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# AFRICAN DEVELOPMENT FUND

CLIMATE ACTION WINDOW (CAW)

# ADDENDUM
# TO
# APPRAISAL REPORT

## WATER SECTOR AND CLIMATE RESILIENCE BUILDING SUPPORT PROGRAMME IN BURUNDI (PASEREC - PHASE 1)

**BURUNDI**

## CURRENCY EQUIVALENTS

Exchange rate effective as of 30 March 2024

| Currency Unit | Equivalent |
|---|---|
| UA 1 | USD 1.32870 |
| UA 1 | BIF 3,883.25 |
| USD 1 | BIF 2,922.59 |

## FISCAL YEAR in Burundi

| |
|---|
| 1 July to 30 June |

## WEIGHTS AND MEASURES

| | |
|---|---|
| 1 metric tonne | 2204.62 pounds (lbs) |
| 1 kilogramme (kg) | 2.20462 lb |
| 1 metre (m) | 3.28 feet (ft) |
| 1 millimetre (mm) | 0.03937 inch (“) |
| 1 kilometre (km) | 0.62 thousand |
| 1 hectare (ha) | 2.471 acres |

## ACRONYMS AND ABBREVIATIONS

| | |
|---|---|
| **ADF** | African Development Fund |
| **AFD** | French Development Agency |
| **AfDB** | African Development Bank |
| **AHAMR** | Burundi Rural Water and Sanitation Agency |
| **AREEN** | Drinking Water and Energy Sectors Regulatory Authority |
| **BGR** | German Institute for Geosciences and Natural Resources |
| **BIF** | Burundi Franc |
| **BS** | basic sanitation |
| **CAW** | Climate Action Window |
| **CLTS** | community-led total sanitation |
| **CSP** | Country Strategy Paper |
| **DGEPA** | General Directorate for Drinking Water and Sanitation |
| **DGEREA** | General Directorate for the Environment, Water Resources and Sanitation |
| **DPSHA** | Directorate of Health Promotion, Hygiene and Sanitation |
| **DW** | drinking water |
| **DWS** | drinking water supply |
| **DWHS** | drinking water, hygiene and sanitation |
| **ESCON** | Environmental and Social Compliance Note |
| **ESIA** | Environmental and Social Impact Assessment |
| **EU** | European Union |
| **FONIC** | National Municipal Investment Fund |
| **GCA** | Global Center on Adaptation |
| **GDP** | gross domestic product |
| **GoB** | Government of Burundi |
| **GIZ** | German Agency for International Technical Cooperation |
| **HR** | human resources |
| **ISTEEBU** | Burundi Institute of Statistics and Economic Studies |
| **IWRM** | integrated water resource management |
| **JAR** | joint annual review |
| **JMP** | Joint WHO/UNICEF Monitoring Programme |
| **KFW** | German Bank for Development Cooperation |
| l/**inhab/day** | litre per inhabitant per day |
| **MFBPE** | Ministry of Finance, Budget and Economic Planning |
| **MINHEM** | Ministry of Water Resources, Energy and Mines |
| **MINEAGRIE** | Ministry of the Environment, Agriculture, Livestock and Fisheries |
| **MIDCSP** | Ministry of the Interior, Community Development and Public Safety |
| **MSPLS** | Ministry of Public Health and AIDS Control |
| **MTEF** | medium term expenditure framework |

| | |
|---|---|
| **NDP** | National Development Plan |
| **OBUHA** | Burundi Urban Planning, Housing and Construction Authority |
| **OBPE** | Burundi Environmental Protection Office |
| **PAR** | Project Appraisal Report |
| **PC** | private/personal connection |
| **PHS** | Population and Health Survey |
| **PMU** | Project Management Unit |
| **PNCP-SS-CPE** | National Programme for Capitalization of Peace, Social Stability and Promotion of Economic Growth |
| **RA** | Rural area |
| **RCE** | Local Water Board |
| **REGIDESO** | Burundi Water and Electricity Production and Distribution Company |
| **SDG** | Sustainable Development Goals |
| **SETAG** | Technical Sanitation Service of Gitega |
| **SP** | Standpipe |
| **SSEPAB** | Drinking Water and Basic Sanitation Sector Strategy |
| **TFP** | technical and financial partner |
| **TRFR** | total renewable freshwater resources |
| **UA** | Unit of Account |
| **UNICEF** | United Nations Children’s Fund |
| **WASH** | water, sanitation and hygiene |
| **WHO** | World Health Organization |
| **WPC** | water point committee |

## PROGRAMME INFORMATION SHEET/ CLIENT INFORMATION

| | |
|---|---|
| **Project Name:** | Addendum to the Appraisal Report of the Burundi Water Sector and Climate Resilience Building Support Programme (PASEREC - Phase 1) |
| **Sector:** | Water and Sanitation |
| **Grant Recipient** | Republic of Burundi |
| **Project Instrument(s):** | ADF 16 Climate Action Window (CAW) - "Adaptation" sub-window |
| **Executing Agency:** | Burundi Rural Water and Sanitation Agency (AHAMR) |

## COUNTRY AND STRATEGIC CONTEXT

| | |
|---|---|
| **Period covered by the Country Strategy Paper :** | 2024-2029 |
| **Priorities of the Country Strategy Paper supported by the project:** | (i) **Support for agricultural value chains and economic and financial governance for a more resilient economy**<br>By improving the management of water resources for agricultural and other domestic uses and building the resilience of water, sanitation and hygiene systems to climate related risks, the water sector aligns with two cross-cutting themes namely mainstreaming climate change and gender aimed at strengthening the Bank's interventions under Pillar 1 of the CSP. |
| **Government programme (PRSP, NDP or equivalent):** | National Development Plan (PND 2018-2027) |
| **Programme classification :** | **High 5s** :<br>- Feed Africa (1.0):<br>- Improve the quality of life for the people of Africa (5.0)<br>**Sub-themes**:<br>- Inclusion and sustainable development (Gender/Employment/Climate) (1.6)<br>- Access to drinking water (5.1)<br>- Sanitation and drainage (5.2)<br>- Water sector reinforcement and reform (5.4)<br>- Climate change and green growth (5.16) |
| | SDGs<br>- SDG 6: Ensure availability and sustainable management of water and sanitation for all (60%)<br>- SDG 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture (20%)<br>- SDG 5: Achieve gender equality and empower all women and girls;<br>- SDG13 Take urgent action to combat climate change and its impacts; |
| **Selectivity priority(ies)[1] :** | - SDG 6 (60%)<br>- SDG 2 (20%)<br>- SDG 3 (10%)<br>- SDG 4 (10%) |
| **Country Performance and Institutional Assessment:** | 3.16 (2023) |
| **Projects at risk in the country portfolio :** | Projects at risk: 0%)<br>Projects flagged for late implementation:  36% (July 2025) |

[1] Fine-tuning the Bank's strategic direction - a proposal to strengthen the Bank's selectivity

## Project categorization

| | |
|---|---|
| **Environmental and social risk categorization** | Category 1, Categorization date: 28 April 2025 |
| **Does the project involve involuntary resettlement?** | Yes |
| **Climate safeguards categorization** | Category 1 |
| **Fragility and Resilience Lens Assessment** | Yes |
| **Gender Marker System categorization** | Category II, GEN 2 |

## ADF/ADB KEY FINANCING INFORMATION

| | | |
|---|---|---|
| **Interest rate** | Nil | (%) |
| **Service charge** | Nil | (%) |
| **Commitment fee** | Nil | (%) |
| **Tenor** | Nil | [Start date - End date] |
| **Deadline** | None | [Start date - End date] |

| **Source** | **Amount (UA million)** | **Instrument** |
|---|---|---|
| ADF - Climate Action Window | 6.25 | ADF (CAW) |
| Co-financing: Global Centre on Adaptation (GCA) | 0.26 | |
| Government’s counterpart contribution: | 1.10 | |
| **Total project cost:** | **7.61** | |

## DEVELOPMENT OBJECTIVE AND COMPONENTS

| | |
|---|---|
| **Project Development Objective:** | Strengthen climate resilience and work for the long-term improvement of the socio-economic living conditions of communities in the project impact area (PIA) |
| **Project Components** | Component 1: Infrastructure development and sustainable management of water resources [**UA 4.20 million**]. |
| | Component 2: Support for sector reform and capacity building [**UA2.48 million**] |
| | Component 3: Support for climate resilience building and project management **[UA 0.92 million]** |

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# 1 PRECISE Project description

## 1.1. Project area, beneficiaries and other stakeholders

1. This project area aligns with the anchor project, which administratively involves 15 municipalities as follows: Bubanza Province (Rugazi, Mpanda and Gihanga); Cibitoke Province (Murwi, Buganda, Mugina and Rugombo); Rutana Province (Gitanga, Bukemba and Musongati); Cankuzo Province (Gisagara and Cankuzo); and Ruyigi province (Ruyigi, Butaganzwa, Bweru and Gisuru). These localities were chosen after a long process of prioritization in terms of water needs. The PIA covers the IMBO plain (Bubanza and Cibitoke), the cholera belt, and the eastern part (Rutana; Ruyigi; Cankuzo), which is home to a large number of refugee camps and is a return zone for returnees. Growing at an average rate of 3%, the population of the PIA is estimated at 1,275,110 people (50% of whom are women). Specifically, the project will include the 67,000 displaced persons and refugees from the Democratic Republic of Congo (DRC) who have been accommodated on these sites, while 48,000 are actually sheltered in UNHCR tent facilities. For Component 1, the PIA of this proposal, like that of the anchor project, covers the 29 localities of Cibitoke, Bubanza, Ruyigi, Rutana and Cankuzo provinces. Planned transformative investments in agricultural development and water access will cover Gitega, Mwaro and Kayanza provinces. Component 2 involving government institutions, decentralized central-, provincial- and municipal-level administrative services, and community organizations, aims to achieve the long-term improvement of sector governance and water security.

2. AHAMR – the programme's Executing Agency (EA) – is responsible for developing elements of the National Water Policy, coordinating and monitoring its implementation, and developing rural drinking water infrastructure and services. As a key player in the sector, it is in constant contact with local communities, and knows very well their WASH-related attitudes, abilities, practices and needs. In light of the foregoing, PRECISE aligns with the overall framework of projects implemented by same EA and funded by donors such as UNICEF, the EU, and ENABEL.

## 1.2. Bank Group experience and lessons reflected in project design

3. The design of PRECISE is based on a series of lessons learned from previous Bank operations over the last 12 months, especially PASEREC Phase 1. The identified weaknesses relate in particular to: (i) delays in fulfilling conditions precedent to first disbursement; (ii) slowness in the procurement procedures; (iii) the high number of contracts that increase the workload for AEs and the Bank; (iv) beneficiary structures' inability to express their needs; (v) the lack of qualified human resources for key project management positions and the weakness of the monitoring and evaluation system to monitor project implementation in general and environmental and social safeguards in particular; (vii) the lack of studies, which significantly delays project implementation; and (viii) the instability of PMUs.

4. In preparing this proposal. the experiences and lessons considered include the importance of: (i) involving the EA in all stages of the project to ensure full ownership; (ii) considering technical feasibility studies and ESIAs for water infrastructure construction before project approval; (iii) preparing short- and medium-term capacity development plans; (iv) streamlining contracts to reduce their number; (v) supporting the finalization of technical studies and environmental & social assessments to be used for new projects, and easing conditions precedent to first disbursement; and (iv) recruiting competent PMU staff through competition than by appointment.

## 2 PROJECT FEASIBILITY

### 2.1. Financial and economic analysis

5. Given the project's social nature, its final objective is the financial equilibrium of operators and the sustainability of the project infrastructure. No financial analysis was conducted because water services in rural areas are free of charge. However, the project's contribution to the financial viability of the DWSS sector in general will be through: (i) its support for the introduction of a new rural water pricing policy, accompanied by a sector financial model and policy to promote private sector participation; (ii) the construction of drinking water and sanitation infrastructure; and (iii) the development of income-generating and socio-economic activities.

6. **Economic analysis**: Economic profitability was calculated based on the pre-tax investment costs, provisions for price escalation, maintenance costs and other operating expenses. The key economic benefits are (i) the economic value of the additional quantity of water produced; (ii) the savings on beneficiaries' health budgets due to the reduced prevalence of water-borne diseases; (iii) the temporary and full-time jobs created during construction phase and those created by income-generating activities; and (iv) the time gained in fetching water converted into saved hours used for profitable ends. The analysis covered a period of 28 years to align with the investments period under PREDIRE. On this basis, the project's economic rate of return was estimated at 23.7%, which is higher than the discount rate of 10.0%. The net present value is positive at UA 24.32 million, attesting that the project is economically viable. The following scenarios were tested: (i) a 10% increase in investment costs; (ii) a 10% reduction in benefits; and (iii) a combination of both scenarios. The results of the sensitivity tests are attached as Technical Annex 3-1.

***Table 6: Key economic and financial figures***

| | |
|---|---|
| EIRR (baseline scenario) | 23.7 (%) |
| NPV (discount rate) | UA 24.32 million (10%) |

### 2.2. Additional positive outcomes

7. The additional positive outcomes include: (i) education budget savings due to lower school fail rates attributable to water and the benefits of income-generating activities (IGAs) due to time gained; (ii) the reduction of water-borne diseases such as cholera, which will raise school attendance among children; and (iii) the shorter time taken by women and girls to fetch water. The positive impact here is that women and girls can devote more time for production activities (agriculture, IGAs etc.), thereby boosting agricultural production, food security and household incomes[6]. This benefits Burundi's inclusive development overall.

### 2.3. Environmental and social safeguards

#### *2.3.1 Categorization*

8. The regulations governing environmental and social risk assessment in Burundi (Article 32 of Law No. 1/09 of 25 May, amending the Environmental Code of the Republic of Burundi) require an E&S categorization for projects likely to have an impact on the environment. However, considering the nature of activities to be supported by PRECISE – addendum to the PASEREC Phase 1 Appraisal Report – in particular, the construction of 27 solar-powered water supply systems in Cibitoke, Bubanza, Cankuzo, Rutana, Mwaro, Kayanza and Ruyigi provinces; the opening of a USD 1 million line of credit for agricultural activities to benefit local communities; technical assistance for the setting up, operation and equipment of six agro-pastoral cooperatives; the delivery of

agricultural network models to promote climate-smart agriculture; the training and support of over 3,500 women in new irrigation techniques and green jobs in the provinces of Cibitoke, Bubanza, Ruyigi, Rutana and Cankuzo; and the high risk posed for the biophysical environment and the population, the project is classified in E&S Category 1 of the Bank's Integrated Safeguards System. This categorization was approved in ISTS on 28/04/2025 and entered in SAP on the same day.

### *3.3.2. Applicable E&S safeguards and their state of readiness*

9. The safeguard instruments – four Environmental and Social Impact Assessment (ESIA) reports and four Resettlement Action Plans (RAPs) – prepared in 2022, approved by the Bank and published by the national party on 7 March 2023 and by the Bank on 10 March 2023 for PASEREC Phase 1 are valid for PRECISE. So, at this stage, the only document required before Board approval of the project is the Borrower's Environmental and Social Management Plan. It was approved by the Bank and published by the country on 2 May 2025, then on the Bank's website on 6 May 2025.

### *3.3.3 Main risks and impacts*

10. From an environmental and social standpoint, due to their physical nature, the activities to be carried out under PRECISE inherently harbour significant environmental and social impacts and risks on the biophysical environments and local communities. The key risks and impacts were assessed in the ESIA and RAP reports prepared in 2022 before the project was presented to the Board of Directors. The main ones identified are: (i) the destruction of vegetation (242 plants); (iii) risk of pollution of water sources by residues of phytosanitary products used in agriculture; (iv) risk of soil erosion; risk of industrial accidents; (v) risk of accidents for local communities in the event of poorly managed trenches and work site excavations; (vi) risk of gender-based violence; (vii) risk of occurrence or spread of sexually transmitted diseases; (viii) loss of land and farmland (12.86 ha); and (ix) loss of property and economic income (2,276 people affected).

### *3.3.4. Public consultations*

11. Public consultations were held to prepare the ESIAs from December 2021 to April 2022 and the RAPs from January to February 2023 in municipalities of the five provinces – Cibitoke, Bubanza, Cankuzo, Rutana and Mwaro – where developments are planned. During the consultations, beneficiary communities, affected persons and local authorities were informed about the content of PASEREC, the risks and potential impacts associated with its implementation and the E&S measures that will be implemented.

### *3.3.5. Global institutional arrangement for ESMP implementation*

12. AHAMR will be responsible for project implementation. Its environmental and social capacity is adequate, and it has an environmental safeguard expert. A social development specialist is also being recruited and will serve full-time. During implementation, it was observed that the environment expert needs capacity reinforcement. This will be done as part of the project.

### *3.3.6. Implementation cost*

13. The cost of implementation of the ESMPs was estimated at USD 315,000 in 2022 and the RAPs at USD 913,928.23. PAP compensation has begun in Gitanga, Gitega and Musongati localities in Rutana Province, with some USD 838,753 already disbursed (92%).

### *3.3.7. E&S compliance*

14. In addition to the above requirements, the Borrower will prepare monthly reports on the implementation of E&S measures, while an annual E&S performance audit, performed by an independent E&S safeguard expert, will be submitted every year by the end of the first quarter of the following year. These reports will be shared with the Bank and made available to stakeholders. In addition, the Borrower undertakes to finalize the establishment of the complaints management mechanism (CMM) as part of the implementation of the project. The Borrower undertakes to make it known to all stakeholders and to keep it operational throughout the project life cycle. In addition, in case of a health and safety incident at a project site, the Borrower must notify the Bank immediately within 48 hours of its occurrence, share the national authority's investigation report and, if deemed necessary by the Bank, prepare an independent root cause analysis report to be approved by the Bank for implementation. These obligations will be captured in the E&S terms of the financing agreement. On this basis, the project is compliant and ready for submission for Board review, as attested by the NOCES attached.

## 2.4. Climate change and green growth

15. **Climate risks and adaptation plans.** The project is classified in Category 1 under the Bank's Climate Safeguard System. In this context, detailed climate related risk assessments were carried out with GCA support as part of the African Adaptation Acceleration Programme (AAAP). The detailed risk assessment (DRA) carried out at national level in 2023 provided an overview of the risks in various regions. The assessment focused on natural hazards such a landslides, droughts, floods, heavy rainfall and erosion, exploring their correlation with climate-related factors and their impact on water infrastructure. The DRA report classified the impacts into three categories: (1) impacts on water resources and infrastructure; (2) damage to infrastructure and property; and (3) health and hygiene problems.

16. From a general point of view, the climate analysis in Burundi indicates that, despite rising temperatures and evapotranspiration, annual rainfall is projected to rise nationwide by 2045 in all scenarios, the increase being higher in the north than in the south. At the same time, forecasts show a slight reduction in the number of rainy days in the south. Projections show a 5%-10% increase in the intensity of extreme precipitation, depending on the scenario. In the very extreme scenario, a 10% increase in the intensity of extreme precipitation is observed on a national scale, with a high degree of reliability. The climate analysis did not reveal any significant spatial variability in the hotspot area. The hydrological analysis shows that the main rivers in the catchment can attain significant flows. Potential infrastructures could be exposed to the risk of flooding depending on the local bathymetry and topography of the particular site. The erosion model showed a spatial distribution of erosion risk, exacerbated on steep slopes. Overall, the risk is low in most hotspots, but higher in some areas.

17. Faced with these challenges, the communities in the designated project areas are contending with damaged water infrastructures, exacerbated by unimplemented government directives and decrees on the sustainable management of water at public water points. Landslides and erosion are additional upstream threats, exacerbating the region's vulnerability. The target population has to cope with recurrent floods which cuts off its access to drinking water sources, necessitating the installation of water supply systems on hills. Due to demographic pressure, deforestation further intensifies the pressure on the environment, particularly on the hills. Springs, once abundant, are drying up, and people now depend on water from catchments at higher altitudes. This complex interplay of factors underlines the urgent need for comprehensive and sustainable solutions to mitigate the project vulnerabilities and address the water scarcity and environmental degradation within the community. The population's adaption capacity is hampered by a lack of resources and its poor resilience to disaster risks.

18. A number of climate-resilient adaptation options were recommended by DRA and later modelled into the project design. The latter is structured around a global approach to water resource management involving strategies such as the restoration of catchments through reforestation and construction of terraces, the establishment of riparian buffer zones and stabilization of riverbanks. Other initiatives include the development/restoration of wetlands, the implementation of IWRM at local level, the monitoring of water resources and preparation of water security plans. The promotion of boreholes, rainwater harvesting and the construction and rehabilitation of climate-resilient water infrastructure are all part of this global effort to ensure sustainable and resilient water systems. Collectively, these actions improve the capacity, longevity and reliability of water networks, thus strengthening their resilience to the effects of a changing climate, as detailed in Annex IV.

19. **The project was assessed using the Joint MDB Paris Alignment Methodology and is deemed aligned with the mitigation and adaptation objectives of the Paris Agreement.**

20. **Carbon footprint:** The project relies heavily on the development of low-carbon solar-powered hydraulic infrastructures. The aim is to support the energy transition and avoid greenhouse gas emissions in the water sub-sector. The project will likely lead to the felling of some trees in the alignment of water supply networks. To offset the effects of climate change, reforestation activities have been included in the project for carbon sequestration and adaptation as well.

21. **Alignment with Burundi's Nationally Determined Contribution (NDC):** The objective of the NDC with regard to adaptation is to build ecosystem and community resilience to climate change and variability. The selected priorities in the water sector concern the following aspects: develop hill reservoirs to collect rainwater and watercourses for agriculture and fishing; protect and manage flood-prone areas; improve water management for agriculture/fish-farming, and for other domestic uses and build water system resilience to climate risks. Activities identified in Components 1, 2 and 3 are in line with these priorities. It is also aligned with Burundi's National Strategy and Action Plan on Climate Change (2013), its first updated biennial report (BUR: 2022) and the Third National Communication on Climate Change (2019).

22. **Alignment with the Paris Agreement:** This project was assessed using the Joint Multilateral Development Bank Methodological Principles for Assessment of mitigation and adaptation and is considered aligned because water supply activities feature on the list of activities universally aligned with the agreement. This is compatible with the Paris Agreement objectives to limit global warming to below 2°C, build country capacity to cope with climate change impacts and ensure that financial flows remain coherent. Details of the project's alignment with the Paris Agreement are attached as Technical Annex 2.2.

23. **Alignment with the Climate Change and Green Growth Action Plan (2021-2025):** In order to mitigate risks, it was proposed to (i) incorporate physical and non-physical climate resilience measures in the technical design of infrastructure, and (ii) consider climate risks when preparing investments. The thinking behind climate adaptation is that investing in adaptation components including design measures and best practices, will mitigate current climate risks.

## 2.5. Other cross-cutting priorities

***Poverty reduction, inclusion and job creation***

24. The proposal will have significant positive impacts as described in section 3.2, including sustainable poverty reduction, stronger resilience to climate shocks, social inclusion and job creation. Overall, project activities will help to create employment opportunities in the PIA. The project will adopt an inclusive consultative approach to better capture the concerns and specificities of vulnerable

populations (young people, girls, people with disabilities, Batwa indigenes, refugees and returnees, etc.). Being mindful of these specific groups helps to strengthen their livelihoods and build community resilience. Through private sector support activities, the project will help to develop new economic opportunities for young people and women in the country, which in the long term will lead to an improvement in their incomes and, by extension, their living standards.

### 2.6. Resilience-building opportunities

25. Water is a vulnerable resource in Burundi. It is constrained by factors such as frequently unfavourable climatic conditions in some regions and contamination caused by agricultural practices and inadequate sanitation. Its availability and quality are threatened by climate-related fragilities which are more pronounced in the north and north-east of the country – where some areas already experience rainfall scarcity and soil erosion – and the Imbo western plains which experience both rainfall scarcity and flooding. Extending the PASEREC-Phase 1 intervention area with PRECISE through the climate adaptation sub-window offers an opportunity to cover the new project area, which is volatile in terms of regional security and hosts refugees fleeing the armed conflict in the DRC.

26. The project offers Burundi an opportunity to build resilience. Its abundant water resources will be used to offset the limited access to drinking water suffered by the population who are deprived of basic social services. Indeed, most of the country is criss-crossed by a dense network of perennial watercourses and numerous drainage routes belonging to two major African drainage basins, the Nile and Congo. Burundi also has a wealth of natural lakes, including Lake Tanganyika, Lake Cohoha, Lake Rweru and Lake Rwihinda. The project intervention areas are structured around these sources of resilience, forming a lever for strengthening social cohesion and reducing regional disparities to boost social and economic inclusion.

### 2.7. Promotion of gender equality and women's empowerment

27. The project is classified in Category 2 of the Bank's Gender Marker System (GMS), showing that gender and women's empowerment are key objectives. Women farmers are key beneficiaries of the project whose components aim to bridge the existing gender gap in terms of job access and skills through: (i) the creation of green jobs and awareness about resilient agriculture; (ii) support for PIA-based agricultural cooperatives; and (iii) skills development in water governance, mainly targeting women and young people. The project will also develop drinking water access and irrigation infrastructure, facilitating transformative activities for lessening the burden and time of this unpaid work carried out mainly by women and girls. Women farmers will be supported to adopt new agricultural production techniques, with the necessary financing to embrace more economic opportunities. The proposal will consolidate Phase I activities, notably the number of agricultural cooperatives to be established in line with Pillars 1 and 2 of the Bank's Gender Strategy, as well as empower women through access to financing and markets, and improve women's employability through skills development. The cooperatives will receive training in income-generating activities provided they are eligible for financing by *Banques d'Investissements de la Femme* (BIDF) and *Banques d'Investissements des Jeunes* (BIJ) – two Burundi banks that work to improve financial inclusion and women's entrepreneurship. Women will also receive technical training to participate in the management and maintenance of hydraulic structures and better serve in areas where they are less represented. A detailed gender analysis and action plan is attached as Annex 3-3.

### 2.8. Empowering young people and developing their skills

28. The project will involve young people at every stage, from preparation to implementation. At least 50% of community consultations will target young people and 80% of the 2,700 jobs (1,150

direct jobs) to be created, mostly in infrastructure construction, management of rural drinking water supply systems, latrine management committees as well as prospective agricultural jobs, will comprise at least 80% women and young people, and at least 50% of them will be young people. Forty percent of positions will be filled by young women, 40% by young men, 10% by adult women and 10% by adult men. Young people' will be empowered through skills development and employment in infrastructure and agriculture programmes. A USD 500,000 line of credit line established in the Women's and Youth Investment Banks will be the mechanism for accelerating and sustaining these results. The hygiene and sanitation awareness programme will target at least 50% of young people. Staff will be trained in the decentralized management of WASH services. The target is 50% young people.

### 2.9. Civil society engagement

29. Civil society organizations (CSOs) like farmers' organizations, women's associations and youth networks will provide support by coordinating and facilitating training in climate-smart agriculture, help farmers set up cooperatives to facilitate access to loans, and mobilize their community networks to raise awareness about project activities under sub-component 1.2. Drawing on the expertise of CSOs, the project will ensure that farmers understand and adopt new irrigation techniques and agronomic practices. Under Component 2, CSOs will encourage behavioural change through community awareness campaigns that demystify the use of organic fertilizers and clean energy products derived from sanitation by-products. Such initiatives will help to create a loyal customer base, reduce the stigma surrounding sanitation waste recycling and generate stable market demand. For Component 3, in addition to participating in training under sub-component 3.2, CSOs will mobilize beneficiaries to attend capacity-building sessions and support community engagement actions that buttress good hygiene and sanitation practices. Many CSOs are already active at the grassroots; this project will capitalize on their impact by partnering with them.

## 3 LEGAL INSTRUMENTS AND AUTHORITY

### A Legal instruments

30. The two (2) legal instruments planned for this project are : (i) an agreement between the Republic of Burundi (the Donee) on the one hand, and the African Development Fund (Climate Action Window) (the Fund) on the other hand; and (ii) a Tripartite Financing and Implementation Accord between the Fund, the Republic of Burundi (the Host Government), and the United Nations Children's Fund ("UNICEF" or "UN Entity") (the "Tripartite Agreement").

**Conditions Associated with the Fund's Intervention**

31. **Effectiveness:** The Agreement and the Tripartite Accord will enter into force upon their signature by the parties.

### B. Conditions precedent to first loan and grant disbursements:

32. In addition to the effectiveness of the Agreement and the Tripartite Accord in accordance with paragraph 79 above, the Fund's obligation to make the first disbursement of grant resources shall be subject to the Donee fulfilling the following conditions: submission to the Fund of a signed copy :

(a) of a subsidiary agreement between the Donee and Executing Agency (AHAMR), satisfactory in form and content to the Fund; and

(b) submission of a work programme that is satisfactory in both form and content for the

Fund.

## C. Other conditions

33. The Donee undertakes to submit to the Fund, within six (6) months of entry into force of the agreement and tripartite accord:

(a) documentary evidence of the setting up of relay teams in each of the seven (7) provinces, comprising a provincial officer from AHAMR and a provincial hydraulics technician from AHAMR, whose qualifications and terms of reference will have been submitted to the Fund for approval;

(b) documents in support of the recruitment : (i) a disaster risk management expert; and (ii) a climate resilient ecosystems infrastructure assessment and adaptation expert to buttress PASEREC PMU, whose qualifications and terms of reference will have been submitted to the Fund for approval.

(c) evidence of approval of the GCA financing whose terms and conditions are deemed acceptable by the Fund or submission of satisfactory evidence of obtaining other funds to bridge the funding gap created by the absence of a co-financing agreement, within six (6) months of approval of the project.

**Compliance with Bank Policies**

☒ This project complies with all applicable Bank policies.
☐ There are waivers to Bank policies.

**Independent Recourse Mechanism of the African Development Bank Group**

34. Communities and individuals who feel that they have been adversely affected by a project supported by the African Development Bank Group (AfDB) can file complaints with existing grievance mechanisms at project level or with the Bank's Independent Recourse Mechanism (IRM). The IRM ensures that communities and individuals affected by the project can submit their complaints to the AfDB's Independent Recourse Mechanism, which determines whether harm has occurred or could occur as a result of the AfDB's failure to comply with its own policies and procedures. To submit a complaint or request more information, please contact : IRM@afdb.org or visit the IRM website www.irm.afdb.org. Complaints can be filed at any time after concerns have been brought directly to the attention of the AfDB, and Bank management has been given the opportunity to respond before contacting the IRM.

## 4 RECOMMENDATION

35. Management recommends that the Board of Directors approve the proposed Grant of Six Million Two Hundred and Fifty Thousand Units of Account (UA 6,250,000) from the resources of the Climate Action Window to the Republic of Burundi as follows:

a) A grant of UA 5,494,450 to the Republic of Burundi for the implementation of Component 1; activities B1.1 to B1.5 and B1.7 to B1.10 of Component 2; and Component 3 of the programme; and

b) A grant of UA755,550 to be disbursed directly to UNICEF (as Implementing agency) for activity B1.6 of Component 2 of the programme for the purposes and subject to the conditions set out in this report.

## 5 RESULTS MEASUREMENT FRAMEWORK

| A | PROJECT INFORMATION | | | | |
|---|---|---|---|---|---|
| **PROJECT NAME AND SAP CODE:** Project to Build Resilience to Climate Change through Improvement of Water Information and Security (PRECISE) - Addendum to the Water Sector and Climate Resilience Building Support Programme (PASEREC) Phase 1 - SAP Code: **P-BI-E00-004** | | | **COUNTRY/REGION:** Burundi | | |
| **Project development objective:** Strengthen climate resilience and work for the long-term improvement of the socio-economic living conditions of communities in the project impact area (PIA) | | | | | |
| **ALIGNMENT INDICATOR(S):** Access to a minimum of basic drinking water services (% of population) in 7 provinces of Burundi; People having access to sanitation (number) - including women in 7 provinces of Burundi | | | | | |
| **B** | **RESULTS MATRIX** | | | | |
| **RESULTS CHAIN AND DESCRIPTION OF INDICATORS** | **CMR INDICATORS** | **UNIT OF MEASUREMENT** | **BASELINE (2024)** | **TARGET (2029)** | **MEANS OF VERIFICATION** |
| **OUTCOME 1: People in the target rural areas, particularly women, have access to safe climate-resilient drinking water, sanitation and hygiene services and to sustainable employment.** | | | | | |
| **Outcome indicator 1.1:** Additional people (50% women) with secure access to improved, climate-resilient drinking water services in rural areas | □ | Nb | 0 | Init*: 550.000<br>Amendment 364,000 | Socio-economic impact report |
| Outcome indicator 1.2: Additional people (50% women) with secure access to improved, climate-resilient sanitation services in rural areas | □ | Nb | 0 | Init*: 270,000<br>Amendment **: 194,000 | |
| Outcome indicator 1.3: Direct and indirect jobs (<80% women and young people) created in the project area including 40% for young women, 40% for young men, 10% adult women and 10% adult men. | □ | Nb | 0 | Init*: 7,400<br>Amendment **: 2,700 | |
| **OUTCOME 2: New climate-resilient DWSS investment projects in 3 provinces (Gitega, Mwaro, Kayanza) and a modernization plan (rural development) for 4 villages have been prepared and place at the disposal of the government and donors.** | | | | | |
| Outcome indicator 2.1: New rural DWSS projects prepared | □ | Nb | 0 | Init*: 3<br>FA**: 1 | Study reports validated |
| **OUTCOME 3: Irrigated agricultural production is improved and IGAs for young people and women are supported** | | | | | |
| Outcome indicator 3.1: Additional irrigated food crop production (total TEC production) | □ | TEC | 0 million | Init*: 2 million | Socio-economic impact report |

| | | | | | |
|---|---|---|---|---|---|
| | | | | Amendment **: 800,000 | |
| **OUTPUT 1: Safe climate-resilient DWSS services in rural areas in the provinces of Bubanza, Cibitoke, Cankuzo, Rutana and Ruyigi** | | | | | |
| ***Drinking water infrastructure and services in the provinces of Bubanza, Cibitoke, Cankuzo, Rutana and Ruyigi*** | | | | | |
| Output indicator 1.1: Number of additional standpipes built with rest areas and latrines | □ | Nb | 0 | Init*: 202<br>Amendment **: 100 | Acceptance reports and site visits |
| **Output indicator 1.2:** Number of additional private connections made | □ | Nb | 0 | Init*: 4,500<br>Amendment **: 1,000 | |
| ***Sanitation and hygiene infrastructure and facilities*** | | | | | |
| Output indicator 1.3 Gender-sensitive ecological institutional latrines (schools, health centres, DWS points, places of worship, etc.) - "3-star school" approach | □ | Nb | 0 | Init*: 275<br>Amendment **: 100 | Acceptance reports and site visits |
| **Output indicator 1.4:** Persons educated on good hygiene and sanitation practices (50% women and 50% young people). | □ | Nb | 0 | Init*: 315,000<br>Amendment **: 285,000 | Report of sensitization on hygiene and sanitation good practices |
| **OUTPUT B.2: Preparation of RDWSS investments and village modernization plans** | | | | | |
| Output indicator 2.1: PCDC integrating aspects of the national climate responsive "village modernization" policy developed and validated | □ | Nb | 0 | Init*: 7<br>Amendment **: 7 | PCDC approved |
| **OUTPUT B.2: Development of agricultural water and socio-economic activities to build climate resilience** | | | | | |
| Output indicator 3.1: Feasibility/final design studies and ESIA reports for the development of 300 ha irrigation schemes validated | □ | Nb | 0 | 1 | Studies approved |
| Output indicator 3.2 . Agro-pastoral cooperatives equipped for small-scale irrigation and local processing (>50% women's cooperatives) | □ | Nb | 0 | Init*: 6<br>Amendment **: 3 | Equipment handover/installation and site visit reports |
| | | | | | |

| OUTPUT B.2: Strengthening of water sector governance, IWRM and stakeholder capacities | | | | | |
|---|---|---|---|---|---|
| Output indicator 4.1: Drinking water sub-sector coordination framework functional | □ | Nb | 0 | Init* : 1<br><br>Amendment *: 2 | Coordination framework meeting reports |
| Output indicator 4.2: Stakeholders at national and decentralized levels whose capacity to manage DWSS service has been strengthened (>30% women and >50% young people) | □ | Nb | 0 | Init* : 465<br><br>Amendment *: 135 | Attendance lists during training sessions |