Ex post evaluation – Mali

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Sector: 43030 Urban development and administration
Programme/Project: Urban development and decentralisation (AGETIPE II) BMZ No. 1997 65 512*
Implementing agency: Agence d'Execution de Travaux d'Intérêt Publics pour l'Emploi (AGETIPE)

Ex post evaluation report: 2016

		Planned	Actual
Investment costs (total)	EUR million	136.82	112.17
Counterpart contribution	EUR million	13.71	12.92
Funding**	EUR million	123.11	99.25
of which BMZ budget funds	EUR million	5.11	5.11

*) Projects in the 2015 random sample
**) Figures relate to the entire PDUD sector investment programme of the World Bank, co-financed by several donors

Summary: The FC measures comprised the renewal and construction of various infrastructure facilities in the cities of Koulikoro and Timbuktu as well as rehabilitating the road from Banconi through Djalaokordji to Safo. The FC measures were part of the "Développement Urbain et Décentralisation" (PDUD) sector investment programme, which was largely financed by the World Bank.

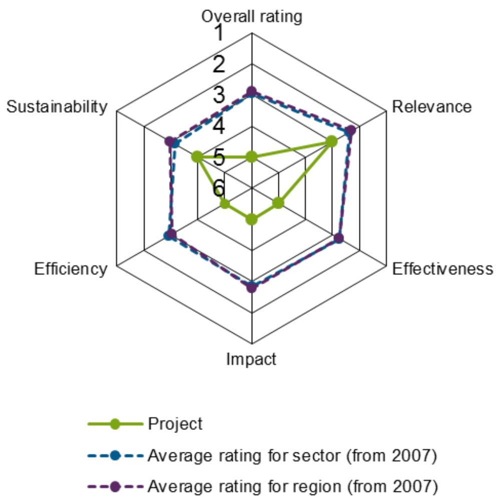
Objectives: The goals of the FC programme (outcome) were to strengthen the selected cities as development centres through improved governance and the sustainable use of the infrastructure provided. The ultimate objectives of the project were to promote municipal self-government and to support balanced economic development in order to improve the economic and social situation of the urban population.

Target group: The urban population in Koulikoro and Timbuktu as well as in the catchment area of the inter-municipal road.

Overall rating: 5

Rationale: While the decentralised approach of the programme still appears promising in principle, even given the country's increasing fragility, the FC programme failed to impress. The infrastructure measures are only utilised to an insufficient extent. There were no impacts determined with regard to supporting decentralisation. Much of the infrastructure financed in Timbuktu is inaccessible or was partially or completely destroyed or stolen during the 2012/13 security crisis. With a financing share of just 2.5% in the PDUD, the FC only had a very minor influence on the overall programme, and especially on the accompanying components designed to ensure financial sustainability.

Highlights: The implementation time of the FC programme lasted 14.5 years – mainly due to the protracted planning and decision-making processes – and was therefore well above the originally planned three years.



Rating according to DAC criteria

Overall rating: 5

Relevance

At the time of the project appraisal, the main bottlenecks in the areas of urban development and decentralisation in Mali were the insufficient economic and social infrastructure of the regional capitals, the very limited financial resources of local authorities for implementing investment measures, as well as the low educational level of new officials in the municipalities. It was expected that the strong growth of the urban population would continue. The estimates made in this regard (4% p.a.) were exceeded (5% p.a.). The FC measures, via the PDUD, drew on a core problem of urban development and decentralisation. They were involved in accompanying measures which were predominantly financed by the World Bank.

The individual infrastructure projects in the cities of Koulikoro and Timbuktu, which originally were to be financed, were defined before the programme appraisal on the basis of a long-term municipal development plan and coordinated with the local government. The basic concept of the programme was therefore incorporated into the individual municipalities' urban planning concepts. The municipalities were supported directly in preparing development plans by the PDUD the AGETIPE, international consultants and by individual donors.

The selected FC measures had the potential to improve the functionality of the urban infrastructure and to contribute to improving the living conditions of the urban population. The FC investments promised to boost economic activity – at least temporarily – and thus to elicit a positive effect on the incomes of the population. The project was suited to contribute towards the improvement of the environmental situation in the cities and to fundamentally improve hygienic conditions by means of various investments (e.g. regulation of surface drainage, fixing marketplaces).

The implementation of the overall PDUD programme envisaged strengthening the self-government skills and economic basis of the communities, but did not aim to develop advanced capabilities regarding tendering and the supervision of works in the municipalities. By means of the AGETIPE approach, which involves awarding contracts to small and medium-sized enterprises and transferring the operation of certain investment measures (e.g. bus station and Koulikoro Gare market) to private service providers, a contribution towards private sector promotion was envisaged.

The programme approach of the PDUD, which consisted primarily of individually planned and coordinated financing operations for specific infrastructure measures, is no longer in line with the current approach of promoting decentralisation and urban development in Mali. This has been replaced by the co-financing of a national monetary transfer mechanism, the "Fonds National d'Appui aux Collectivités Territoriales" (FNACT), by the 761 territorial authorities in Mali and by the support of national control mechanisms and various FNACT actors. From today's perspective, the dedicated promotion of city governance would also have been relevant at the time, even if this was not necessarily brought about by means of a sophisticated transfer mechanism.

Increasing urbanisation was and is not challenged by the Malian government and it moreover notes that urbanisation in Mali is considered weak by regional standards. The limitation of urbanisation is also not propagated today. The approach of starting in smaller towns with measures at local level is thus still regarded as logical from today's perspective.

The PDUD programme was one of the first programmes to be co-financed by multiple donors. The decision to participate in a wider joint programme is considered in the present evaluation to be fundamentally logical, both at the time and from today's perspective, in order to jointly address key sector issues. Donor coordination as such, however, was only rudimentary according to contemporary witnesses. It included as far as possible the arrangements for financing individual measures. As the accompanying measures to strengthen the sustainability and self-government of the municipalities were mainly financed by the World Bank, the success of the FC project to be evaluated here was highly dependent on the implementation of the measures funded by the World Bank. This aspect and the inherent risk were not given sufficient attention at the time of the programme appraisal. The infrastructure measures were implemented as a priority in the course of preparations for the Africa Cup of Nations, which took place in Mali in 2002, while the accompanying measures and their policy implementation were neglected by the Malian authorities. According to the former coordinator of the PDUD, strategic donor communication and coordination in this regard could have had a greater impact.

From today's perspective, the project should have been preceded by a detailed conflict analysis, above all with respect to the locations in the north, Kidal and Timbuktu. However, the security crisis of 2012/2013 could not have been foreseen at the time of the programme appraisal, and furthermore could not have been influenced by the project. In today's context of conflict, greater emphasis would be placed on stabilising objectives. This does not mean, however, that the decentralised approach of the project would no longer be fruitful from today's perspective. At local level, and in Koulikoro, a more sensitive approach to the "Tradition vs. Modern" area of conflict would have been appropriate.

Relevance rating: 3

Effectiveness

The programme objective of the FC project was the sustainable provision of social and economic infrastructure in selected regional cities. The programme objective is no longer considered appropriate from today's point of view, since an objective in the field of governance is lacking in addition to the objective of improved infrastructure. The alternative programme objective is now as follows: the goal of the FC programme was to strengthen the selected cities as development centres through improved governance and the sustainable use of the infrastructure provided. An additional, stabilising objective that reflects the fragile context would be appropriate for similar projects nowadays. Since the conflict in the north of the country only began to escalate towards the end of the programme, the objectives were not expanded explicitly in terms of fragility. The attainment of the programme objectives can be summarised as follows:

Indicator	Status PA, target value	Ex post evaluation
Infrastructure: 75% of the financed infrastructure is properly operated, used and maintained.	Status PA 0% Target value: 75%	Only partially achieved. Due to the multiplicity of measures, an individual assessment was carried out: In Koulikoro, the "Gare" market and the urban roads, sewers, pavements and walkways constructed are well operated and used, but are rarely maintained. The "Ba" market is not operated, used or maintained. The bus station is operated, but is little used and rarely maintained. The inter-municipal road is operated and used, but rarely maintained. In Timbuktu, for the most part there is no proper use, operation or maintenance of the financed facilities. A substantial part of the infrastructure was destroyed in 2012/13.
Governance: It is not possible to define indicators for measuring governance effects ex post in the present programme. Only qualitative statements can be made.	--	Important reform steps for implementing decentralisation, which were planned as part of the overall PDUD programme, were not realised. The local revenues in the municipalities did not increase. Structural effects were achieved only to a limited extent.

The use of the financed infrastructure measures varies greatly:

Koulikoro

- The newly built Koulikoro Ba weekly market is one of the largest and most expensive objects of the project. It was handed over to the municipality in 2002, but has not yet been put into operation.
- The renovated and expanded Koulikoro Gare market is fully operational and has since been expanded again at the expense of the users.
- The bus station is almost empty, with no major bus lines running through it. Most minibuses and taxis stop illegally in the city. Half of the boutiques are rented or in use.
- The urban roads, sewers, pavements and walkways constructed are well used.

Road running between Banconi, Dialakorodji and Safo

- The inter-municipal road between Banconi and Safo including the bridges and the partially landscaped drainage system plays a considerable role in facilitating transport between municipalities. The road is used by all kinds of vehicles, including heavy goods vehicles, for which the road was not structurally designed. In particular, this misuse and overuse results in increased dust levels. Those living in the surrounding area have reported an increase in lung diseases. There are still unanswered questions with regard to compensation demanded by residents in relation to the spatial extension of the original road onto their properties, which will be discussed further.
- Thanks to the improved transport links, the village of Dialakorodji has recently been electrified.
- The two wells financed along the inter-municipal road meet the needs of users.

Timbuktu

Much of the infrastructure financed in Timbuktu is inaccessible or was partially or completely destroyed or stolen during the 2012/13 security crisis. Other facilities have silted up. Use of the financed facilities is only partially guaranteed.

There are no aggregated traffic counts or credible estimates relating to use of the financed roads for either of the two locations with road works. Fixed user charges for the inter-municipal road have not been consistently enforced.

At the originally planned location of Kidal, the municipal administration was not installed until 2000. Since neither a municipal development plan nor a priority investment programme was created for the location in the years which followed, in 2004 KfW recommended that the funds earmarked for Kidal be reprogrammed by the BMZ. Inter-municipal cooperation gained importance from around 2005 onwards. To take this into account, it was decided that the remaining funds would be used to finance the renovation and extension of the first 13km of the inter-municipal road from Banconi to Safo. Work did not begin until 2010, however, due to teething problems (including the coordination of measures, technical planning, etc.).

The World Bank concluded their programme in 2005 with an 18-month delay, but already considered the result unsatisfactory by the end of 2005 as part of the final inspection (Implementation Completion Report) due to the failure to improve the income situation of the municipalities. Around 88% of the World Bank's initial budget was spent on the sub-measures, with at times considerable deviations from the plan. Following the PDUD, a sector analysis was performed in Mali (2007) and a World Bank-funded follow-up project drafted with the "Urban Infrastructure Development Programme" (2010). This is still being implemented.

Due to the only partly achieved infrastructure objectives and barely detectable governance objectives, the effectiveness is assessed as insufficient.

Effectiveness rating: 5

Efficiency

The implementation time of the FC project was 14.5 years, and was therefore well above the originally planned three years. The reasons for the delays are varied: The Koulikoro community had difficulties submitting acceptable profitability calculations for the bus station and the Koulikoro Ba market; there were similar problems with the individual measures in Timbuktu; there was a seven-year period between the programme start and the decision to withdraw Kidal from the programme; the coordination process between AGETIPE and the municipalities of Dialakorodji and Safo in relation to the inter-municipal road also took several years; tenders dragged on, and some companies had difficulties finishing the work due to a shortage of construction materials, etc., among other problems. The use of consulting services could possibly have shortened the programme period, nevertheless decision-making processes as a whole could have either been concluded at the programme start, or tracked consistently over the course of the programme. The World Bank, which originally planned a period of six years for their programme, now considers a seven to eight year period to be realistic for such programmes.

To take advantage of the funds from the PDUD or FC component, the cities had to provide monetary contributions earmarked to ensure maintenance and transfer it to an AGETIPE account.

While an alternative programme approach would have focused on fewer locations in order to avoid the delays described above at the various sites due to the different stages of preparation of the individual measures, the question arises as to the absorption capacity of each city as well as the presentability of the financial profitability of further individual measures relating to urban infrastructure. In Mali, as described, there are still high deficits in the generation of public revenues and their development-oriented use.

AGETIPE's margin, which amounts to 5% of the investment costs, is in line with the provider's usual processing fee and is lower than international consulting costs. While AGETIPE did fulfil its tasks properly to some extent, it was only able to provide little added value in terms of the transfer of planning and technical skills to the cities and was unable to work to schedule. In some cases, the lack of distance from local conditions resulted (e.g. Koulikoro Ba market, the inter-municipal road) in inadequate analyses and poor communication of any difficulties.

Production efficiency is assessed as unsatisfactory overall. The specific costs of implementing the individual measures are considered appropriate, but the delays resulted in significantly increased expense both for the partners and for KfW.

As previously described, the deployed infrastructure is used to varying degrees of intensity and with varying degrees of care. Because of the abandonment of the costly Koulikoro Ba market, the low usage of the bus station at the same location, the overuse and resulting partial destruction of the inter-municipal road, the destruction and thefts of the infrastructure provided in Timbuktu as well as the insufficient revenues provided to the cities by the infrastructure measures, the consultant believes that the impact achieved is insufficient in terms of the costs incurred. The measures corresponded to the needs of users only to some extent. The allocation efficiency is therefore assessed as insufficient and tips the scales for the assessment of the project's efficiency.

Efficiency rating: 5

Impact

The ultimate objective of the project was to promote municipal self-government and to support balanced economic development in order to improve the economic and social situation of the urban population. Due to the complex interrelationships, no overall objective indicator was defined at the programme appraisal. The wording "balanced economic development" leaves a great deal of room for interpretation.

The revenues of the city of Koulikoro have declined in recent years. However, they could have been increased – or at least remained the same – with consistent valorisation of the financed infrastructure (e.g. enforcement of legislation regarding the use of the bus station and toilets and the levying of a user fee for these services). The situation is assumed to be similar in the municipalities of Safo and Banconi (inter-municipal road). No data is available regarding the revenues for the city of Timbuktu. Due to a lack of data and assignability, it is not possible to verify any potential improvements in municipal self-government. The design and a financial counterpart contribution were prerequisites for the financing of infrastructure measures; further accompanying measures on the part of the FC to promote municipal self-government were not envisaged. In principle, a decentralised approach is promising in the context of fragility, as is present in Mali today. However, no stabilising effects can be attributed to the project.

As a result of the financed infrastructure, the social situation has improved in some respects (e.g. better links between the municipalities of Safo and Banconi, improved drainage of rainwater in Koulikoro and Timbuktu) and worsened in others (e.g. conflicting socio-cultural situations in relation to the Koulikoro Ba market and due to the unanswered questions regarding compensation for the inter-municipal road).

The inter-municipal road has produced both positive and negative unintended effects other than those described above. The improved cooperation between municipalities is particularly positive, especially in the case concerning the improved communication between a rural municipality and a more urban municipality. The cost and time savings for road users are also positive. The negative effects however (increased dust due to overuse by very heavy vehicles with reported adverse health consequences for residents, unanswered questions about compensation payments for residents) are deemed significant. There is no information regarding accidents on the stretch of road.

Structural effects were achieved only to a limited extent, with the exception of better links and cooperation between Banconi and Safo. The service provision of the municipalities has not improved appreciably or measurably. The municipal activities are assessed as efficient neither by the users nor by the consultant. In Koulikoro, doubts were raised about the fair allocation of the operating and service contracts for the Koulikoro Gare market and the bus station.

Local authorities and their officials had no practical experience with forms and the subject matter of decentralised, community self-governance before the start of the PDUD. Moreover, the appointment of AGETIPE as the principal promoted the ability of the municipalities to self-govern only to a limited extent. The World Bank evaluates the AGETIPE approach as positive, however, as it helped to complete the PDUD as a whole in preparation of the 2002 Africa Cup of Nations within a clearly structured time period, in particular as a result of the acceleration of infrastructure measures. As has since been shown in the implementation of the transfer mechanism FNACT, the territorial authorities do not have the necessary capacity in terms of planning, tendering, (construction) monitoring and processing to realise investments appropriately.

It has become clear that the FC, with a financing share of 2.5% in the PDUD, had only a very minor influence on the overall programme, and especially on the accompanying components to ensure financial sustainability. Added value from the FC could only be brought by means of the spatial extension of the PDUD. The dialogue which began between the donor agencies as a result of the joint programme (regarding contract award issues, for example) is generally seen as positive.

From the point of view of the former programme director and the World Bank, the PDUD allowed for important experience to be collated with regard to the implementation of decentralisation at the municipal level. Urban management capacities (including planning, budgeting, financial management and improvement of income generation, among other things) were not improved.

Impact rating: 5

Sustainability

In purely usage-based terms, the overall condition of the structures is good to acceptable, with the exception of the first six kilometres of the inter-municipal road and the facilities in Timbuktu. Regular maintenance and servicing of the infrastructure is not guaranteed, neither through the technicians employed by the municipalities nor by the supervision of the service providers responsible for cleaning, maintenance and servicing. The financial commitment of the cities eased significantly following completion of the project implementation. At none of the locations sufficient funds for maintaining and repairing the infrastructure were provided. Additional funds for repairs and maintenance were not provided by the municipalities, or were very small. Consistent enforcement of existing legislation (e.g. “redevance urbaine” – city tax, taxes, licences) would lead to improved financing of the municipalities.

The PDUD programme did not succeed in strengthening the municipalities´ capacities to implement the tasks allocated to them as part of the decentralisation process with any long-lasting effect. According to an EU-funded inspection mission, administrative processes, contract awards and infrastructure projects in Mali realised by the municipalities revealed significant shortcomings in approximately 75% of the cases.

Sustainability rating: 4

Notes on the methods used to evaluate project success (project rating)

Projects (and programmes) are evaluated on a six-point scale, the criteria being **relevance**, **effectiveness**, **efficiency** and **overarching developmental impact**. The ratings are also used to arrive at a **final assessment** of a project's development effectiveness. The scale is as follows:

Level 1	Very good result that clearly exceeds expectations
Level 2	Good result, fully in line with expectations and without any significant shortcomings
Level 3	Satisfactory result – project falls short of expectations but the positive results dominate
Level 4	Unsatisfactory result – significantly below expectations, with negative results dominating despite discernible positive results
Level 5	Clearly inadequate result – despite some positive partial results, the negative results clearly dominate
Level 6	The project has no impact or the situation has actually deteriorated

Rating levels 1-3 denote a positive assessment or successful project while rating levels 4-6 denote a negative assessment.

Sustainability is evaluated according to the following four-point scale:

Sustainability level 1 (very good sustainability): The development effectiveness of the project (positive to date) is very likely to continue undiminished or even increase.

Sustainability level 2 (good sustainability): The development effectiveness of the project (positive to date) is very likely to decline only minimally but remain positive overall (this is what can normally be expected).

Sustainability level 3 (satisfactory sustainability): The development effectiveness of the project (positive to date) is very likely to decline significantly but remain positive overall. This rating is also assigned if the sustainability of a project is considered inadequate up to the time of the ex post evaluation but is very likely to evolve positively so that the project will ultimately achieve positive development effectiveness.

Sustainability level 4 (inadequate sustainability): The development effectiveness of the project is inadequate up to the time of the ex post evaluation and is very unlikely to improve. This rating is also assigned if the sustainability that has been positively evaluated to date is very likely to deteriorate severely and no longer meet the level 3 criteria.

The **overall rating** on the six-point scale is compiled from a weighting of all five individual criteria as appropriate to the project in question. Rating levels 1-3 of the overall rating denote a "successful" project while rating levels 4-6 denote an "unsuccessful" project. It should be noted that a project can generally be considered developmentally "successful" only if the achievement of the project objective ("effectiveness"), the impact on the overall objective ("overarching developmental impact") **and** the sustainability are rated at least "satisfactory" (level 3).