the design, implementation and management of procurement and contracts. As a tendering/purchasing tool, ICT can reduce the transaction costs and improve compliance by automating procurement processes from advertising to contract implementation. As a monitoring and performance measurement tool, ICT can be used by both contracting authorities and the regulatory bodies to ensure that processes and methods are carried out efficiently to maximize value and to assess the results with a view to measuring performance and quantifying the value for money achieved.

Enhance the Quality of Statistics for Decision-making

29. **The PforR program will also reinforce budgeting and staffing for the national statistics system.** It will support the Government to undertake key measures that will strengthen the funding and staffing model for the INS and thereby strengthen the national system for production of statistics. Institutional strengthening will also require significant improvements in the existing technical capacity of much of the existing staff throughout the system through training. This PforR will also support the implementation of key aspects of the National Statistical Strategy 2017-2021, and the operationalization of the 2013 Statistics Act (CNStat; institutional relations between INS and sector statistics departments; data dissemination).

30. **The PforR will strengthen national accounts statistics which are at the pinnacle of economic statistics and inform economic planning and budgeting.** As the economy is becoming more dynamic, demands for regular updates on the business cycle, employment, quarterly GDP data and GDP forecasting, need to be met. This will include improving quality of economic statistics collected at regular intervals from households and private sector entities, and reflected in various sub-indices like the PPI, CPI or IPI and employment statistics. It will support improvements external trade statistics, Government Finance Statistics and data exchanges with the tax and customs departments (revenues, taxes, imports & exports). The production of regional national accounts and satellite accounts will also be strengthened including Government Financial Operations Table (GFOT).



31. **The PforR will also support activities to strengthen the quality of socioeconomic statistics and routine sectoral data.** This will to improve targeting performance of development programs and to assess “value for money” of investments and to support sector planning, prioritization, and budgeting. Activities to be financed will include selected routine data production in the Ministries of Health, Education, Economic Infrastructure and production of population data and households budget and consumption data.

32. **The PforR will strengthen data use, dissemination, to increase ease of access to high quality information for planning, fact based decision making and for pro-active, results-based M&E.** The program will support open data and activities that bring together data users and data producers to ensure relevant data are produced and feedback obtained which can be used to improve data production. It will facilitate access to data for advocacy and analytics by researchers, civil society and other stakeholders, which can be fed upstream and downstream into feedback loops managed by sector ministries (health, education and infrastructure) and be used as input into planning and prioritization, and enhanced M&E systems.

Result Area Two: Improved Management of funds allocated for primary and secondary schools

33. **This result area addresses key bottlenecks in an equitable and timely allocation and deployment of funds budgeted for primary and secondary to schools.** It will focus on two important results: (i) Improving the availability of textbooks; and (ii) Enhanced monitoring of utilization of private school finance.

Improving the availability of textbooks for primary schools

34. **The proposed PforR would support the Ministry of Education to undertake an audit of the entire textbook supply chain** from planning and procurement, to production to final delivery to understand the key bottlenecks and dysfunctions in the system, and support the implementation of remedial activities and systems with a view to ensuring that at by the end of the project, at least 80% of students have necessary textbooks by the beginning of the school year.

Enhanced monitoring of utilization of private education finance

35. **This result area will institute a tracking mechanism to effectively monitor the number of students attending private schools, thereby aligning the subsidies government provides with to the needs to the target population of students.** Due to significant shortages in the number of places available for children at public schools, the Ministry of Education provides subsidies to private schools to enroll students. Instituting an effective system to monitor the implementation of the public funding to private schools will help to rationalize and optimize these subsidies and improve children’s access to education. The Ministry of Education has planned to implement a pilot program which allocates scannable cards to students. Each student is required to scan the card at entry (and exit?) and therefore school attendance and the allocation of the subsidy can be effectively monitored. This will also enable the ministry to monitor the drop outs, which is currently not controlled. A second pilot is envisioned to allow parents to choose the school via online registration of their students. The PforR will also support the pilot and scale up of the online platform for parents to select schools. Based on the initial positive results of the pilot, the Ministry of Education is interested in scaling up the card system to all private schools. The proposed PforR can support the scale up of the system across the universe of target private schools and students.

Result Area Three: Improved quality and availability of drugs and free Health Services

36. **This result area is targeting drug distribution and reimbursement of free health services.** It will focus on (i) Improving the quality and availability of drugs and (ii) Improving the criteria and reimbursement mechanisms for free health services.



Improving the quality and availability of drugs

37. **This result area will address the entire drug supply chain, procurement and distribution.** This will help to Ministry of Health to increase value for money upstream in the procurement process as well as improve systems of inventory management, and distribution of drugs to frontline facilities, control mechanisms and audit.

Improving the criteria and reimbursement mechanisms for free health services

38. **This result area will strengthen the mechanisms and criteria for reimbursement of the package of free services, provided by hospitals and health centers.** It will review, validate and strengthen the criteria for reimbursements, as well as the systems and mechanisms for allocating and executing the reimbursements. This result area will also institute enhanced for monitoring of the claims made for reimbursement by health facilities, to evaluate the efficacy of the actual use of the resources and verify that services reimbursed are actually provided.

39. **To strengthen responsiveness and accountability of primary health care system, citizen feedback mechanisms will be introduced for to capture patient, and medical staff satisfaction with sector performance.** This will be done through online surveys, mailings, and facilitated community meetings where feedback is regularly and systematically solicited and fed into the sector M&E systems to influence upstream planning and budgeting, as well as downstream budget execution and prioritization. Topics on which feedback sought will be aligned with the objectives of the planned scale up of the results based financing.

Result Area Four: Improved Management and Maintenance of the Road Network

40. **This PforR would support the sector to strengthen planning and implementation for roads, with a view to ensuring major improvement in the maintenance of the road network.** The two key results will be: (i) Strengthening the quality of investment planning and implementation; (ii) Improving the Management of Road Assets. This will help to reduce transportation costs for citizens and maximize the is well maintained and can facilitate easy access for citizens.

Strengthening the quality of investment planning and asset management

41. AGEROUTE and Ministry of Economic Infrastructure will need to develop a comprehensive annual road maintenance plans for all the various categories of roads. This comprehensive annual road maintenance plan will need to be public discussed, and effectively costed and budgeted, with sequenced priorities in other to ensure that the available budget and needs are aligned and quality of road maintenance can improve significantly over time.

Improving procurement and contract management

42. **To reduce the costs of roads upgrade and ensure sector efficiency, significant enhancements are needed to upgrade the quality of sector procurement and contract management.** A key beneficiary of the cross cutting procurement and contract management reforms that are envisioned, including the introduction of e-procurement upstream and downstream of the project implementation chain would be the Ministry of Infrastructure, which faces significant challenges in the implementation of new road infrastructure as well as the operations and maintenance of existing road infrastructure.

43. **Benchmarking of Roads Costs.** Relatedly, to reduce the excessive costs and efficiencies in the sector, MIE, AGEROUTE, and FER will need to collaborate to develop cost comparators, which can be used for planning purposes. Indicative unit cost benchmarks would help to estimate costs and effectively manage contracts within the original estimated value. This data should be widely used and shared by the implementing agencies for planning, programming, and for contract management.



44. **Given the importance of quality roads for economic activity and citizens, stakeholder surveys (e.g. road users and contractors) will be conducted.** This will contribute assessing their satisfaction with regard to the quality of the road network, and better understand transportation and other needs of targeted beneficiaries.

Result Area Five: Increased Access to Financial Services

45. This results area will focus on three key results: (i) Strengthen financial infrastructure to promote financial inclusion and SMEs; (ii) Expand digitization of payments to service providers and tax payers; and (iii) Facilitate consumer knowledge of and access to financial services.

Strengthen financial infrastructure to promote financial inclusion and SMEs

46. **This results area will support the strengthening of Côte d'Ivoire's financial infrastructure (e.g., credit information reporting, secured transactions and insolvency) as these important for accelerating economic development.** Key intermediate results would include: (i) the strengthening of the RCCM to enhance the e-TribCom platform which manages the collateral registry and other important services to SMEs; and (ii) the implementation of insolvency reform to allow creditors to enforce their rights and viable SMEs to seek rehabilitation. Operationalization of CNCMJ, elaboration of procedures to appoint and supervise insolvency practitioners, and train SMEs and financial institutions on the new law would also be important outputs and activities.

Expand digitization of payments to service providers and tax payers

47. **Digitization of government payments to make service delivery more efficient, improve government spending, and improve universal financial access.** All individuals and micro- and some small-sized businesses should be able to have access to and use at least one transaction account, operated by a regulated payment service provider to: (i) perform most, if not all, of their payment needs; (ii) safely store some value; and (iii) serve as a gateway to other financial services.

48. **Government payment programs have the potential to directly advance financial inclusion as, public administrations constitute the single largest user of payment services.** A switch from cash and paper-based payments to electronic payments mechanisms for government transactions offers the potential to support the access and usage of transaction accounts and to deepen the national retail payment systems. At present while the Government of Côte d'Ivoire has already undergone some digitalization efforts, some payments streams (P2G, G2P, and B2G) are still heavily cash based (examples include: payments in the public hospitals or payment of salaries by the Ministry of Education for employees who are not official civil servants).

49. **Advances in digitization of payments can accrue significant benefits to a wide range of stakeholders in Côte d'Ivoire:** (i) Of 240,00 essential public servants in Côte d'Ivoire, only those in major urban centers such as Abidjan and Yamoussoukro receive their salaries through direct deposit to banks. Most others, especially those based in rural areas need to go to the regional treasury office to withdraw their salaries. (ii) Of more than 650,000 eligible pensioners in the country, only 12% receive their pensions by deposit/transfers, and for the rest, the procedures to access pensions including re-identification can be very cumbersome. (iii) Of approximately 475,000 registered tax payers including 400,000 property tax payers, procedures for payment of taxes are complex and most tax payments are made by check or cash.

50. **Digitization of payments can significantly strengthen both access to critical benefits and support domestic resource mobilization.** The PforR will support the digitization of selected payments streams in education, health, infrastructure, as well as for taxpayers and SMEs.

Facilitate consumer knowledge of and access to the available range of financial services

This result area will operationalize the Financial Services Observatory (l'Observatoire de la Qualité des Services Financiers) which has been established by the government. This will include ensuring it has adequate capacity to: i) promote the transparency and comparability of financial services and products; ii) manage consumers' complaints, and



provide a mediation mechanism; iii) promote financial education. Its jurisdiction will extend over banks, microfinance institutions, e-money issuers, and insurance companies. It will manage a comparator of key selected retail financial services and products to promote transparency and comparability. It will function also as financial ombudsman to solve disputes between financial services providers and consumers.

E. Initial Environmental and Social Screening

51. **Based on an initial screening of the proposed program, there are no major environmental or social risks (Category A) activities that have been identified.** The proposed activities would be acceptable to be undertaken and eligible for a PforR. While the envisaged activities to be undertaken are institutional reforms and capacity building, a detailed technical assessment of the environmental and social impacts/risks of the Program will be undertaken during the preparation of the PforR operation.

52. **A comprehensive assessment of the Program's Environment and Social Management System will be conducted.** As part of the preparation of the World Bank support to the PforR and in accordance with the requirements of OP 9:00, Program-for-Results Financing, a comprehensive assessment will be conducted to identify the strengths, weaknesses, and shortcomings of the Program's Environment and Social Management System (ESMS) with a view to assessing the adequacy of the ESMS for PforR financing and identifying key actions to improve the environmental and social management performance of the Program.

53. **The ESSA will be conducted by the World Bank in cooperation with the borrower and stakeholders** and it will have the following objectives:

- Verifying that the potential environmental and social risks and impacts of the Program are subject to an adequate initial screening,
- Ensuring that environmental and social mitigation measures to avoid, minimize, offset, and/or compensate any adverse impacts and promote environmental and social sustainability will be applied to activities that will have potential environmental and social negative impacts; and
- Identifying suitable measures to strengthen the ESMS. These measures to be implemented by the borrower will be agreed upon between the borrower and the World Bank. The proposed measures shall be part of the Program Action Plan.

54. **The ESSA will be based on:**

- a desk review of relevant documents,
- Participatory assessments involving various stakeholders including the Ministry of economic and Finance, Ministry of Economic Infrastructures, Ministry of Health and Public Hygiene, Ministry of Education and Technical Trainings, organizations, civil servants, NGOs, municipalities, civil society, etc.,
- Field visits and interviews with local stakeholders,
- A wide consultation.



CONTACT POINT

World Bank

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