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**The World Bank**  
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Report No: PAD2199

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED GRANT

IN THE AMOUNT OF SDR 32.6 MILLION  
(US\$45 MILLION EQUIVALENT)

TO

THE CENTRAL AFRICAN REPUBLIC

FOR A

RURAL CONNECTIVITY PROJECT

June 19, 2017

Transport and ICT Global Practice  
Africa Region

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## CURRENCY EQUIVALENTS

(Exchange Rate Effective May 31, 2017)

Currency Unit =	Central African Franc (XAF)
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US\$ 1 =	XAF 584.618
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US\$ 1 =	SDR 0.722
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## FISCAL YEAR

January 1 - December 31

Regional Vice President: Makhtar Diop

Country Director: Ahmadou Moustapha Ndiaye

Senior Global Practice Director: Jose Luis Irigoyen

Practice Manager: Nicolas Peltier-Thiberge

Task Team Leaders: Marc Navelet, Andrew Losos

## ABBREVIATIONS AND ACRONYMS

AFD	French Development Agency ( <i>Agence Française de Développement</i> )
AGETIP-CAF	Public Works Implementation Agency ( <i>Agence d'Exécution des Travaux d'Intérêt Public en Centrafrique</i> )
CAR	The Central African Republic
CEMAC	Central African Economic and Monetary Community ( <i>Communauté Economique et Monétaire des Etats de l'Afrique Centrale</i> )
CEMAC TTFP	CEMAC Transport-Transit Facilitation Program
CEN	Country Engagement Note
DA	Designated Account
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
ESSAP	Environmental and Social Safeguards Action Plan
FCV	Fragile, Conflict, and Violence
FER	Road Maintenance Fund ( <i>Fonds d'Entretien Routier</i> )
FM	Financial Management
GBV	Gender-Based Violence
GoCAR	Government of the Central African Republic
GRS	Grievance Redress Service
IDA	International Development Association
IFR	Interim Financial Report
IMF	International Monetary Fund
LCEP	Local Connectivity Emergency Project
LIPW	Labor-Intensive Public Works
MADR	Ministry of Agriculture and Rural Development ( <i>Ministère de l'Agriculture et du Développement Rural</i> )
METACD	Ministry of Equipment, Transports, Civil Aviation and Territorial Management ( <i>Ministère de l'Équipement, des Transports, de l'Aviation Civile et du Désenclavement</i> )
MINUSCA	United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic
ONM	National Office for Public Works and Equipment ( <i>Office National du Matériel</i> )
PDO	Project Development Objective
PIA	Project Impact Area
PIM	Project Implementation Manual
PIU	Project Implementation Unit
PPA	Project Preparation Advance
PPSD	Project Procurement Strategy for Development
PSC	Project Steering Committee
RAP	Resettlement Action Plan
RCPCA	Government's Plan for Recovery and Peace-Building ( <i>Plan National de Relèvement et de Consolidation de la Paix en Centrafrique</i> )
SESS	Social and Environmental Safeguards Specialist
SORT	Systematic Operational Risk-Rating Tool
UNOPS	United Nations Office for Project Services



## BASIC INFORMATION

Is this a regionally tagged project?	Country(ies)	Financing Instrument
No		Investment Project Financing

☒ Situations of Urgent Need of Assistance or Capacity Constraints

☐ Financial Intermediaries

☐ Series of Projects

Approval Date	Closing Date	Environmental Assessment Category
30-Jun-2017	30-Dec-2022	B - Partial Assessment

Bank/IFC Collaboration
No

## Proposed Development Objective(s)

The Project Development Objective (PDO) is to improve rural road connectivity to markets and social services, and in the event of an Eligible Crisis or Emergency, to provide an immediate and effective response.

## Components

Component Name	Cost (US\$, millions)
Rural Roads Rehabilitation and Maintenance	44.00
Project Implementation, Management and Monitoring	9.10
Resettlement	0.30
Contingency Emergency Response	0.00

## Organizations

Borrower : Government of Central African Republic



Implementing Agency : Ministère de l'Équipement, des Transports, de l'Aviation Civile, et du Désenclavement

### Safeguards Deferral

Will the review of safeguards be deferred?

☒ Yes    ☐ No

### PROJECT FINANCING DATA (US\$, Millions)

<input type="checkbox"/> Counterpart Funding	<input type="checkbox"/> IBRD	<input type="checkbox"/> IDA Credit <input type="checkbox"/> Crisis Response Window <input type="checkbox"/> Regional Projects Window	<input checked="" type="checkbox"/> IDA Grant <input type="checkbox"/> Crisis Response Window <input type="checkbox"/> Regional Projects Window	<input type="checkbox"/> Trust Funds	<input checked="" type="checkbox"/> Parallel Financing
Total Project Cost: 53.40		Total Financing: 53.40 Of Which Bank Financing (IBRD/IDA): 45.00		Financing Gap: 0.00	

### Financing (in US\$, millions)

Financing Source	Amount
FRANCE: French Agency for Development	8.40
IDA Grant	45.00
<b>Total</b>	<b>53.40</b>

### Expected Disbursements (in US\$, millions)



Fiscal Year	2017	2018	2019	2020	2021	2022	2023
Annual	0.00	3.82	9.20	11.96	10.24	8.29	1.49
Cumulative	0.00	3.82	13.02	24.97	35.21	43.51	45.00

## INSTITUTIONAL DATA

### Practice Area (Lead)

Transport & ICT

### Contributing Practice Areas

Agriculture

### Climate Change and Disaster Screening

This operation has been screened for short and long-term climate change and disaster risks

### Gender Tag

Does the project plan to undertake any of the following?

a. Analysis to identify Project-relevant gaps between males and females, especially in light of country gaps identified through SCD and CPF

Yes

b. Specific action(s) to address the gender gaps identified in (a) and/or to improve women or men's empowerment

Yes

c. Include Indicators in results framework to monitor outcomes from actions identified in (b)

Yes

## SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

Risk Category	Rating
1. Political and Governance	● High
2. Macroeconomic	● High
3. Sector Strategies and Policies	● High



4. Technical Design of Project or Program	● Moderate
5. Institutional Capacity for Implementation and Sustainability	● Substantial
6. Fiduciary	● Substantial
7. Environment and Social	● Low
8. Stakeholders	● Substantial
9. Other	
10. Overall	● High

## COMPLIANCE

### Policy

Does the project depart from the CPF in content or in other significant respects?

☐ Yes ☒ No

Does the project require any waivers of Bank policies?

☐ Yes ☒ No

### Safeguard Policies Triggered by the Project

	Yes	No
Environmental Assessment OP/BP 4.01	✓	
Natural Habitats OP/BP 4.04		✓
Forests OP/BP 4.36		✓
Pest Management OP 4.09		✓
Physical Cultural Resources OP/BP 4.11	✓	
Indigenous Peoples OP/BP 4.10		✓
Involuntary Resettlement OP/BP 4.12	✓	
Safety of Dams OP/BP 4.37		✓
Projects on International Waterways OP/BP 7.50		✓
Projects in Disputed Areas OP/BP 7.60		✓

### Legal Covenants

Sections and Description

Schedule 2, Section II.B.4: Financial Management, Financial Reports and Audits:



The Recipient shall, not later than three (3) months after the Effective Date, ensure that the PIU recruits, and thereafter retains, a senior accountant with qualifications and experience satisfactory to the Association.

#### Sections and Description

Schedule 2, Section II.B.4: Financial Management, Financial Reports and Audits:

The Recipient shall, not later than five (5) months after the Effective Date, ensure that the PIU recruits and thereafter retains, an external auditor with qualifications and experience satisfactory to the Association.

#### Sections and Description

Schedule 2, Section I.F.3: Safeguards:

The Recipient shall ensure that for each activity under the Project of a type for which the ESSAP provides that an ESMP or ESIA must be prepared:

- (a) such ESMP or ESIA shall, within six (6) months of the Effective Date, be prepared, in form and substance satisfactory to the Association;
- (b) such ESMP or ESIA shall be disclosed locally and on the Association's website before the implementation of such activity, in accordance with the provisions of the ESSAP; and
- (c) the relevant activity is implemented in accordance with the relevant ESIA or ESMP.

#### Sections and Description

Schedule 2, Section I.F.4: Safeguards:

The Recipient shall ensure that for each activity of a type for which the ESSAP provides that a RAP must be prepared:

- (a) such RAP shall, within six (6) months of the Effective Date, be prepared, in form and substance satisfactory to the Association (including, without limitation to the above, the provision of funds for resettlement compensation when and if required under said RAP);
- (b) such RAP shall be disclosed locally and on the Association's website before the implementation of such activity, in accordance with the provisions of the ESSAP; and
- (c) the relevant activity is implemented in accordance with its RAP.

### Conditions

Type  
Effectiveness

Description

The Project Implementation Manual has been adopted by the Recipient, in form





	and substance satisfactory to the Association
Type Effectiveness	Description The Service Agreements, in form and substance satisfactory to the Association, have been executed on behalf of the Recipient and the Service Providers
Type Effectiveness	Description The Recipient shall establish, and thereafter maintain, throughout the implementation of the Project, a Project Steering Committee, with terms of reference, composition and resources satisfactory to the Association, as further defined in the PIM.
Type Effectiveness	Description The Recipient shall establish, and thereafter maintain, throughout the implementation of the Project, two Technical Committees, with terms of reference, composition and resources satisfactory to the Association, as further defined in the PIM.

## PROJECT TEAM

Bank Staff			
Name	Role	Specialization	Unit
Marc Marie Francois Navelet Noualhier	Team Leader(ADM Responsible)	Senior Transport Specialist	GTI08
Andrew Michael Losos	Team Leader	Senior Transport Specialist	GTI08
Haoussia Tchaoussala	Procurement Specialist(ADM Responsible)	Senior Procurement Specialist	GGO07
Tahirou Kalam	Financial Management Specialist	Financial Management	GGO26
Amanda Ritter Barnett	Team Member	Agile Fellow	OPSVP
Bleoue Nicaise Ehoue	Team Member	Senior Agriculture Economist	GFA01
Carine-Reine Mbedo Ngassia	Team Member		AFMCF
Cheikh A. T. Sagna	Safeguards Specialist	Social Safeguards	GSU01
Cyprien Pierre Francois Benoit d'Harcourt	Team Member	Intern (Transport)	GTI07
Emeran Serge M. Menang Evouna	Safeguards Specialist		GEN07



Faly Diallo	Team Member	Finance Officer	WFALA
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Jeremy Robert Strauss	Team Member	Trade & Competitiveness	GTC07
Jerome F. Chevallier	Team Member		GTI08
Julie Babinard	Team Member	Gender	GTI02
Konjit Negash Gebreselassie	Team Member		GTI08
Laurent Debroux	Team Member		AFCC2
Laurent Valiergue	Team Member	Forestry	GEN07
Luigi Giovine	Team Member	FCV	GCFKE
Mamadou Diedhiou	Safeguards Specialist	Social Safeguards	GSU01
Marie Roger Augustin	Counsel	Legal	LEGAM
Medou Lo	Safeguards Specialist	Environmental Safeguards	GEN07
Michel Rogy	Team Member		AFCW3
Richard Abdounour	Team Member	Agile Fellow	MNAVP
Shruti Vijayakumar	Team Member	Transport	GTI08
Siobhan McNerney- Lankford	Counsel	Legal	LEGAM
Theodore Mianze	Team Member	Agriculture	GGOPS
Youssef Sakho	Team Member	Road Engineer	GTC07
<b>Extended Team</b>			
<b>Name</b>	<b>Title</b>	<b>Organization</b>	<b>Location</b>



**CENTRAL AFRICAN REPUBLIC**  
**RURAL CONNECTIVITY PROJECT**

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## 1. STRATEGIC CONTEXT

### A. Sectoral and Institutional Context

#### A.1 Transport and Agriculture Context

1. **The violent conflict which began in 2013 has had a negative effect on the fundamental underpinnings of society in the Central African Republic (CAR).** As emphasized in the Government's Plan for Recovery and Peace-Building (*Plan National de Relèvement et de Consolidation de la Paix en Centrafrique*, RCPCA) enacted in late 2016, its effects include (a) the collapse of CAR's economy; (b) an unprecedented humanitarian crisis with about half the population (2.3 million people), in need of humanitarian assistance; and (c) the erosion of the state's capacity to reach and care for the population. Among the root causes of the conflict, the Government identified a lack of social cohesion, the capture of scarce resources by a small elite, and imbalances between Bangui and the rest of the country, notably the North-East. CAR remains one of the poorest countries in the world, ranking 188 out of 188 in the 2015 United Nations (UN) Human Development Index. The crisis has prompted a large-scale international response, and led to the 2014 UN Security Council Resolution 2149 which authorized the deployment of a 13,000-men strong UN peacekeeping force (United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic – MINUSCA). This replaced the former African Union peacekeeping mission (formerly MISCA) in September 2014.

2. **CAR is endowed with abundant land and water resources, however, decades of insecurity and structural economic constraints have prevented it from realizing its agricultural potential.** About 70 percent of jobs are in the agriculture sector but incomes are insufficient to lift the population out of poverty due to the low productivity of the sector. Only 800,000 hectares are cultivated among 15 million hectares of arable land (5.3 percent of the total). Central African agriculture production is far below pre-crisis levels and the agricultural sector is in dire need to recover from past conflicts. There has been a decline of 46 percent in food production, 55 percent in livestock and 33 percent in the hunting and fishery sector, leaving about half of the population (2.5 million) food insecure in the aftermath of the violent conflict in 2013–14<sup>1</sup>.

3. **One key constraint to improving agricultural productivity is the poor current condition of the road network, making it uneconomical to bring products to market.** Road transport is the dominant form of transport in CAR but road density in CAR is estimated at only 1.5 km per 100 km<sup>2</sup>, about one-tenth of the average for Sub-Saharan Africa. Road density is also lower than in neighboring countries such as the Democratic Republic of Congo (about 7 km per 100 km<sup>2</sup>). The main road network in CAR is 24,137 km, of which only 855 km is paved.<sup>2</sup> The rural road network is about 15,000 km but it has received little maintenance over the past two decades despite the creation of the Road Maintenance Fund (*Fonds d'Entretien Routier*, FER) in 1981. As a result, only 16 percent of the rural road network is classified as being in 'good or fair' condition. The FER is financed from fuel taxes and road tolls but these are far from sufficient to finance the maintenance and operations of the road sector. Much of the country is beyond the reach of the road network, posing a major problem of rural accessibility. Many roads are impassable

<sup>1</sup> Central African Republic Policy Notes; P157806.

<sup>2</sup> See CAR policy notes (P157806; 2016)



during the rainy season. The crisis and insecurity have also had a substantial impact on road transport operations: the number of registered vehicles and transport permits have declined dramatically because of looting and insecurity. These concerns have discouraged transport firms from operating in CAR.

4. **Improving a critical mass of rural connectivity links in selected agriculture production basins could unlock some of the unrealized potential of agriculture in CAR.** Three areas were initially identified as high-potential agriculture production basins: (a) the North-West basin which includes the Ouham and Ouham-Pende prefectures<sup>3</sup>; (b) the North-East basin which includes Bamingui-Bangoran, Vakaga prefectures and the northern portion of Haute-Kotto; and (c) the East Central basin including the prefectures of Nana Gribizi, Kemo, Ouaka and the southern portion of Haute-Kotto. Following technical consultations with the Government held in October 2016, two areas of intervention have been prioritized for intervention under the proposed project:

- **The North-West basin** was prioritized due to (a) its large population, over one million inhabitants (about 20 percent of the total population in 2012); (b) its agricultural potential including irrigation and cattle breeding opportunities; (c) its role as one of the hot beds of the crisis; and (d) its strategic location along the corridors connecting Bangui to Cameroon and Chad. The two prefectures of Ouham and Ouham-Pende used to be major cotton producing areas. The choice of location is based on a strong consensus among the stakeholders representing the roads and agriculture sectors arising out of the consultations. The project will rehabilitate a network of rural roads which have not been maintained for a long period. Some of these roads are part of regional corridors linking CAR to Cameroon and Chad.
- **The North-East basin** was prioritized due to its extreme isolation, with a particular focus on the main access road of this region (Kaga Bandoro-Ndele-Birao), totaling about 680 km. This road is part of a regional corridor connecting CAR to Sudan. The proposed project would further strengthen the results achieved by emergency works conducted under the State and Peacebuilding Fund financed Local Connectivity Emergency Project (LCEP) (P157923) in partnership with the United Nations Office for Project Services (UNOPS) on the Kaga Bandoro-Ndele road section (330 km); and extend the emergency works approach to the Ndele-Birao road section (about 440 km).

## **A.2 Institutional Context**

5. Under the current Government of CAR (GoCAR) organization, the Ministry of Equipment, Transport, Civil Aviation and Territorial Management (*Ministère de l'Équipement, des Transports, de l'Aviation Civile et du Désenclavement*, METACD) is in charge of the infrastructure, services and logistics of the transportation sector. The Ministry of Agriculture and Rural Development (*Ministère de l'Agriculture et du Développement Durable*, MADR) is responsible for designing, implementing and evaluating agricultural, pastoral and rural development programs. The MADR was involved in the basin identification exercise, and in establishing priorities for rural roads interventions. The proposed project

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<sup>3</sup> The prefectures are territorial and administrative subdivisions. There are 16 prefectures in CAR.



will also strengthen the capacity of the METACD and MADR to deploy in remote areas, as well as facilitate logistics for security forces and humanitarian organizations.

6. The MADR was in charge of the rural road network until 1992. An inter-ministerial cell under METACD is now responsible for the rural roads sub-sector. It is underfunded, understaffed and highly centralized. The FER, a second generation road fund, is in charge of financing road maintenance. Its resources cover only about 5 percent of the maintenance requirements. A fuel levy provides about 90 percent of FER's total funding, estimated at XAF 4.2 billion in 2017. Other resources include tolls and fines. It is estimated that road maintenance would require at least XAF 15 billion per year. Allocation of FER resources is dictated by a rigid regulation and rural roads get only 5 percent of the total. Because the FER is not involved with the planning of road construction and subsequent maintenance, arrears accumulate over the years. Major institutional reform is beyond the scope of the project. However, supported by other World Bank interventions, the project will seek to strengthen the sustainability of its investments through road maintenance activities. The World Bank-funded Central African Economic and Monetary Community Transport and Transit Facilitation Project (CEMAC TTFP – P079736) is currently financing a study to determine how to improve financial resources mobilization and sustainability of the FER. This will contribute to the enhancement of the sustainability of the FER and to capacity building, and will provide the necessary broader support for institutional reform to be set up to execute the RCPCA.

## B. Higher Level Objectives to which the Project Contributes

7. **The World Bank's twin goals** of ending extreme poverty and promoting shared prosperity are closely associated with those of the Government's recovery strategy. CAR is among the poorest countries in the world. The North-West region is landlocked, and derives most of its income from the sale of agricultural products. The current poor condition of road infrastructure in agricultural production basins is one of the key causes of low-income growth in the region. Many products consumed in the three prefectures in the North-East come from Sudan and the poor condition of the roads increases prices.

8. **The project is fully aligned with the third pillar of the RCPCA.** The RCPCA identified the widening gap between the elite and the rest of the population, and the total neglect of large parts of the rural population, as root causes of the crisis. It emphasized the need to improve road infrastructures across the country especially in rural areas. The objective of this project is to open up remote areas and foster the production and trade of agricultural products.

9. The CAR's **post-crisis transportation policy** is based on five strategic objectives.<sup>4</sup> These include: (a) preserving transportation assets through adequate maintenance; (b) reducing transport costs and improving service quality; (c) improving travel safety; (d) establishing an appropriate institutional framework based on an inclusive policy dialogue among stakeholders involved in the Transport Sector and strengthening the capacity of sectoral institutions especially outside Bangui; and (e) enhancing the rural transportation network and services to open-up remote areas and promote national cohesion. This project contains elements which would support all five of these objectives. Specifically, in total, around 1,250 km of road will be rehabilitated and maintained under the project. The proposed project will restore

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<sup>4</sup> Central African Republic Policy Notes, P157806



basic road access, improve access to agriculture production basins, as well as broadly support the GoCAR reform and modernization agenda by focusing on: road rehabilitation, road maintenance, and road safety.

10. The project will also contribute to the rural development strategy the Government has prepared with donor support, and which is based on four pillars: (a) increasing productivity and diversifying the rural economy; (b) supporting value-chain development and reinforcing the capacity of producer associations; (c) promoting local development and enhancing rural infrastructure; and (d) strengthening the capacity of sectoral institutions.

11. The proposed project is aligned with the main objectives of the World Bank Group FY16–17 **Country Engagement Note (CEN)** (Report No: 96209-CF) for CAR to: (a) restore core public sector institutions; (b) provide basic support to livelihoods; and (c) enhance basic social service delivery. Improving rural mobility through the project would facilitate access to such services.

12. **The project would enhance regional integration** of the CAR's five northern prefectures with neighboring Cameroon, Chad, and Sudan. The works in the North-West would help connect agriculture basins of Ouham and Ouham-Pende with the regional integration and development corridor linking Bangui to Chad. The Kaga Bandoro – Ndele – Birao road would connect the CAR to Sudan, from which most of the household goods and food products consumed in the northern portion of the country originate.

13. **The African Development Bank** is currently preparing a US\$50 million trust-funded operation in the South-West basin (prefectures of Sangha-Mbaere and Mambere-Kadei) which will include rural road rehabilitation. The intervention will complement the proposed World Bank project while avoiding geographical overlap.

### **C. Value Added of the World Bank's Support**

14. The operation is aligned with recent World Bank analytical underpinnings and strategies in Fragile, Conflict, and Violence (FCV) countries, including the 2011 World Development Report on Conflict Security and Development, IDA-17 emphasis on FCV, as well as the Independent Evaluation Group's evaluation of engagement in fragile states, which notes that the World Bank's comparative advantage is the provision of support to early reconstruction and economic recovery.

15. The World Bank brings to this project global expertise supporting road investments in FCV countries. The proposed project would also take advantage of lessons learned through the World Bank's prior experience on the LCEP (P157923) currently being implemented by UNOPS in the North-East of the CAR. The project would also reinforce a Development Policy Operation (P160123) under preparation, which aims at, among other policy actions, strengthening the governance and the functioning of the FER, the National Office for Public Works and Equipment (ONM), and the reform of the cotton sector.





## 2. PROJECT DEVELOPMENT OBJECTIVES

### A. Proposed PDO

16. The Project Development Objective (PDO) is to improve rural road connectivity to markets and social services, and in the event of an Eligible Crisis or Emergency, to provide an immediate and effective response.

### B. Project Beneficiaries

17. The proposed project is expected to bring important benefits to approximately 115,000 people in the targeted rural areas, in particular to the populations of the North-East which have been long isolated from the rest of the country. It would also benefit road users in the project area such as farmers and businesses in the agriculture sector, the local population living in the prefectures of Ouham and Ouham-Pende, and along the Kaga Bandoro-Ndele-Birao axis. The project would also contribute to the eventual revival of the cotton sector in the North-West prefectures. An improved road network would help strengthen the GoCAR's redeployment in order to restore its presence outside of Bangui and allow better access to remote areas. The farmers would have better access to markets to sell their products and buy agricultural inputs. Local populations would have better access to basic social services such as schools and medical dispensaries and the improved roads would facilitate humanitarian activities. Local residents would also benefit from direct employment through the Labor-Intensive Public Works (LIPW) funded under the proposed project, providing opportunities for women, youth, and vulnerable groups.

18. Women have suffered the brunt of the conflict in CAR, as they often need to attend to household tasks such as carrying water from distant wells and walking miles to collect firewood, which can put them in danger of assault, sexual violence, and kidnapping. The population living in the project impact area (PIA) have been isolated from markets and basic services, including women who perform significant parts of agricultural work. Women living in the PIA will benefit from the project, as improved roads would facilitate access to basic services such as maternity clinics. Opportunities would be created for women through road rehabilitation and maintenance. The type of works involved is not gender-discriminatory and the project will ensure that women are encouraged to apply. As in the LCEP, the project will target women to constitute at least one-third of the labor force participating in the LIPW.

## 3. PROJECT DESCRIPTION

### A. Project Components

19. The proposed project would be designed around four components, as follows:

**Component 1: Rural Roads Rehabilitation and Maintenance (IDA Financing of US\$37.3 million; parallel co-financing of US\$6.7 million)<sup>5</sup>**

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<sup>5</sup> The French Development Agency (Agence Française de Développement, AFD) is considering a parallel co-financing for Sub-Component 1.2 (North-East Road Rehabilitation) and Component 2 (Project Implementation, Management and Monitoring). In case AFD's parallel co-financing does not materialize, the project's scope in the North-East will be narrowed to a critical points approach on the Ndele-Birao section only, which will ensure that the project still meets the PDO. In the event the project targets are not being met, the project will be restructured accordingly.



20. **Component 1 will focus on the rehabilitation of rural roads in two selected intervention areas, in the North-West and North-East of the country, as described above.** It will consist of improving critical infrastructure areas, such as bridges, and carrying out drainage improvements and road surfacing through the LIPW, and some mechanized works. For each section, rehabilitation works will be undertaken (mechanized works and the LIPW) followed by light maintenance activities conducted by community-based organizations. The methodology for the LIPW will be similar to the lottery-based one adopted under the CAR LONDO project (P152512), which was considered the most transparent by populations concerned. Road works, infrastructure design, and maintenance arrangements would also consider climate resilience aspects where possible to improve the durability of the road improvements. Program implementation would require flexibility to consider the potential security concerns. Detailed implementation arrangements are outlined in Section IV. A map of the proposed project is in Annex 3.

21. **Subcomponent 1.1: North-West Road Rehabilitation.** This subcomponent aims at improving a network of targeted rural roads in the North-West basin (about 500 km) covering the Ouham and Ouham-Pende prefectures. The works will follow a spot improvement (*'traitement de points critiques'*) approach; not all linear sections would be subject to works. The roads have been selected to ensure maximum impact on agriculture production. The mechanized works will be implemented through performance-based arrangements, partly by private contractors, partly by the ONM through a force account. The supervising engineering firm will monitor the quality of the works. The LIPWs will be organized by the Public Works Implementation Agency (*Agence d'Exécution des Travaux d'Intérêt Public en Centrafrique*, AGETIP-CAF) on behalf of the Project Implementation Unit (PIU).

22. **Subcomponent 1.2: North-East Road Rehabilitation.** This subcomponent would further strengthen emergency works undertaken on the Kaga Bandoro-Ndele road under the ongoing LCEP (about 330 km), and extend the same strengthened emergency works approach<sup>6</sup> to the Ndele-Birao section (about 440 km). UNOPS will be in charge of the LIPWs and the rehabilitation of small structures while the mechanized works will be executed in cooperation with MINUSCA.

23. **This component will also help improve road asset management and climate resilience in both the North-East and North-West regions through maintenance activities.** It will finance the implementation of a community-based maintenance system which would allow day-to-day routine maintenance of the roads for the duration of the project. The system will be similar to the one implemented by the LCEP with segments of a few kilometers, each under the responsibility of a team of laborers (*'cantonniers'*) headed by a crew chief (*'chef de brigade'*). The project will supply each team with appropriate tools to carry out the works. The entity in charge of supervision will be responsible for monitoring the works on a monthly basis, gathering data, managing the maintenance of the equipment, and ensuring monthly payments. A local entity with recognized expertise in road maintenance will be hired to develop and implement a strategy to professionally train the maintenance crews in both the North-West and North-East regions. Local maintenance committees will be set up and trained to encourage the sustainability of the light maintenance system, which will be handed over to METACD for supervision and payment once the project ends.

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<sup>6</sup> The 'strengthened emergency works approach' refers to spot improvement (*'traitement de points critiques'*) targeting bridges and drainage works and badly degraded points on the roadway ('emergency works'), as well as mechanized leveling and grading of the roadway where needed ('strengthening').



24. **Road safety measures** will be included in this component as part of road rehabilitation works. Road safety has deteriorated in recent years: road conditions have worsened, overloading of vehicles has increased because the number of trucks and cars has dramatically declined, and motorcycle traffic has considerably increased. Under the project, signage and adequate road protection will be part of this component.

**Component 2: Project Implementation, Management and Monitoring (IDA Financing of US\$7.4 million; parallel co-financing of US\$1.7 million<sup>7</sup>)**

25. **Capacity building for the PIU.** This component would finance institutional strengthening for the PIU, including the hiring of new staff. It will include technical assistance, training and operating costs of the PIU. This component will also include capacity building and operating costs of the decentralized field staff of METACD in the North-West and the North-East.

26. **Supervision consultant.** This component will cover project monitoring and evaluation costs. A supervising entity will be hired to monitor quality of works and implementation of safeguards. It will oversee the implementation of the rehabilitation and maintenance activities under Component 1 in both the North-West and North-East regions.

27. **Project Preparation Advance (PPA).** A PPA of US\$3.5 million has been extended to help the Government prepare the detailed studies for project implementation. This includes a rapid socioeconomic assessment survey to help establish indicator baselines and all technical and economic studies for the North-West and North-East for the first year of implementation. The PPA is also financing the preparation of the Environmental and Social Impact Assessment (ESIA) and Resettlement Action Plan (RAP) for the North-West. In addition, the PPA will finance some analysis beyond the scope of this project that will be useful to frame the broader road program planned for the country, for example a national-level umbrella study identifying road priorities.

28. **Sustainability of maintenance funding and institutional reform.** The project will study how best to implement institutional reform for sustainable road maintenance funding in the country.

**Component 3: Resettlement (IDA Financing of US\$0.3 million)**

29. The project will finance compensation for resettlement. Resettlement-related payments may include: i) cash compensation for land; ii) moving allowances; and iii) temporary income losses directly associated with the rehabilitation of rural roads. This component will maximize the chances of success of the project in the fragile environment of CAR.

**Component 4: Contingency Emergency Response (US\$0 million)**

30. This component will have an initial zero-dollar allocation. In case this component is activated, it will be completely financed with IDA funds. This component allows for the possibility to access resources for eligible expenditures in the event of an eligible crisis or emergency, to provide immediate and effective

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<sup>7</sup> AFD



response. This component is being proposed for incorporation into the project given that the CAR remains vulnerable to shocks.

## B. Project Cost and Financing

31. The estimated project costs are presented in the table below. The proposed project will be financed by a US\$45 million IDA grant and is expected to receive parallel co-financing of EUR 7.5 million (about US\$8.4 million), provided by the AFD.

Project Components	IDA Financing (US\$ million)	( <i>Tentative</i> ) AFD Financing (US\$ million)	Project Costs (US\$ million)
Component 1: Rural Roads Rehabilitation and Maintenance	37.30	6.70	44.00
Component 2: Project Implementation, Management and Monitoring	7.40	1.70	9.10
Component 3: Resettlement	0.30	0.00	0.30
Component 4: Contingency Emergency Response	0.00	0.00	0.00
<b>Total Costs (with taxes)</b>	<b>45.00</b>	<b>8.40</b>	<b>53.40</b>

## C. Lessons Learned and Reflected in the Project Design

32. The World Bank's longstanding experience in successfully implementing transport projects in FCV countries in Sub-Saharan Africa provides relevant lessons for this project. The following design elements are important in FCV countries, and are incorporated in the project design as explained below:

- (a) **Strong client ownership.** Road transport is among the highest priorities of the CAR, and the GoCAR has championed this project as it serves not only connectivity needs but food security, reintegration of the national territory, and revival of social cohesion.
- (b) **Streamlined project design and scope.** The project proposes only simple technical interventions at critical points as the most efficient way to rapidly restore minimal connectivity on roads that have not been maintained for several years. Maximum use will be made of local labor and low-cost, easily-obtainable materials.
- (c) **High quality at entry and implementation readiness.** By using UNOPS' ongoing operation as an anchor, this project will be ready to begin works and build government capacity in short order after effectiveness.
- (d) **Strong project management capacity.** In this project, a seasoned PIU with a record of



implementing World Bank projects will form the core of project management capacity, and will be augmented by a supervision consultant, support from UNOPS, and direct capacity-building investments through the project.

- (e) **Robust compliance with the World Bank's social, environmental, financial management (FM), and procurement rules and requirements.** The project will comply fully with the World Bank's fiduciary and safeguard policies through an experienced PIU and supervision partners. The supervision entity hired under Component 2 will monitor closely safeguards aspects of the project, and the project grievance redress mechanism will provide for accountability to the public.
- (f) **Completion of land acquisition and substantial implementation of RAPs and Environmental and Social Management Plans (ESMPs) before the start of the construction works.** The RAPs and ESMPs will be completed during implementation, but for the period before their publication, the environmental and social risk will be managed by means of an Environmental and Social Safeguards Action Plan (ESSAP) (see Annex 2 for a summary of the ESSAP).
- (g) **Mobilization of strong contractor and consultant capabilities.** The project will procure the best available contractors to support works in the North-West, especially those with direct experience of similar projects in the CAR. UNOPS will bring its global expertise to works and the LIPW in the North-East and contributing support in the North-West.
- (h) **Continuity of key recipients and World Bank project-related staff.** The core task team began supporting this project at inception and will carry through into implementation, and key members of that team have extensive previous experience with earlier projects in the CAR. The same can be said of the PIU members, who are veterans of a number of World Bank-financed operations.
- (i) **Flexibility in project implementation to consider evolving security risks.** Risk management through diversification of procurement methods will allow the project to adjust its Procurement Plan to favor those methods which prove to be most successful under the conditions existing in the project area (see Section IV A).
- (j) **The technical design will be adapted to the Central African context, notably for the protection of road assets.**

33. In addition, strong emphasis on establishing solid road maintenance based on community participation is key. Under the ongoing LONDO project, a lottery system has been used to hire workers for the LIPW with great success. Robust working arrangements with AGETIP-CAF, which manages LIPW activities under the LONDO project, will be preserved and extended. The preparation and design of the proposed project incorporates these key considerations.

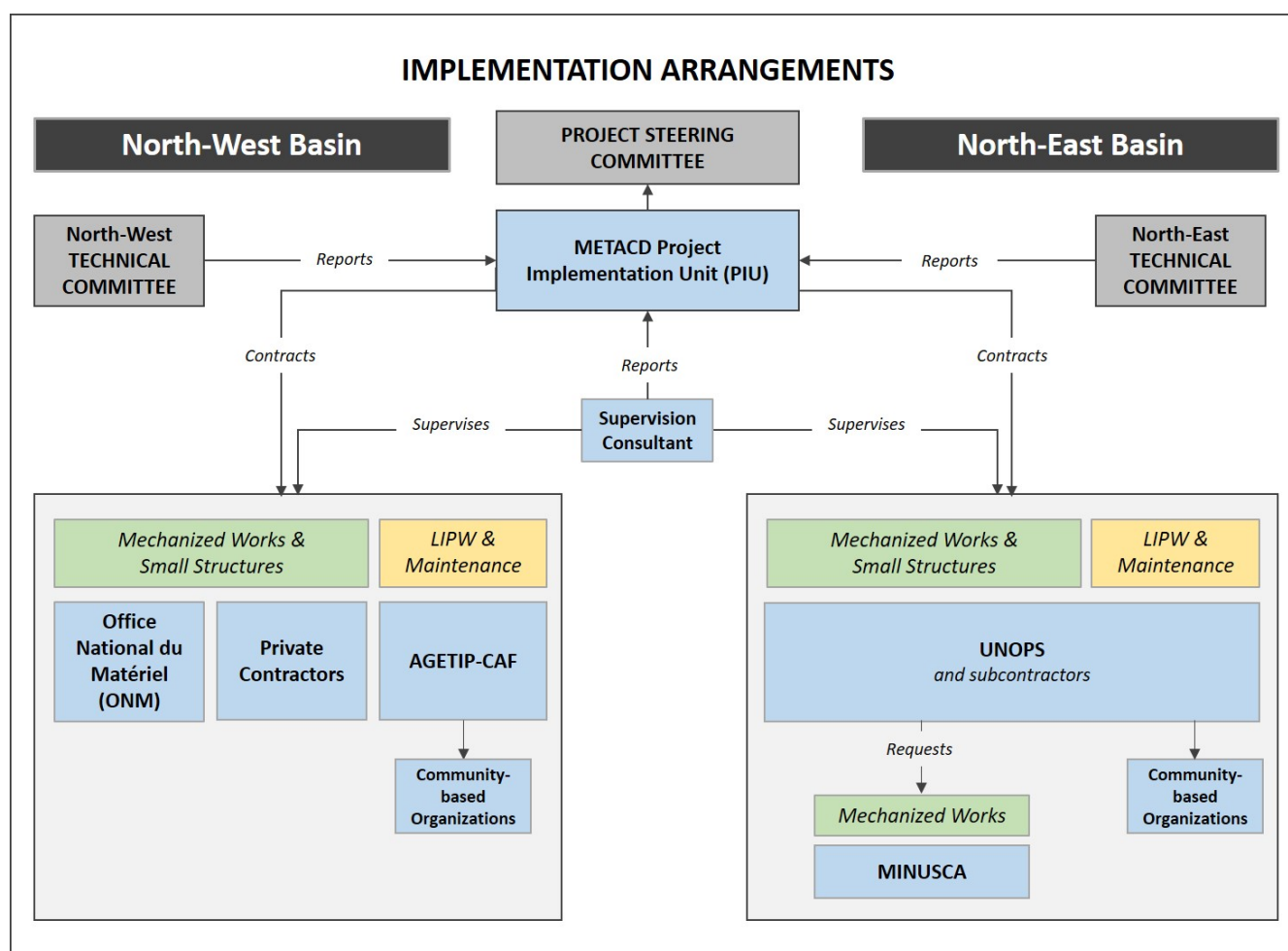


## 4. IMPLEMENTATION

### A. Institutional and Implementation Arrangements

34. Given the volatile context, the project will adopt a diversified approach to mitigate implementation risks. The project will adopt different implementation arrangements in the North-East and the North-West regions to fit the specific needs and constraints of the two geographies. In the event that security conditions worsen, the implementation arrangements would need to be reviewed. A detailed diagram of the implementation arrangements for rehabilitation and maintenance is shown in Figure 1.

Figure 1. Implementation Arrangements



35. **Project Implementation Unit.** The existing PIU implementing the CEMAC TTFP will oversee the overall project in both regions. The PIU is housed within METACD and has proven experience in implementing the full suite of fiduciary and safeguards measures required for World Bank-financed projects. It also has political backing from the highest levels of the Government.



36. **Project Steering Committee.** A Steering Committee, chaired by METACD, will be created to oversee all works undertaken by the project, in both the North-West and the North-East. In addition to METACD, it will include the main actors of the project such as the Ministry of Agriculture, Planning, Economy and Cooperation, and the World Bank. It will convene twice a year to validate annual work plans, make strategic decisions, and monitor project implementation. The World Bank will be responsible for approving the annual work plan and budget.

37. **North-West.** In the North-West, the rehabilitation and maintenance of rural roads will be divided into two lots. To build state capacity, one lot will be reserved under the force account for the ONM, a Government body under METACD - such arrangements already exist under the CEMAC TTFP. The other lot will be opened for competitive tender. The AGETIP-CAF will organize maintenance activities for the North-West. UNOPS, which is implementing the ongoing LCEP project in the North-East, will adopt the role of technical advisor and would draw on lessons learned from the implementation of the LCEP to provide support to the Government through hands-on technical assistance and capacity building.

- (a) **National Office for Public Works and Equipment (*Office National du Matériel, ONM*).** The ONM has received road construction equipment from donors. It carries out road works and rents equipment to local contractors. It would be responsible for implementing one part of the road rehabilitation program in the North-West through the force account. Several private contractors are active in CAR, and would be invited to bid for the other part.
- (b) **Public Works Implementation Agency (*Agence d'Exécution de Travaux d'Intérêt Public Centrafricain, AGETIP-CAF*).** AGETIP-CAF has extensive experience in organizing and training work crews to execute numerous small-scale public works across the CAR. In this project, it will be responsible for organizing the LIPW elements of the works to be executed in the North-West, as well as recruiting, organizing, and training the community-based maintenance crews.
- (c) **North-West Technical Committee.** A Technical Committee will be set up to include designated focal points and technical experts from the Inter-Ministerial Rural Roads Unit, FER, MADR, AGETIP-CAF, UNOPS, the World Bank and other relevant actors. The committee will be responsible for technical oversight, development of the annual work plan of the project, and ensuring that the proposed project meets its objectives. One of the important roles of the Technical Committee is to ensure coordination between the LIPW and mechanized works.

38. **North-East.** In the North-East, works will be executed by UNOPS, as has been done for the LCEP precursor project in the same geographic area. This is necessary primarily for security reasons because the Kaga Bandoro-Ndele-Birao road passes through territory under control of different armed groups, preventing the Government from executing works directly. In addition, it contributes to economies of scale as UNOPS is already actively conducting road improvements in the area and has established local capacity and relationships. This continuity is critical as it allows an efficient transition from project effectiveness to expansion of UNOPS-executed works in this area, thereby allowing the project to advance more rapidly in the North-East while the Government builds its capacity focusing on the North-West. A project service agreement will be signed between the GoCAR and UNOPS to implement the works.





- (a) **UNOPS.** UNOPS is already involved in implementing LCEP on the Kaga Bandoro-Ndele section of the road. UNOPS is engaged in the scaling-up of its activities in CAR and will have the capacity to implement the project swiftly. The GoCAR will be integrated in the execution and monitoring of the project as part of UNOPS' 'back on track' program, which aims to build state capacity by integrating civil servants directly into project execution. UNOPS will also coordinate with MINUSCA for support with regard to security, as well as support for mechanized works, to the extent possible. UNOPS will coordinate the LIPW in the North-East and will subcontract local entities for the rehabilitation of small works (for example, culverts, bridges and so on).
- (b) **North-East Technical Committee.** The Technical Committee set up under LCEP will continue to function under the proposed project and will expand its scope to the Ndele-Birao section in the North-East region. The committee comprises (i) the UNOPS project manager; (ii) the METACD focal point; (iii) the MINUSCA Chief Engineer; (iv) the World Bank; (v) the coordinator of the PIU; and (vi) any other relevant actors. It will ensure overall guidance and supervision of activities and will meet regularly to review implementation progress and identify solutions to project implementation challenges.

39. **Monitoring and supervision entity.** As mentioned earlier, a supervision consultant will be hired to supervise the works and provide third-party monitoring services in both the North-East and North-West region. The entity will fulfill an important role in maintaining accountability and consistency of visibility between the two project regions.

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

40. The responsibility for monitoring and evaluation will formally lie with the PIU aided by the supervision consultant, with contributions from UNOPS for the North-East and the implementing firms for the North-West. They would prepare biannual progress reports on the various components under their responsibilities, with contributions from other stakeholders, which they would make available to IDA within 45 days from the end of each reporting period. These reports would detail progress with respect to the indicators in the Results Framework. The reports would also contain a summary of the status of the implementation of the Environmental Management Plans (EMPs) and RAPs associated with the improvement of road infrastructure as described in this document. The Results Framework is outlined in Annex 1.

## **C. Sustainability**

41. **Climate change.** According to the World Bank,<sup>8</sup> in CAR, climate change is expected to (a) increase mean annual temperatures and rainfall; (b) make rainfalls more erratic; and (c) increase the occurrence of storms, floods, and droughts. Temperature does not pose a direct risk to unpaved rural roads, but localized droughts and destructive storms are expected to pose an increasing threat to agriculture and transport infrastructure. Floods will be a recurring and devastating natural disaster and are responsible for the largest share of economic and human losses as a result of natural disasters in CAR.<sup>9</sup> An increase in

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<sup>8</sup> See World Bank Climate Change Knowledge Portal.

<sup>9</sup> See World Bank Climate Change Knowledge Portal.





flooding will have serious implications for agriculture, food security, infrastructure and trade pathways, and public health. The project will consider these climate risks through the technical design of the infrastructure interventions planned and by implementing institutional resilience measures to improve local response to road damage caused by extreme weather, particularly heavy precipitation and flooding. The latter will be done through the community-based maintenance system, which will be a particularly important contribution to the climate resilience of the targeted roads where routine maintenance is the first line of defense against climate impacts.<sup>10</sup>

42. **Inadequate maintenance.** The road network in the CAR has suffered from long periods of poor maintenance. The project will establish a system of local maintenance through community-based systems. While the project will not intervene directly in governance of road asset management at the national level, the World Bank is working to improve the FER through the concurrent Public Expenditure and Investment Management Reform Project (P161730) and will explore ways to implement institutional reforms to ensure the sustainability of rural road maintenance funding.

#### D. Role of Partners

43. The project is a pilot for a broader road rehabilitation program targeting the whole network of CAR. This program was launched at the donors' conference in Brussels held in November 2016. The development partners' engagement in the transport sector is articulated through a transport program that will support the Government's recovery strategy over the medium term. To support the country's recovery, the proposed program would have the twin objectives of (a) rehabilitating the rural and regional roads network to open up remote areas and (b) implementing sound and efficient road maintenance across the country. Under this program, the sector's complementary and urgently needed works and reforms would benefit from parallel financing of other International Financial Institutions, for a tentative total amount of US\$250 million to US\$300 million. The most likely candidates for next phases, which would be developed with other donors, could be the rehabilitation of roads in other production basins. AFD is considering parallel co-financing for this proposed project in the amount of €7.5 million (around US\$8 million).

## 5. KEY RISKS

### A. Overall Risk Rating and Explanation of Key Risks

44. **Overall.** The overall implementation risk rating is High.

45. **Political and governance.** This risk is rated High. The country's political situation is still highly volatile. The major part of the country continues to face serious security concerns with armed groups carrying out atrocities across the country. The North-West basin was one of the hot beds of violence and shelters several Anti-Balaka rebel groups. The North-East basin is largely controlled by the Ex-Seleka militias. The 13,000 troops of the MINUSCA contingent are deployed across the country but face an increasing distrust from the population. The recent crisis reignited longstanding grievances regarding regional disparities in resource allocation and the concentration of political power and economic

<sup>10</sup> Raffaello Cervigni, Andrew Losos, Paul Chinowsky, and James E. Neumann. "Enhancing the Climate Resilience of Africa's Infrastructure: The Roads and Bridge Sector." Africa Development Forum series. Washington, DC: World Bank. doi: 10.1596/978-1-4648-0466-3. License: Creative Commons Attribution CC BY 3.0.



development in Bangui. It is therefore important to ensure that all regions of the country benefit from the recovery process.

46. Furthermore, the country's weak governance structure continues to stifle local businesses development and its ability to attract foreign investments. Many areas in the country have been beyond state control for decades. The recent crisis provoked the departure of almost all local civil servants. The disruption of state authority brought public investment in infrastructure and service delivery to a halt, and many municipal governments largely ceased to function. Property damage and widespread looting took a heavy toll on public facilities and equipment, while the economic collapse caused domestic revenues to fall by two-thirds.

47. **Mitigation.** Under the RCPA, the Government has prepared a program to promote reconciliation and social cohesion and the reform of the security and justice sectors. The inclusion of the North-East region under the proposed project is part of the efforts by donors to contribute to reconciliation efforts. The proposed project will extend the approach of handling security concerns under the ongoing LCEP project on the Kaga Bandoro-Ndele Road to the Ndele-Birao section, including the use of UNOPS and protection by MINUSCA forces. Project implementation would remain flexible to address evolving security risks. The project would have a capacity- and institution-building component to help state redeployment in remote areas.

48. **Macroeconomic.** The macroeconomic risk is rated High because CAR's economy is recovering slowly from the crisis. In 2013, CAR faced a dramatic recession with a negative growth rate of 36 percent. Large sections of the economy (such as forestry and diamond mining) suspended their activities. All major economic indicators plunged during the crisis, and only modest improvements have been observed since. Because of an extremely low level of domestic resource mobilization (7 percent of the gross domestic product in 2015), and heavy debt burden, despite completion of the Highly Indebted and Poor Countries Initiative in 2009, CAR remains at high risk of debt distress.

49. **Mitigation.** Such risks need to be mitigated through ongoing macroeconomic dialogue and leveraging the World Bank, the International Monetary Fund (IMF), and other key development partners. The IMF has completed its first review of the arrangement under the Extended Credit Facility and approved a US\$16.6 million disbursement on December 21, 2016. A World Bank Development Policy Operation is currently in preparation.

50. **Sector strategies and policies.** This risk is rated High. Because of severe underfunding, key sections of the network have not been built and road maintenance has been neglected in the past decades. The Government has prepared an ambitious program to rehabilitate roads focusing first on major bottlenecks such as impassible bridges and strategic sections.

51. **Mitigation.** Under the ongoing CEMAC TTFP, a multisector transport strategy is being prepared. A sector policy letter providing a framework for the proposed project is under preparation. It would focus on road rehabilitation, maintenance, and safety and on cotton production revival. The project would support the establishment of a sustainable maintenance system for the roads to be rehabilitated under the proposed project. The World Bank will ensure that at project completion, funding for road maintenance in the project area will be secured.



52. **Technical design of the project.** The risk is Moderate. The design of the project is simple. The design of the rural roads is straightforward and the maintenance to be carried out is primarily labor-intensive, and the methodology has been tested under the ongoing LCEP and LONDO projects.

53. **Institutional capacity for implementation and sustainability.** The risk is Substantial. The PIU will be responsible for overall project implementation but UNOPS will implement the activities in the North-East and provide support to the PIU for the North-West. The ONM will be responsible for rehabilitation and maintenance of one lot in the North-West. The ONM has the technical capacity and mechanical resources to undertake the works. However, its capacity is still untested. There are four potential contractors in CAR but it is not yet clear if these companies are willing and capable of carrying out the works.

54. **Mitigation.** Given the substantial experience UNOPS has gained from the LCEP, it will provide support to the PIU. In the case there is a lack of response to the tender from private contractors, the ONM would undertake all the mechanized works in the North-West.

55. **Fiduciary.** This overall fiduciary risk is rated Substantial. The risks are associated with the current country situation, the weak legal framework, delays experienced in the past with approval of evaluation bids reports, signing off and approval of contracts, and the overall experience of poor management of contracts in the past, despite the strong arrangements in place at the level of the PIUs. A procurement risk assessment of the CEMAC PIU was carried out and the procurement risk is rated moderate. The CEMAC PIU has proven experience in implementing the full suite of fiduciary and safeguards measures required for World Bank-financed projects. It has political backing from the highest levels of the Government. In addition, the CEMAC PIU has experience working with the World Bank and applying related policies and procedures.

56. **Mitigation.** Due to existing weaknesses in CAR's procurement system, which tend to cause substantial delay in the procurement process, the World Bank team recommends the following measures for speedy implementation of project activities: (a) a project agreement would be signed between the GoCAR and UNOPS for implementing the project in the North-East because the security situation in the area is still fragile; (b) the CEMAC TTFP PIU will be responsible for all fiduciary activities comprising, notably, the management of all the project's procurement process, including the signing and approval of contracts during project implementation; (c) anticipating all procurement activities as indicated in the Project Procurement Strategy for Development (PPSD) and the Procurement Plan; and (d) supervising closely all procurement activities. In addition, for this project, the Project Implementation Manual (PIM) of the PIU housed in METACD will be updated. These measures will be pursued during the implementation of the project.

57. **Environment and social risk.** This risk is rated Low. The project involves rehabilitation of existing rural roads. Works would generate dust emissions, and some road accidents may occur but these risks are low. Only minor resettlement impact is expected and labor influx will be limited as most of the works will be carried out by local populations.

58. **Mitigation.** The project will apply standard World Bank safeguard policies on a deferred basis as provided in OP 10.00, paragraph 12. ESIA's and ESMPs will be prepared, along with RAPs, and the PIU will be responsible for their application to the project. During the deferral period while the aforementioned



instruments are being prepared, interim measures will be used to manage social and environmental risks as provided in the ESSAP (a summary is provided in Annex 2).

59. **Stakeholders.** The risk is Substantial. The success of the project is based on continuing improvements to the security situation and strong support from both the Government and the UN mission. MINUSCA has provided valuable protection to operators in difficult areas, but this relationship needs maintenance and strengthening to remain effective. The UN and other humanitarian actors may provoke resentment from the local population, particularly those who have benefited from the crisis.

60. **Mitigation.** The project intends to involve communities affected along the roads as much as possible. During project preparation, the Government held consultations with stakeholders who broadly supported the project.

## 6. APPRAISAL SUMMARY

### A. Economic and Financial (if applicable) Analysis

61. A cost-benefit analysis or explicit estimate of an economic rate of return could not be undertaken. The main reasons are the emergency nature of providing basic road infrastructure in conflict-affected areas, the general lack of recent data for most parts of the CAR's territory, and the fact that the traffic on the roads to be rehabilitated is extremely limited. Moreover, the detailed cost of each road would be established after Board presentation, and the economic benefits would take time to materialize in view of the absence of four-wheel transport vehicles in the project area because of looting during the crisis, and remaining constraints to the cotton sector revival in the North West. The project design is nevertheless based on cost-effectiveness, attempting to maximize the World Bank's added value and to minimize costs without forfeiting the quality of outputs. In most countries, including the CAR, provision of road infrastructure is not generally profitable for the private sector to undertake, more so in the case of rural roads. Therefore, this project is appropriately publicly funded.

62. **North-East.** The proposed project will finance the rehabilitation and the maintenance of the main road in the North-East region of CAR. The overall cost of the works to be carried out along the Kaga-Bandoro-Ndele-Birao Road (National Road 8 – RN8) is unknown because part of the interventions may be undertaken by the MINUSCA. The project design is nevertheless based on cost-effectiveness:

- (a) **Expected positive impact** on the livelihoods of the villages along the road through their reconnection to urban centers and the Sudanese border. A large part of the staples consumed in the North-East come from Sudan and the lack of accessibility of the RN8 increases the costs of basic goods in the region.
- (b) **Income increase for the populations living along the RN8.** Economic activity is very weak in this remote area of CAR. The LIPW will provide jobs and generate income for the populations living along the road.
- (c) **Efficient approach to road works:** (i) MINUSCA will provide support to UNOPS for the mechanized works, where needed and (ii) relying on the LIPW, which has proven to be cost-effective for road maintenance. The support from MINUSCA will minimize the risks



associated with the low mechanization of the country and the overpricing of bids from private companies due to security concerns.

63. **North-West.** The proposed project will finance the rehabilitation and the maintenance of 472 km of rural road in the North-West region of CAR. The GoCAR has selected the targeted road sections based on their agricultural potential and the expected number of beneficiaries. The list below takes into account the conclusions of the community consultations held in Ouham and Ouham-Pende in March and April, 2017:

**Table 1. Road Section and Length**

Phase	Road Section	Length (km)
1	Bogoro (RN1) -Bouansouma-Kambakota-Batangafo (RN4)	146
2	Bavara-Bonguim-Bokoté-Boumentana-Boguila (RN1)	59
	Gouze (RR6) -Bavara-Bomissi-Bade-Bossangoa (RN1)	162
3	Paoua (RR6)-Betokomia-Beteine-Betoko-Bemal (RN1)	51
	Bétokomia-Bénamkor-Pougol	54
	<b>TOTAL</b>	<b>472</b>

64. A monography of CAR's 179 communes was prepared by the Statistics Office with World Bank support in 2016. It provides a large quantity of indicators, including the existence of functioning social facilities, the cost of transport per kilometer, and an accessibility index. Additional information on weekly markets and cotton transport in project areas would be collected through a rapid assessment survey. A monography of the communes benefitting from road rehabilitation under the project would be carried out at the end of the project, using the same methodology as in 2016. Project results would be assessed through comparing market data, number of functioning social facilities, cost of transport per km, volume and cost of cotton transported on project roads and accessibility index.

65. **Greenhouse Gas (GHG) Accounting:** According to Transport and ICT Global Practice guidelines, the project is exempt from the completion of GHG accounting given that a cost-benefit analysis could not be carried out.

## B. Technical

66. **Road conditions.** The project will finance three distinct rehabilitation interventions:

- (a) **The partial reopening of the National Road 8 consisting of the improvement of critical points between the sub-prefectures of Ndele and Birao.** The road which is passable only during the dry season will be upgraded with the construction of pipes and box culverts, ditches, and semi-permanent structures.
- (b) **Further strengthening the emergency works carried out under LCEP between Kaga-Bandoro and Ndele.** The road condition for this section has been improved under the previous project but the level of service is not sufficient for a road connecting Sudan and the North-East region to the rest of the country. The project will cover both drainage and base course improvements through mechanized works.



- (c) **The rehabilitation of rural roads in Ouham and Ouham-Pende.** Maintenance has not been carried out since 2003 and the roads have deteriorated significantly. The proposed approach will combine the involvement of local communities in routine maintenance as well as national contractors to reinforce the technical and institutional capacities of local stakeholders. Performance-based contracts will be used for the mechanized works in this basin, if possible.

67. **Technical specifications for rural roads improvement works.** These specifications will focus on all-season accessibility. The works will thus concentrate on small bridges and drainage structures such as culverts and side ditches. Some mechanical works may be necessary on the base course to improve the level of service. This approach, called 'spot improvement', reduces the cost of works per km and therefore allows for more beneficiaries per dollar spent. It is appropriate for rural roads in CAR because traffic is low and is mostly composed of intermediate means of transport (pedestrians, animal carts, bicycles, and motorcycles) rather than of more sophisticated motor vehicles (cars, buses, and trucks). The consistency of works to be implemented will depend on the standard of the roads to be rehabilitated (standard A, B or C).

68. **Mechanized and LIPW Works.** The reopening of the roads will necessitate the use of machinery for the road works. The MINUSCA may provide the equipment required to undertake the mechanized works in the North-East, where UNOPS is in charge of the operations coordination. In the other basin (North-West), the GoCAR will contract with private contractors and the ONM for mechanized works. Labor intensive methods will also be used for activities such as vegetation clearing, pothole filling and compacting, ditch and culvert cleaning or tree pruning.

69. **Maintenance.** The project will finance community-based light routine maintenance systems in the project areas. This approach allows (a) repairing of small degradations before they get worse; (b) raising awareness among villagers on road maintenance issues; (c) collecting up-to-date data on the condition of the roads; and (d) improving the climate resilience of the roads through proper routine maintenance. Rain barriers will also be constructed under the project to protect the road during the rainy season. They will be operated by locally recruited employees.

### **C. Financial Management**

70. FM assessment of the implementing unit (PIU) of CEMAC TTFP, designated to manage this project as Fiduciary Agent, was carried out in May 2017. The objective of the assessment was to determine whether the PIU has acceptable FM arrangements in place to ensure that the project funds will be used only for intended purposes, with due attention to considerations of economy and efficiency. The assessment complied with the Financial Management Manual for World Bank-financed investment operations effective March 1, 2010.

71. The PIU of the ongoing CEMAC TTFP, under the Ministry of Transport, will have the overall fiduciary responsibility of the project. The FM arrangements for this project will be based on the arrangements in place under the TTFP in the CAR. The overall performance of the CEMAC TTFP in FM is Satisfactory. Staffing has remained adequate and proper books of accounts and supporting documents have been kept in respect of all expenditures. The audit for the year that ended on December 31, 2015



was submitted on time and was unqualified. The unaudited interim financial reports (IFRs) for the ongoing project are also submitted on time and acceptable to IDA.

72. The overall FM risk for the project is rated Substantial due to the fact that the project will be executed by multiple actors (UNOPS, ONM, AGETIP-CAF, and private contractors). It is considered that the FM arrangement satisfies the World Bank's minimum requirements under OP/BP 10.00, and therefore is adequate to provide, with reasonable assurance, accurate and timely FM information on the status of the project required by the World Bank. However, to maintain the continuous timeliness and reliability of information produced by the PIU and an adequate segregation of duties, a senior accountant with qualifications and experience satisfactory to the World Bank will be appointed and fully dedicated to the accounting and disbursements tasks of this project. According to the complexity of this project, the PIM, including fiduciary procedures, will be elaborated to take into account specific arrangements related to the new project. These two mitigation measures are dated covenants and should be implemented within three months following the effectiveness of the project.

Table 2. FM Action Plan

Action	Responsible Party	Deadline and Conditionality
Elaborate Implementation manual including fiduciary procedures taking account new project activities and components.	PIU	Before effectiveness
Recruit an accountant with qualifications and experience satisfactory for the World Bank	PIU	Three months after effectiveness.
Recruit an external auditor	PIU	Five months after effectiveness

73. **Internal control system.** The internal control system will comprise a Steering Committee to oversee the project activities and an FM procedures manual to define control activities. The composition, the mandate and frequency of meetings of the Steering Committee will be strengthened to ensure an adequate oversight of the project.

74. **Planning and budgeting.** The PIU will prepare a detailed annual work plan and a budget, which should be approved by the Project Steering Committee. The PIU will submit the approved annual work plan and budget to the World Bank, for no-objection, before the end of previous calendar year.

75. **Accounting.** The SYSCOHADA, assigned accounting system in West African Francophone countries, will be applicable. The PIU will customize the existing accounting software to meet project requirements.

76. **Interim financial reporting.** The IFRs will be prepared every quarter and submitted to the World Bank regularly (for example, 45 days after the end of each quarter) on time. The frequency of IFR preparation as well as its format and content will remain unchanged.

77. **Annual financial reporting.** The PIU will produce project annual financial statements, which will comply with SYSCOHADA and World Bank requirements.



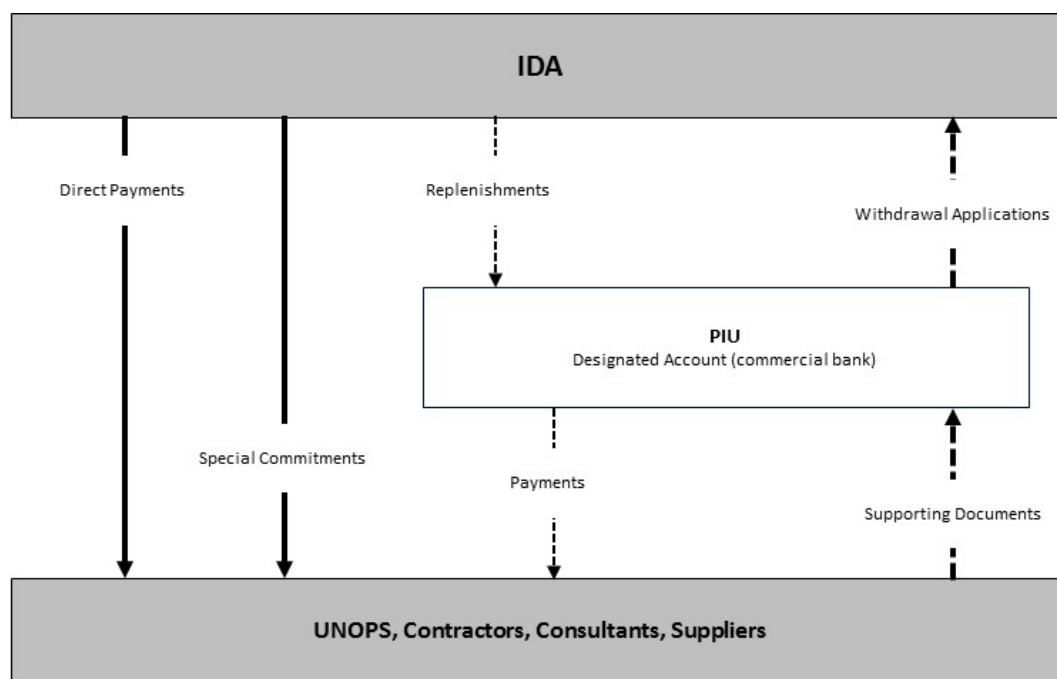


78. **Auditing.** The PIU will submit audited project financial statements satisfactory to the World Bank every year within six months after closure of the fiscal year. A single opinion on the audited project financial statements in compliance with the International Federation of Accountants will be required. In addition, a Management Letter will be required. The Management Letter will contain auditor observations and comments and recommendations for improvements in accounting records, systems, controls, and compliance with financial covenants in the Financial Agreement. The PIU should recruit a technically competent and independent auditor by five months after the project effective date.

79. The project will comply with the World Bank disclosure policy of audit reports and place the information provided on the official website within one month of the report being accepted as final by the team.

80. Upon Grant effectiveness, transaction-based disbursements will be used. A new Designated Account (DA) will be opened in a commercial bank under terms and conditions acceptable to IDA. An initial advance up to the ceiling of the DA will be made and subsequent disbursements will be made against submission of Statements of Expenditures reporting on the use of the initial/previous advance. The other methods of disbursing the funds (reimbursement, direct payment, and special commitment) will also be available to the project. The minimum value of applications for these methods is 20 percent of the DA ceiling. The project will sign and submit Withdrawal Applications electronically using the eSignatures module accessible from the World Bank's Client Connection website.

**Figure 2. Funds Flow Chart**



81. **Use of UN agencies.** The funds transferred to any UN agency will be managed by the Agency following UN Financial Regulations and Rules. As a result, reliance will be placed on the UN agency's





external auditor's reports as necessary. To mitigate any risks of inappropriate use of the project funds, some alternative mechanisms should be established, including (a) at least one field-based visit being conducted during the first 12 months of the project implementation period. The supervision intensity will be adjusted over time considering the project's FM performance and FM risk level; (b) the Government having the entire responsibility of ensuring that works, goods, and services are delivered effectively to the intended beneficiaries during project implementation. However, where deemed appropriate (for example, UN agency systems and IFRs have showed some weaknesses or deficiencies), the World Bank team may request the Government to establish adequate arrangements to conduct some physical inspections of goods and services delivered by the UN agency; and (c) the World Bank FM team will have adequate access to the financial information, documents, and records for activities implemented by the UN agency on behalf of the Government.

82. FM supervisions will be conducted over the project's lifetime. The project will be supervised on a risk-based approach. Based on the current risk assessment which is substantial, at least two supervision missions per year are envisaged. The supervision intensity will be adjusted over time considering the project FM performance and FM risk level.

#### **D. Procurement**

83. **Applicable procurement rules and procedures.** Procurement for goods, non-consulting, and consulting services for the project will be carried out in accordance with the procedures specified in the 'World Bank Procurement Regulations for IPF Borrowers' dated July 2016 (Procurement Regulations) and the World Bank's Anti-Corruption Guidelines: 'Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants (revised as of July 1, 2016)', as well as the provisions stipulated in the Financing Agreement.

84. All goods and non-consulting services will be procured in accordance with the requirements set forth or referred to in Section VI. Approved Selection Methods: Goods, Works and Non-Consulting Services of the 'Procurement Regulations,' and the consulting services will be procured in accordance with the requirements set forth or referred to in Section VII. Approved Selection Methods: Consulting Services of the 'Procurement Regulations,' the PPSD, and Procurement Plan approved by the World Bank. The Procurement Plan, including its updates, shall include for each contract (a) a brief description of the activities/contracts; (b) the selection methods to be applied; (c) the cost estimates; (d) time schedules; (e) the World Bank's review requirements; and (f) any other relevant procurement information.

85. **Procurement assessment.** The overall project risk for procurement is rated Moderate. The risks are associated with the current country situation, the weak legal framework, delays experienced in the past with approval of evaluation bids reports, signing off and approval of contracts, and the overall experience of poor management of contracts in the past, despite the fairly strong arrangements in place at the level of the PIU. Due to existing weaknesses in CAR's procurement system, which tend to cause substantial delays in the procurement process, the World Bank team recommends the following measures to ensure that the implementation of project activities are done on time: (a) the CEMAC PIU will be responsible for all fiduciary activities comprising, notably, the management of all the project's procurement processes, including the signing and approval of contracts during project implementation; (b) a project agreement would be signed between the GoCAR and UNOPS for implementing the project in the North-East because the security situation in the area is still fragile; (c) anticipating all procurement



activities as indicated in the PPSD and the Procurement Plan; and (d) supervising closely all procurement activities. In addition, for this project, the PIM of the PIU housed in METACD will be updated. These measures will be pursued during the implementation of the project.

86. **Procurement Plan.** The Procurement Plan covering the first 18 months of the project implementation has been submitted and approved by the World Bank on June 9, 2017. Any updates of the Procurement Plan shall be submitted to the World Bank for approval. The CEMAC PIU shall use the World Bank's online procurement planning and tracking tools to prepare, clear, and update its Procurement Plans and conduct all procurement transactions. During the project's implementation, the simplified Procurement Plan will be updated by agreement between the project team and the World Bank as required and at least annually, to reflect the project's actual implementation needs and any increases in institutional capacity.

87. **Procurement in situation of urgent need of assistance or capacity constraints.** In situations of urgent need of assistance or capacity constraints described under paragraph 12 of OP 10.00, the World Bank accepts the use of the Borrower's national procurement arrangement in accordance with the relevant provision of the World Bank Procurement Regulations.

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

88. **The project is being classified as a Category B operation** due to the limited social (and environmental) risks and impacts of its foreseen activities. The scope will be site specific, and easily manageable. The Rural Connectivity Project will have national coverage with the first phase targeting the North-West basin (prefectures of Ouham and Ouham-Pende) and the North-East basin (the Kaga-Bandoro-Ndele-Birao Road) in partnership with UNOPS.

89. **The project is expected to bring positive social impacts to beneficiaries** (that is, facilitating the movement of goods and people, bringing more social cohesion, employment opportunities, improved living conditions, more accessible livelihood support resources, long-lasting peace environment, greater human development and social behavior, and so on). It may carry some negative impacts for which specific mitigation measures will be designed.

90. **Given the emergency situation in CAR, World Bank management authorized the application of paragraph 12 of OP 10.00 to defer the preparation of safeguards instruments to project implementation.** Consequently, and in light of the provisions of paragraph 12 of OP 10.00, an ESSAP, consistent with World Bank operational policies and procedures for Investment Operations - Projects in Situations of Urgent Need of Assistance or Capacity Constraints, has been prepared by the World Bank to guide the processing of this emergency operation (see Annex 2 for a summary of the ESSAP). Its objective is to ensure that the planned project activities and related social and environmental assessment, management instruments, and processes have the needed technical quality and will be in compliance with the national legislation of the CAR and the World Bank's operational safeguards policies and standards. More details about the ESSAP are available in Annex 2, which also provides an overview of safeguards actions and the way forward.

91. In light of the foreseen project activities, the project is triggering OP/BP 4.12 (Involuntary Resettlement) and OP/BP 4.11 (Physical Cultural Resources). In compliance with paragraph 12 of OP/BP



10.00, the Government will prepare relevant safeguards instruments after project effectiveness and during the deferral period. While the aforementioned instruments are being prepared, interim measures to manage social risk will be used as provided in the ESSAP. Given the emergency situation in CAR, the proposed project will finance the cost of the resettlement compensations which is likely to be minor as road works will be carried out within the same right-of-way.

92. **Social inclusion, gender equality and citizen engagement.** From its conception to its implementation, the project will adopt a participatory approach by involving various stakeholders and tailoring its activities to benefit its end-users. Gender and vulnerability issues are factored in, and the project is designed to increase opportunities for women, youth and elderly people. The project will foster greater ownership and social accountability by engaging more citizens in the sustainable planning and implementation of project activities.

93. **Gender Based Violence.** The project will address the Gender-Based Violence (GBV) risks at two levels: (a) any camp environment and working conditions and; (b) community level. The influx of labor for the road works can pose GBV risks that will need to be mitigated. Given the very difficult security situation in the project areas, as well as specific cultural challenges associated with stigmatization of GBV issues and in providing culturally adapted GBV information, additional resources will be provided to support the delivery of GBV prevention activities under the project and to monitor any additional risks in both intervention areas. Specific mitigation activities will help monitor the behavioral risks that can lead to GBV under the project. In the camp areas, a specialized consultant will: (1) conduct a quick social assessment; (2) prepare a code of conduct and GBV reporting system designed to minimize GBV risks; (3) monitor effectiveness of workplace strategies and staff behavior; and (4) recommend any additional remedial actions. Due to the difficulty in reaching the community areas, a specialized consultant will develop a package of culturally appropriate health education information (for example, hygiene, reproductive health, and so on) for women living in the project areas that will include a GBV component. The health training activities will serve as an entry point for communicating informative messages related to GBV, including access to local health resources for treatment and support. This activity will be designed to minimize any stigma associated with GBV related activities and help preserve anonymity to avoid any increased targeting under the project. These activities will be carried out under the ESMPs. The Grievance Redress Mechanism will also ensure communities and individuals, including women, who believe that they are adversely affected by the project can submit a complaint.

#### **F. Environment (including Safeguards)**

94. Through preliminary environmental screening, the project is classified as Category B. Project activities related to rural road rehabilitation and maintenance may cause some effects that raise environmental sustainability concerns. Hence, the project triggers OP/BP 4.01 (Environmental Assessment); and OP/BP 4.11 (Physical Cultural Resources).

95. The project will apply standard World Bank safeguard policies on a deferred basis as provided in OP 10.00, paragraph 12. ESIA's and ESMPs will be prepared, along with RAPs, and the PIU will be responsible for their application to the project. During the deferral period while the aforementioned instruments are being prepared, interim measures will be used to manage social and environmental risk as provided in the Environmental and Social Safeguards Action Plan (see Annex 2 for a summary of the ESSAP). Such interim measures will be broadly consistent with the measures currently employed by



UNOPS under the LCEP, which is governed by the Fiduciary Principles Agreement between the World Bank and agencies of the UN. The overall responsibility for environmental safeguards implementation lies with the PIU within METACD, which will work closely with the Ministry of Environmental Affairs.

96. To improve capacity, the project will hire a Social and Environmental Safeguards Specialist (SESS) for the PIU. The SESS will be responsible for the implementation of environmental and social prescriptions, including application of the ESIAs/ESMPs and RAPs. The safeguards documents would be properly consulted upon and publicly disclosed both in-country and at the InfoShop before the start of the civil works. The SESS would also ensure that all safeguard concerns are properly dealt with. She/he will be supported by the World Bank Social and Environmental Safeguards Specialists who will ensure his/her technical capacity is further strengthened.

97. **Preparation time for safeguards instruments, including World Bank review, revisions, clearance, and approval steps.** The preparation of the project's ESIAs, ESMPs and RAPs for the rehabilitation and maintenance of the selected road sections, Grievance Redress Mechanism (GRM), institutional arrangements and technical capacity strengthening are estimated to require a time period of about six months, including World Bank review and approval, disclosure, consultations and finalization.

98. **Consultation and Disclosure of the safeguards documents:** The ESSAP has been translated into French and disclosed in country and at the World Bank's website. The implementing agency will consult project-affected groups and local nongovernmental organizations on the project's environmental and social aspects, and will take their views into account. The implementing agency will initiate these consultations as early as possible, and to ensure meaningful consultations, will provide relevant material before consultation, in a form and language(s) that are understandable and accessible to the groups being consulted. The specific ESIAs, ESMPs and RAPs for the rehabilitation and maintenance of the selected road sections, and any other additional site-specific safeguards document will be disclosed after World Bank review and approval.

#### **G. Other Safeguard Policies (if applicable)**

99. Not applicable.

#### **H. World Bank Grievance Redress**

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



## ANNEX 1. RESULTS FRAMEWORK AND MONITORING

### Results Framework

COUNTRY : Central African Republic  
Rural Connectivity Project

#### Project Development Objectives

The Project Development Objective (PDO) is to improve rural road connectivity to markets and social services, and in the event of an Eligible Crisis or Emergency, to provide an immediate and effective response.

#### Project Development Objective Indicators

Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
<b>Name:</b> Passability of the road between Ndele and Birao		Months	5.00	12.00	Semi-annual	UNOPS activity reports.	UNOPS
Description: Number of months in a year that the 440 kilometer long road between Ndele and Birao is passable.							
<b>Name:</b> Travel time between Ndele and Birao		Days	10.00	7.00	Semi-annual	On the Ndele-Birao road UNOPS will measure the travel time by MINUSCA convoy from one end of the road to the other, during the rainy season.	UNOPS



Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
Description: Travel time on the project road before and after the project.							
<b>Name:</b> Farmers in the project area with improved access to markets		Number	0.00	90000.00	Annual	Rapid surveys	PIU
Description: Number of farmers located within 2km of a rural road improved by the project to an all-weather standard.							
<b>Name:</b> Basic social services (markets, schools and health centers) with improved access in the project area		Number	0.00	20.00	Annual	At the completion of the road improvement works, the supervision consultant counts all concerned markets, health centers and schools along the improved roads and records the total number in its completion report.	Supervision Consultant
Description: The change in the number of accessible basic social services (markets, health centers and schools) located along the roads improved by the project.							
<b>Name:</b> Proportion of improved project roads under routine maintenance		Percentage	0.00	100.00	Annual	Collected through activity reports	PIU



Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
Description: Kilometers of roads improved by the project receiving routine maintenance.							

### Intermediate Results Indicators

Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
<b>Name:</b> Roads rehabilitated	✓	Kilometers	0.00	1250.00	Semi-annual	Collected through activity reports	PIU/UNOPS

Description:

<b>Name:</b> Person-days of employment created through the Labor Intensive Public Works		Number	0.00	150000.00	Semi-annual	Collected through activity reports	PIU/UNOPS
Share of person-days of employment created for women		Percentage	0.00	33.00	Semi-annual	Collected through activity reports	PIU/UNOPS

Description: Annual number of person-days worked under the project to perform Labor Intensive Public Works.

<b>Name:</b> Community-based maintenance organizations		Number	0.00	200.00	Semi-annual	Collected through activity	PIU/UNOPS
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Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
that are operational						reports	
<b>Description:</b> Community-based Organizations are road maintenance crews based in the community and trained and equipped to do small-scale manual maintenance on a prescribed section of approximately 5km.							
<b>Name:</b> Roads with improved road safety measures		Kilometers	0.00	1250.00	Semi-annual	Collected through activity reports	PIU/UNOPS
<b>Description:</b> Cumulative kilometers of project roads that have benefited from road safety interventions.							
<b>Name:</b> Direct project beneficiaries		Number	0.00	115000.00	Annual	Rapid assessment survey	PIU
Proportion of direct beneficiaries expressing positive reaction to the project		Percentage	0.00	80.00	Annual	Rapid survey	PIU/UNOPS
<b>Description:</b> Direct beneficiaries are people, including farmers, who derive benefits from an intervention, in this case people living within 2 kilometers of a road improved by the project.							





## Target Values

### Project Development Objective Indicators

Indicator Name	Baseline	YR1	YR2	YR3	YR4	YR5	End Target
Passability of the road between Ndele and Birao	5.00	5.00	5.00	5.00	12.00	12.00	12.00
Travel time between Ndele and Birao	10.00	10.00	10.00	9.00	7.00	7.00	7.00
Farmers in the project area with improved access to markets	0.00	4000.00	20000.00	50000.00	70000.00	90000.00	90000.00
Basic social services (markets, schools and health centers) with improved access in the project area	0.00	1.00	5.00	13.00	17.00	20.00	20.00
Proportion of improved project roads under routine maintenance	0.00	50.00	80.00	100.00	100.00	100.00	100.00

### Intermediate Results Indicators

Indicator Name	Baseline	YR1	YR2	YR3	YR4	YR5	End Target
Roads rehabilitated	0.00	50.00	250.00	750.00	1000.00	1250.00	1250.00
Person-days of employment created through the Labor Intensive Public Works	0.00	20000.00	70000.00	110000.00	140000.00	150000.00	150000.00
Share of person-days of employment	0.00	33.00	33.00	33.00	33.00	33.00	33.00



Indicator Name	Baseline	YR1	YR2	YR3	YR4	YR5	End Target
created for women							
Community-based maintenance organizations that are operational	0.00	0.00	10.00	50.00	120.00	200.00	200.00
Roads with improved road safety measures	0.00	50.00	250.00	750.00	1000.00	1250.00	1250.00
Direct project beneficiaries	0.00	5000.00	25000.00	70000.00	90000.00	115000.00	115000.00
Proportion of direct beneficiaries expressing positive reaction to the project	0.00	80.00	80.00	80.00	80.00	80.00	80.00

## ANNEX 2: SUMMARY OF THE ENVIRONMENTAL AND SOCIAL SAFEGUARDS ACTION PLAN

COUNTRY: Central African Republic  
Rural Connectivity Project

1. From an environmental preliminary screening point of view, the project is classified as a Category B project. Three safeguard policies are triggered: OP 4.01 (Environmental Assessment); OP 4.11 (Physical Cultural Resources); and OP 4.12 (Involuntary Resettlement). Given the fragility and emergency situation in CAR, it was agreed to defer the preparation of safeguards instruments. However, an Environmental and Social Safeguards Action Plan (ESSAP), consistent with World Bank operational policies and procedures, investment operations subject to OP 10.00, paragraph 12, Projects in Situations of Urgent Need of Assistance or Capacity Constraints, has been prepared.
2. The ESSAP has been developed specifically for the proposed operations to ensure due diligence, to avoid causing harm, and to ensure consistent treatment of social and environmental issues by the Government of the Central African Republic and the World Bank. The purpose of this plan is also to assist the Government project implementation team in screening all the activities for their likely social and environmental impacts, identifying documentation and preparation requirements and prioritizing the investments.
3. The ESSAP includes the following:
  - (a) A list of negative characteristics rendering a proposed activity ineligible for support
  - (b) A checklist of likely environment and social impacts to be filled out before each intervention
  - (c) Guidelines for land and asset acquisition, entitlements, and compensation
  - (d) Procedures for the protection of cultural property, including the chance discovery of archaeological artifacts, unrecorded graveyards, and burial sites
  - (e) Relevant elements of the codes of practice for the prevention and mitigation of potential environmental impacts
  - (f) A sample Environmental Safeguards Procedure for Inclusion in the Technical Specifications of Contracts

### Implementation Schedule for Safeguards Processing

4. **Sequencing of safeguards instruments during project implementation.** The following time-bound deployment of the above described safeguards instruments is anticipated to manage and mitigate the potential adverse impacts:

- **Before project effectiveness**
  - Finalization of terms of reference and signature of contract to prepare the ESIAs,



ESMPs and RAPs with funds from the PPA

- Publication of the ESSAP. The ESSAP has been disclosed in-country (<http://www.mepc-rca.org/wp-content/uploads/2017/06/ESSAP-final-bis-1.pdf>) as well as at the Bank website (<http://documents.worldbank.org/curated/en/680761497557574865/Environmental-and-social-safeguards-action-plan>).
- **Immediately after project effectiveness**
  - **Drafting of works contracts to include a** requirement to comply with the ESIA/ESMP and RAP once these become available, and with the measures prescribed in this ESSAP in the interim period before the publication of the abovementioned instruments.
- **During project implementation**
  - **Preparation time for safeguards instruments, including World Bank review, revisions, clearance, and approval steps.** The preparation of the specific ESIAs, ESMPs and RAPs for the rehabilitation and maintenance of the selected road sections in the North-West and North-East regions is estimated to require a maximum time period of about 6 months, including World Bank review and approval, disclosure, consultations, and finalization.
  - Implementation of interim measures prescribed in this ESSAP for works to be conducted under Component 1 until such time as the ESIAs/ESMPs/RAPs are published at which time the latter will supersede the interim measures. Supervision of safeguard measures to be ensured by the PIU.
  - Capacity building of the PIU for environmental and social management, supervision of ESIAs/ESMPs/RAPs for specific activities, including an explanation of the negative list, incorporation of environmental and social clauses in the bidding documents and works contracts.

5. **Implementation of safeguards instruments.** The PIU hosted within the Ministry of Transport will be responsible of the implementation of the environmental and social prescriptions, including the interim measures prescribed in the ESSAP, as well as the ESIAs/ESMPs and RAPs when these are published. All safeguards documents will be reviewed by the World Bank.



### ANNEX 3: PROJECT MAP

