

**AFRICAN DEVELOPMENT BANK GROUP**



**COTE D'IVOIRE**

**PROJECT TO UPGRADE ACCESS ROADS TO BORDER AREAS PHASE 1 -  
BONDOUKOU-SOKO-GHANA BORDER SEGMENT**

**RDGW/PICU/PGCL DEPARTMENTS**

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December 2018

Translated Document

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## **Currency Equivalents**

August 2018

UA 1 = USD 1.405

UA 1 = EUR 1.197

UA 1 = CFAF 785.220

## **Fiscal Year**

1 January – 31 December

## **Weights and Measures**

1 metric ton = 2204 pounds

1 metre (m) = 3.28 feet

1 millimetre (mm) = 0.03937 inch

1 kilometre (km) = 0.62 mile

1 hectare (ha) = 2.471 acres

## **Acronyms and Abbreviations**

AFD	:	French Development Fund
AADT	:	Annual average daily traffic
ADF	:	African Development Fund
AfDB	:	African Development Bank Group
AGEPE	:	National Studies and Employment Promotion Agency
AGEROUTE	:	Road Works Agency
APD	:	Detailed design
APS	:	Summary design
CI	:	Côte d'Ivoire
COMOREX	:	External Resources Mobilisation Committee
CPW	:	Construction and public works sector
CSP	:	Country Strategy Paper
DGSCA	:	Directorate General for Strategy and Aid Coordination
DPA	:	Direct project area
DPS	:	Delegated Project Supervisor
EA	:	Executing Agency
ECOWAS	:	Economic Community of West African States
ENSETE	:	National Survey on the Employment and Child Labour Situation
EPA	:	Extended project area
ESIA	:	Environmental and Social Impact Assessment
ESMP	:	Environmental and Social Management Plan
EU	:	European Union
GDP	:	Gross domestic product
HDI	:	Human Development Index
HDM-4	:	Highways Development and Maintenance Version 4
ILO	:	International Labour Organisation
INS-CI	:	National Institute of Statistics - Côte d'Ivoire
IRI	:	International Roughness Index
IRR	:	Internal rate of return
IsDB	:	Islamic Development Bank
JICA	:	Japan International Cooperation Agency (JICA)
MCA	:	Millennium Challenge Account
MEER	:	Ministry of Infrastructure and Road Maintenance
MPD	:	Ministry of Planning and Development

NPV	:	Net present value
OSER	:	Road Safety Authority
PAA	:	Abidjan Autonomous Port
PCJ	:	Juxtaposed border post
PND	:	National Development Plan
PNE	:	National Employment Policy
PRSP	:	Poverty Reduction Strategy Paper
TFP	:	Technical and financial partners
TYS	:	Ten-Year Strategy (of the Bank)
UA	:	Unit of Account
UNDB	:	United Nations Development Business
USD	:	United States dollar
UTA	:	Agricultural Processing Unit
VAT	:	Value-added tax
Veh/d	:	Vehicles per day
VOC	:	Vehicle operation cost
WAEMU	:	West African Economic and Monetary Union

## PROJECT INFORMATION SHEET

### Client Information

<b>Donee/Borrower</b>	:	Republic of Côte d'Ivoire
<b>Project Area</b>	:	Gontougo Prefecture
<b>Executing Agencies:</b>		Ministry of Infrastructure and Road Maintenance (MEER) through the Roads Management Agency (AGEROUTE)

### Financing Plan

Source	Amount (in UA million)	Amount (in CFAF million)	Amounts (in EUR million)	Instrument	%
ADB LOAN	8.72	6 845.96	10.44	Project loan	34.46%
ADF LOAN	11.00	8 637.42	13.17	Project loan	43.48%
Govt. of Côte d'Ivoire	5.58	4 382.69	6.68	BCI	22.06%
<b>TOTAL</b>	<b>25.30</b>	<b>19 866.07</b>	<b>30.29</b>		<b>100.00%</b>

### Key ADB Financial Information

Loan currency:	EURO (EUR)
Type of Loan:	Fully flexible loan
Maturity:	25 years, including the grace period
Grace period:	8 years
Weighted average maturity:**	To be determined (depending on the depreciation profile)
Reimbursements:	On 15 <sup>th</sup> May and 15 <sup>th</sup> November (half-yearly consecutive payments after the grace period)
Interest rate:	Base rate + Funding margin + Lending spread + Maturity premium
Base rate:	Floating (EURIBOR EUR - 6 months, to be determined again on the applicable review date), with a free-floating base rate option
Financing cost margin:	The Bank's financing cost margin revised on 1 January and 1 July and applied on 1 February and 1 August with the base rate
Lending spread:	80 basis points (0.8%)
Maturity premium:	To be determined as follows: (i) 0% if the average maturity of the loan is less than or equal to 12.75 years; (ii) 0.10% if the average maturity of the loan is more than 12.75 years, but less than or equal to 15 years; and (iii) 0.20% if the average maturity of the loan is more than 15 years
Front-end fees	0.25% of the loan amount payable latest on the date of signature of the loan agreement
Commitment fee:	0.25% per year of undisbursed amount. It shall become effective 60 days following the date of signature of the loan agreement and shall be payable on the due dates
Base rate conversion option*	Besides the free-fixing option, the Borrower may revert to the floating rate or reset the rate on all or part of the disbursed amount of its loan. Transaction fees apply
Rate cap or collar option*:	The Borrower may cap or collar the base rate for all or part of the disbursed amount of its loan. Transaction fees apply
Loan currency conversion option*:	The Borrower may change the currency of all or part of its loan, whether disbursed or not, into another loan currency of the Bank. Transaction fees apply.

\*\* Conversion options and the related transaction costs are governed by the Bank's conversion guidelines available at the following website: <https://www.afdb.org/fr/documents/document/guidelines-for-conversion-of-loan-terms-july-2014-87643/>

### Key ADF Financial Information

Loan currency:	Unit of Account (UA)
Type of loan interest:	1% (fixed)
Interest rate margin:	Not applicable
Service commission:	0.75% per year on the disbursed but unreimbursed amount
Commitment fee:	0.5% of the undisbursed loan amount 120 days from the date of signature of the loan agreement
Other costs:	Not applicable
Maturity:	40 years
Grace period:	10 months from the date of signature of the loan agreement

FRR; NPV (baseline scenario)	Not applicable
ERR; NPV (base-case scenario):	28.80%; CFAF 8 516 million

### Timeframe – Main Milestones (expected)

Activities	(Month, Year)
Concept Note approval	September 2018
Project approval	November 2018
Effectiveness	February 2019
Completion of activities	May 2022
Last disbursement	May 2023
Last reimbursement (ADB loan)	December 2038
Last reimbursement (ADF loan)	March 2069

## PROJECT SUMMARY

### *Overview*

1. Cross-border areas are crucial to the stability of West Africa. On the one hand, they bustle with commercial activity between border communities that share common cultural and ethno-linguistic characteristics. On the other hand, the porous nature of the borders fuels the proliferation of all types of trafficking that have increasingly transformed these areas into a security threat. The lack of basic services as well as the access and mobility difficulties in these areas have aggravated the instability, thus making these zones fragile. Accordingly, the WAEMU Community Action Programme on Road Transport Infrastructure (PACITR), which has several components, including cross-border roads, has identified a sub-programme of 2,063 km of cross-border roads, of which **285** km lie on Côte d'Ivoire territory. These modern dirt roads are in very poor condition with geometric and structural features that make them ill adapted to the traffic volume, rainfall and topography of the area. The goal of the project is to improve the level of service on these roads. The expected outcomes are increased traffic and trade, reduced overall transport costs and improved living conditions for the communities located along these roads. The project will help to reduce the poverty, fragility and insecurity in the direct project area (DPA) by developing basic socioeconomic infrastructure and boosting the livelihoods of women and other disadvantaged groups through support to women's associations in the processing and marketing of cassava and its by-products, building and equipping a training centre on various trades for young girls and women, developing the skills and building the capacity of girls and women, economically empowering women and girls by organising training modules on agricultural produce processing, preparation of bankable projects, access to financing and markets to vary household sources of income, as well as changing mentalities and behaviour on gender equality, gender-based violence, sexual harassment, reproductive health, early marriage and community leadership. The direct project beneficiaries are road users and communities within the DPA. The project is consistent with the objectives of the Government's National Development Plan (PND), which focuses on poverty reduction and regional integration.

2. The total cost of the Côte d'Ivoire segment of the project (net of taxes and customs duties), including physical and financial contingencies, is estimated at UA 331.75 million, representing CFAF 260.492.88 billion or EUR 397.12 million. In view of the significant financing to be raised, the Ivorian Government requested the Bank to finance the project in several phases. **Phase 1** will involve the construction of cross-border roads in the Bondoukou area, including the Bondoukou-Soko-Ghana Border highway. The total project cost (net of taxes and customs duties), including the physical and financial contingencies of **Phase 1**, is estimated at UA 25.30 million or EUR 30.29 million. Phase 1 implementation will take four years. The beneficiary communities participated in project design and will contribute in kind (gift of land and labour) and financially to the construction, management and maintenance of certain ancillary infrastructure during the operations phase.

### *Needs Assessment*

3. The cross-border areas of Côte d'Ivoire are among the hotbeds of insecurity and fragility in the country, and their contribution to national output falls far short of their significant economic potential. Furthermore, their landlocked nature severely undermines the transportation and evacuation of crops destined for export. The main highways leading to these areas are not paved and works have not even started on them, whereas the segments on the Ghanaian side have already been paved. The state of the cross-border roads leading to the largest farming region in these areas is such that they do not attract much national and international traffic. The travel speed on these roads is highly reduced, and mobility conditions have worsened. The expected project outcomes are: (i) reduced transport costs; (ii) increased traffic on the highway; (iii) development of economic activities; (iv) improved farming and agricultural produce marketing (food crops and cash crops); and (v) improved living conditions for local communities.

## ***Bank's Value-added***

4. The rationale for the Bank's involvement in this project is threefold. First, the Bank is already engaged in developing the economic potential of Côte d'Ivoire and strengthening economic integration with neighbouring countries (Burkina Faso, Ghana, Guinea, Liberia and Mali) through projects that have already been completed or are underway. Furthermore, these projects, including the current one, are consistent with four of the Bank's High 5s: (a) Feed Africa, by supporting agricultural development; (b) Industrialize Africa, by promoting the processing of agricultural products and cotton; (c) Integrate Africa, by opening up border areas; and (d) Improve the quality of life for the people of Africa, by building socioeconomic infrastructure for them all along the project roads. Lastly, the project is consistent with the Bank's Ten-Year Strategy 2013-2022, which promotes infrastructure, regional integration and economic growth. It is also consistent with the Bank's Country Strategy Paper 2018-2022 for Côte d'Ivoire approved on 25 September 2018 and which focuses on two pillars: (i) strengthen transformative infrastructure and sector governance to boost economic competitiveness and investment efficiency; and (ii) develop agro-industrial value chains to stimulate inclusive and sustainable growth. The objective pursued under Pillar 1 is to improve urban mobility, open up access to farming areas, and facilitate access to internal and external markets, among others. This consistency with AfDB guidelines justifies the Bank's intervention.

5. In recent years, the Bank has supported the funding of regional projects in various sectors, including transport. The objective was mostly to grant landlocked countries access to seaports with a view to promoting extra-regional trade. Under this project, the Bank will strengthen initiatives to support the intra-regional trade and trade growth targets set by WAEMU and ECOWAS.

## ***Knowledge Management***

6. Project Phase 1 will develop one of the cross-border roads that attracts traffic dominated by heavy trucks and that is in very poor condition. Furthermore, this highway serves a large locality (Bondoukou) and an average one (Soko) that have problems peculiar to developing cities, including the lack of urban infrastructure (undeveloped roads, etc.) and unemployment among the youth and women. Discussions were held with the Government to choose the optimum technical solution for the project in order to guarantee its sustainability by reconciling basic investment costs with maintenance costs. Similarly, the choice of the socioeconomic infrastructure to be developed was based on the needs expressed by the population and the Bank's experience in this area. Therefore, the project provides a good opportunity for the Bank to disseminate knowledge on the impact of development projects and strengthen sub-regional integration and trade.



## Results-Based Logical Framework

**Country and Project Title: Côte d'Ivoire - Project to Upgrade Access Roads to Cross-border Areas (PRD-ZT) - (Phase 1 - Bondoukou-Soko-Sampa Area)**

**Project Goal: Contribute to the improvement of internal accessibility and the development of cross-border areas**

	RESULTS CHAIN	PERFORMANCE INDICATORS			MEANS OF VERIFICATION	RISKS/ MITIGATION MEASURES
		Indicator (including ISCs)	Baseline Situation	Target		
<b>IMPACT</b>	Contribute to the objective of economic growth and intra-regional trade	(i) GDP growth; (ii) increase in the volume of intra-regional trade	<b>In 2017:</b> (i) 7%; and (ii) 10.6%	<b>From 2025:</b> (i) 9.3%; and (ii) 15%	Source: INS-CI statistics	<p><b>Risk on Impact</b> Significant gaps between completion of the other phases of the project</p> <p><b>Mitigation Measures:</b> The Government pays particular attention to these cross-border roads through its actions in the North-West region with ongoing projects and by carrying out technical studies on these roads in the North-East region, including the current project. Government commitment and willingness to reduce the instability and fragility factors in cross-border areas.</p>
<b>OUTCOMES</b>	<b>Outcome 1:</b> Improved service level on the Bondoukou-Soko-Ghana Border road	(i) VOCs and travel time between Bondoukou and Sampa in Ghana; and (ii) annual average daily traffic (AADT) trends	<b>In 2017:</b> (i) average operating cost for users on the project roads is CFAF 1,474/km for light vehicles and CFAF 4,083/km for heavy trucks; travel time is 15 minutes for light vehicles and 22 minutes for heavy trucks; and (ii) AADT of 227veh/d, 5% being heavy trucks	<b>From 2022:</b> (i) Average operating cost for users on the project roads is CFAF 354/km for light vehicles and CFAF 870/km for heavy trucks; travel time is 7 minutes for light vehicles and 15 minutes for heavy trucks; and (ii) AADT of 676 veh./d, 15% being heavy trucks	Sources: AGEROUTE statistics	<p><b>Risks on Outputs:</b> The sustainability of the investments is not guaranteed due to: (a) shortage of road maintenance resources; and (b) non-enforcement of WAEMU Regulation 14 relating to axle load control.</p> <p><b>Mitigation Measures:</b> (a) The very name of the Ministry in charge of roads (Ministry of Infrastructure and Road Maintenance (MEER)) reflects the Government's willingness to give priority to maintenance of the road network; (b) the Road Maintenance Fund, which finances road network maintenance, currently covers 80% of the maintenance needs. Within the MCC framework, the Ivorian Government has undertaken to increase RMF resources yearly to absorb the financing gap over the five years of the MCC (2019-2024). There will be a 20% increase in 2019 and 10% for subsequent years. This increase was determined following a study on road maintenance needs. Current resources stand at approximately CFAF 100 billion. Evidence of executing this commitment shall be a loan condition.</p>
	<b>Outcome 2:</b> Improvement on the following: (i) the living conditions and activities of DPA communities; (ii) the activities of women's groups; (iii) the number of people sensitised to HIV/AIDS, gender-based violence, road safety, environmental protection, early marriages; (iv) the reduction of early pregnancy; and (v) youth employability.	(i) Rural access index; i.e. the percentage of the population located 2 km from a motorable road; (ii) rate of income increase for women's groups; (iii) number of people sensitised; (iv) rate of reduction in early teenage pregnancies; and (v) number of young people trained	<b>In 2017:</b> (i) 30%; (ii) 0%; and (iii) 0; (iv) 10%; and (v) 0	<b>From 2022:</b> (i) 50% of the DPA population; (ii) 25% increase in the income of women's groups; (iii) at least 1000 people are sensitised; (iv) 50% reduction in early marriages and teenage pregnancies; and (v) 96 youths trained, of which 40% women	Control mission and impact monitoring/evaluation reports	

	RESULTS CHAIN	PERFORMANCE INDICATORS			MEANS OF VERIFICATION	RISKS/ MITIGATION MEASURES		
		Indicator (including ISCs)	Baseline Situation	Target				
OUTPUTS	<b>Output 1:</b> Road infrastructure constructed	Length of roads rehabilitated, upgraded and paved	<b>In 2017:</b> 1.1 0 km of paved roads 1.2 0 km of developed roads 1.3 0 km of rehabilitated roads	<b>In 2022:</b> (i) 11 km of roads are upgraded and paved, with 5 km being dual lane; (ii) 20 km of roads upgraded; and (iii) 7 km of roads rehabilitated/upgraded and paved	Supervision, progress, impact monitoring/evaluation, audit and project completion reports	<b>Risks on Outputs</b> (i) Protracted procurement delays; and (ii) high counterpart contributions as well as difficulties and delays in raising counterpart contributions <b>Mitigation measures</b> (i) (a) Reliance on the experience of the same project management teams that monitor ongoing Bank-funded transport projects in Côte d'Ivoire; and (b) authorisation of the use of Advance Contracting (AC), which will reduce the time between financing approval and works commencement; and (ii) (a) the Bank's identification of additional internal resources that may reduce the level of counterpart contribution has been successfully completed prior to project appraisal; and (b) the opening and regular provisioning of a counterpart account as a loan condition.		
	<b>Output 2:</b> Socioeconomic infrastructure and facilities constructed	Quantity of socioeconomic infrastructure	<b>In 2017: 0</b>	<b>In 2022:</b> (i) A college and a women's vocational centre built, a school rebuilt; (ii) 18 teachers' houses built; (iii) a training centre reinforced with material resources; (iv) three cassava processing units built; (v) women's group houses furnished with furniture and IT equipment; (vi) a rehabilitated tourist site, etc.				
	<b>Output 3:</b> Studies and services conducted	Number of reports validated.	<b>In 2017: 0</b>	<b>In 2022:</b> (i) One detailed design report for the Bondoukou area development strategy study; (ii) 3 impact monitoring/evaluation reports; (iii) 3 accounting and financial audit reports; (iv) 8 quarterly reports on the monitoring of ESMP implementation; (v) 8 quarterly progress reports and a final report; (vi) 3 training reports; (vii) 3 awareness-raising reports; and (viii) a procurement audit report.				
COMPONENTS								
KEY ACTIVITIES	<b>COMPONENTS</b>		<b>RESOURCES</b>					
	<b>Components</b>		<b>Components</b>	<b>In UA</b>	<b>In UA Euros</b>	<b>Source in UA million</b>		
	A – Road Upgrade					<b>ADB LOAN</b>	<b>ADF LOAN</b>	
	B - Upgrade and Integrated Support						<b>Gov't</b>	
	C - Project Management							
			A – Road Upgrade	19.66	23.53	7.74	7.22	4.70
			B - Upgrade and Integrated Support	2.03	2.43	0.00	2.03	0.00
		C - Project Management	1.07	1.28	0.00	0.64	0.43	
		Contingencies	2.55	3.05	0.98	1.11	0.45	
		<b>Total Resources</b>	<b>25.30</b>	<b>30.29</b>	<b>8.72</b>	<b>11.00</b>	<b>5.58</b>	



# MANAGEMENT'S REPORT AND RECOMMENDATION TO THE BOARDS OF DIRECTORS CONCERNING PROPOSALS TO GRANT ADB AND ADF LOANS TO CÔTE D'IVOIRE FOR FINANCING OF THE PROJECT TO UPGRADE ACCESS ROADS IN CROSS-BORDER AREAS - PHASE 1: BONDOUKOU-SOKO-GHANA BORDER SEGMENT.

Management hereby submits this report and recommendation on a proposal to grant an ADB loan of UA 12 million, or EUR 10.44 million, and an ADF loan of UA 11 million to the Republic of Côte d'Ivoire to finance Project Phase 1 to Upgrade Access Roads to Cross-Border Areas.

## 1 STRATEGIC THRUST AND RATIONALE

### 1.1 Background

1.1.1 Côte d'Ivoire is a West African country with a surface area of 322,462 km<sup>2</sup> and an estimated population of 23.367 million inhabitants (2016). It is bounded to the north by Mali and Burkina Faso, to the west by Liberia and Guinea, to the east by Ghana and to the south by the Atlantic Ocean. The country's maritime border is 532 km long. Côte d'Ivoire has identified the development of agriculture and transport infrastructure as one of the main drivers of the economy. However, the cross-border areas are among the hotbeds of fragility and insecurity in the country, and their contribution to national output falls far short of their significant economic potential.

1.1.2 The cross-border areas are transition zones characterised by a subtropical climate and vegetation in the south and a Sudanese-type climate in the north. These areas are suitable for cash crops (cocoa, coffee and increasingly cashew nut) and food crops (yam, groundnut, cassava, banana, vegetable crops). Food crop production largely ensures the food self-sufficiency of the population and supplies markets in urban centres. The agricultural potential of these areas is not sufficiently tapped due, among others, to the current degraded state of the road network, which causes enormous production losses during produce transportation and marketing. Hence, after the first feasibility studies on cross-border roads were carried out in 2011 with the support of WADB, the Government requested the Bank on 7 April 2016 to finance the Bondoukou-Soko-Ghana Border road, which falls under the programme to open up cross-border areas. Studies on the Bondoukou-Soko-Ghana segment of the border carried out in 2011 were updated in September 2018 by the Government.

### 1.2 Project Linkage with Regional and National Strategies and Objectives

1.2.1 At the regional level, the cross-border roads project is part of the WAEMU Community Action Programme on Road Transport Infrastructure (PACITR). **At the national level**, the National Development Plan (PND) is the new reference framework for Government's economic and social policy for 2016-2020 and, indeed, for the interventions of Côte d'Ivoire's technical and financial partners. Government's goal is to achieve emergence by 2020, with a solid industrial base. The PND is based on five strategic pillars: (i) strengthening of institutions and governance; (ii) development of human capital and social well-being; (iii) structural transformation of the economy through industrialisation; (iv) infrastructure development; and (v) strengthening of regional integration and international cooperation. **The current project is consistent with Pillars (ii), (iv) and (v).**

1.2.2 To enable the country to meet its major challenges, the Bank's strategy for 2018-2022, adopted by the Board on 25 September 2018, is **based on two pillars**: (i) strengthen transformative infrastructure and sector governance to boost economic competitiveness and investment efficiency; and (ii) develop agro-industrial value chains to stimulate inclusive and sustainable growth. The objective pursued through Pillar 1 is to improve urban mobility, open up access to farming areas and facilitate access to internal and external markets, among others. This project derives from CSP Pillar 1.

1.2.3 In general, the programme is also consistent with: (i) the Bank's Ten-Year Strategy 2013-2022, whose objectives include the elimination of trade barriers to enable its RMCs to benefit from the advantages of a large African market; and (ii) the Strategy for Addressing Fragility and Building Resilience in Africa (2014-2019). The project is also in line with the Bank's High 5s, notably “Integrate Africa”, “Feed Africa” and “Improve the quality of life for the people of Africa”.

### **1.3 Key Development Issues**

1.3.1 Cross-border areas are crucial to socioeconomic development and intra-community trade in West Africa. The lack of basic services as well as access and mobility difficulties hamper any development action in these areas. . The project zone bordering Ghana faces problems of access due to lack of developed and all-season roads. This favours insecurity since security forces cannot move easily to intervene and the borders are porous. Moreover, the area faces social issues that the project will try to solve by developing socioeconomic infrastructure. The issues include: (i) young girls dropping out of school due to pregnancy or early marriage; loss of harvest, particularly tubers (cassava, yam, potato, etc.), due to lack of means of preservation and processing, despite strong demand for such products as *attiékè* and *placali*, which limits family income; (iii) stock breeder/farmer conflicts.

1.3.2 To overcome these problems and strengthen intra-regional trade and commerce, the Commission of the West African Economic and Monetary Union (WAEMU) adopted a Community Action Programme for Road Transport Infrastructure (PACITR), which comprises several components including cross-border roads. A sub-programme of 2,063 km of cross-border roads was identified, of which 285 km lie on Côte d'Ivoire territory. To that end, the United Nations Capital Development Fund (UNCDF), in collaboration with WAEMU, launched the Cross-border Local Development Initiatives (LoBI) programme in 2012 that was first piloted in Mali, Niger, Burkina Faso and Côte d'Ivoire. The LoBI programme supports the development of cross-border initiatives, such as infrastructure projects with a cross-border component or cross-border peace-building activities.

1.3.3 In recent years, the Bank has supported the funding of regional projects in the transport sector. Its main objective has been to grant landlocked countries access to seaports with a view to promoting extra-regional trade. Under the current project, the Bank will strengthen initiatives to support the intra-regional trade and trade growth targets set by WAEMU and ECOWAS. The main expected outcomes of the project are: (i) increased trade between West African states; (ii) reduced transport costs on cross-border roads; (iii) improved living conditions for the population due to better access to basic infrastructure and increased income from the marketing of agricultural produce; and (iv) improved security in cross-border areas, thanks to better deployment of security forces.

### **1.4 Rationale for the Bank's Involvement**

1.4.1 The Bank is one of Côte d'Ivoire's major financial partners in the transport sector, and must continue operations in its focus area, namely supporting the development of regional trade and commerce. Therefore, its intervention in this road project is consistent with its policy of rehabilitating national and regional roads to facilitate access to the main agricultural and agro-pastoral production areas, and to boost regional economic integration.

1.4.2 In addition to the above development issues, the rationale for the Bank's intervention is underpinned by the following points: (i) the project objectives of improving the service level of the road and the living conditions of DPA communities are consistent with the objectives of the Bank's Ten-Year Strategy 2013-2022, which focuses on infrastructure, regional integration and governance; and (ii) the Bank's support to this project complements its previous and ongoing interventions in the country.

1.4.3 Furthermore, by implementing major economic infrastructure and consolidating women's activity in the extended project impact area, the project also aims to reduce dropout among young girls



through sensitisation and preventive measures, while giving them the opportunity to learn a trade. Lastly, youths will also benefit from vocational experience or skills training.

## 1.5 Donor Coordination

1.5.1 Aid coordination is structured at the national and sector level through the creation of working groups, the establishment of the External Resources Mobilization Committee (COMOREX) and the institution of a Joint Assistance Coordination Programme in 2014. The established National Coordination and Financing System is a five-tiered system comprising: the National Development Commission chaired by the President of the Republic; a first level of general coordination chaired by the Office of the Prime Minister, which includes inter-ministerial coordination bodies and the COMOREX platform; ministerial coordination bodies (technical secretariats) co-chaired by the Ministries of the Economy and Planning; and finally sector coordination groups.

1.5.2 There is also a Development Partners' (DPs) consultative mechanism to define common positions/guidelines for discussions with the Government. This mechanism is divided into three levels: the Consultative Framework for Ambassadors and Heads of Mission, Heads of Cooperation Committees and Thematic Groups. The European Union chairs the "Infrastructure" Thematic Group, which comprises the "Transport", "Water and Sanitation" and "Energy and ICT" subgroups. In addition to the above-mentioned mechanism, regular consultations are held with the State to address specific issues. Details on donor activities in other sectors are provided in Annex III. The General Directorate for Aid Strategy and Coordination (DGSCA) in the Ministry of Planning and Development is the link between TFPs and the Government.

1.5.3 The project appraisal mission held discussions with donors operating in the sector and represented on the ground, in particular AFD, the EU and WADB. These discussions provided an opportunity to review the problems facing the sector, in particular the consolidation of RMF resources and the enforcement of WAEMU Regulation 14 on overload and sector reforms.

## 2 PROJECT DESCRIPTION

### 2.1 Project Objectives and Components

2.1.1 At the strategic level, the project seeks to contribute to the improvement of living conditions in Côte d'Ivoire's cross-border areas by developing socioeconomic and access infrastructure, and by strengthening sub-regional integration and trade.

2.1.2 The specific goals of the project in Phase 1 are to: (i) improve the level of service on the Bondoukou-Soko-Ghana Border cross-border road; (ii) increase the processing, conservation and marketing capacity for agricultural products in the direct project area (DPA); and (iii) improve schooling conditions as well as the employability of youth and women in the DPA.

2.1.3 To achieve these objectives, the project activities will be classified under the three components below.

*Table 2:1 - All Project Components*

Components	Description
Component A	Upgrading and asphaltting of cross-border and farm-to-market roads, together with their ancillary structures (street lighting, drainage, etc.)
Component B	Ancillary structures that benefit the local communities in Bondoukou and Soko
Component C	Traditional project management activities

2.1.4 The technical solution adopted for the project is upgrading and asphaltting of the roads with bituminous concrete in accordance with WAEMU geometrical standards. The 2011 study adopted T2 class traffic when it came to the design and sizing of the pavement structure. Three technical options

were considered and the adopted solution is a 20 cm subbase of natural laterite, a 15 cm base course of crushed stone and a 5cm pavement layer of bituminous concrete. The pavement will be 10 m wide, comprising 7 m (2 x 3.5) of road surface flanked by 1.5 m road shoulders in open country. In the Bondoukou and Soko urban areas, the highway will be widened into a 2x2 roadway with a variable central separator depending on the breadth of the right-of-way, closed gutters and 2 m wide sidewalks that are either asphalted, paved or adapted, depending on the locality.

2.1.5 Provision is also made for ancillary and support facilities consisting of socioeconomic and support infrastructure for the processing and conservation of agricultural products, intended for women, the youth and persons with reduced mobility. Similarly, practical training is also envisaged for the youth in the construction and public works sector as well as specific trades for out-of-school girls.

2.1.6 The alternative technical solutions considered and the reasons for their rejection are summed up in Table 2.2 below.

*Table 2.2- - Alternative Solutions Considered and Reasons for Rejection*

Alternative Solution	Brief Description	Reason for Rejection
1. Base course of cement-stabilised laterite and paving with sand-asphalt mixture.	20 cm subbase of natural gravel, 18 cm base course of cement-stabilised laterite and a 4 cm pavement layer of sand-asphalt mixture	Pavement layer deemed to be less durable relative to the adopted solution, especially in the case of growing and increasingly aggressive heavy vehicle traffic owing to difficulties in enforcing axle load limits. The cement-stabilised laterite solution poses implementation problems known to exist in all projects that have adopted it. Furthermore, soil/cement base courses are prone to cracks that are detrimental to the asphalted pavement layer. This is based on lessons learned from the implementation of ongoing projects.
2. Base course of cement-stabilised laterite and paving with bituminous concrete.	20 cm subbase of natural gravel, 18 cm base course cement-stabilised laterite and a 5 cm pavement layer of bituminous concrete	

## 2.2 Project Type

2.2.1 This is an autonomous national investment operation. Donor involvement in transport infrastructure projects in Côte d'Ivoire usually takes place through these types of operations. The resources requested from AfDB will be used to finance known socioeconomic infrastructure. Moreover, the investments for which funds will be disbursed will be specific and clearly defined. Hence, this specific loan is the best instrument for the Bank's intervention in this project.

## 2.3 Estimated Costs and Financing Mechanism for Project Phase 1

### Phasing

2.3.1 It will be recalled that the total project cost, net of taxes and customs duties, including physical and financial contingencies, is estimated at UA 260,353.627 million, or CFAF 260,353.627 million at the rate of UA 1 = CFAF 785.220.

2.3.2 In view of the significant financing to be mobilised, the Ivorian Government requested the Bank to finance the project in several Phases. **Phase 1** will involve the construction of cross-border roads in the Bondoukou area, including the Bondoukou-Soko-Ghana Border highway. The total project cost (net of taxes and customs duties), including the physical and financial contingencies of **Phase 1**, is estimated at UA 25.30 million or EUR 30.29 million.

2.3.3 The activities to be carried out in Phase 1 are grouped under the three components summarised in the table below.

Table 2.3- Project Phase 1 Components

Component Name	Cost in UA Millions	Description
A – Road Upgrade	21.86	(i) Upgrading and asphaltting of 11 km of cross-border roads with 2x2 lane segments in urban areas, including street lighting and drainage; (ii) upgrading and asphaltting of 7 km of roads including street lighting and drainage; (iii) upgrading of 20 km of rural roads; (iv) works control and supervision; (v) inclusion of payments for young engineers or trainee technicians in the works contracts and attendant supervision contracts; (vi) awareness-raising on HIV/AIDS, gender-based violence, prevention of early marriages and teenage pregnancies, social mobilisation, environmental protection, nutrition and road safety; and (vii) vacation of the rights-of-way (expropriations) and environmental monitoring.
B - Integrated Upgrading Works and Support	2.26	(i) One cassava processing unit for the Bondoukou Youth Association; (ii) two cassava processing units for the Soko women's groups; (iii) materials and equipment for marketing FAGFEG products; (iv) two mills for the Association of Persons with Reduced Mobility in Soko; (v) revitalisation, replanting and protection of the Soko Sacred Monkey Forest for tourism; and support to the Soko Artisanal Weaving Centre; (vi) rehabilitation/construction, fencing and equipment of 4 schools, including teachers' houses and a health centre in Soko; (vii) construction of a community college in Soko and a comprehensive vocational centre for women in Bondoukou; (viii) development of 3 ha and an equipped borehole for irrigation to support market gardening and rice cultivation activities of women's and men's groups in Soko; (ix) poultry farm for Soko youth; (x) ANADER's support to women's youth and men's organisations; (xi) support to improve youth employability through short-term training courses for young people on construction sites in various construction trades (masonry, house painting, construction, plumbing, road maintenance, surveys, laboratory technology, etc.); (xii) school infrastructure architectural studies; (xiii) studies, monitoring and supervision of related works; and (xiv) study of the development strategy for the Bondoukou area.
C - Project Management	1.19	(i) Monitoring/evaluation of the socioeconomic impacts; (ii) technical and road safety audit; (iii) accounting and financial audit; (iv) procurement audit; (v) communication; and (vi) operation of the executing agency

### Costs by Component and Financing Mechanism for Project Phase 1

2.3.4 The total project cost (net of taxes and customs duties) for Phase 1, including physical and financial contingencies, is estimated at UA 25.30 million, or EUR 30.29 million, at the exchange rate of UA 1 = EUR 1.197. The table below sums up the detailed cost estimates:

Table 2.4– Cost Estimates for Project Phase 1 (in UA million)

COMPONENTS	CFAF million			UA million			EUR million		
	F.E.	L.C.	Total	F.E.	L.C.	Total	F.E.	L.C.	Total
A – Upgrading of Roads	12,071.28	3,363.06	15,434.34	15.37	4.28	19.66	18.40	5.13	23.53
B - Integrated Upgrading Works and Support	1,275.69	318.92	1,594.61	1.62	0.41	2.03	1.94	0.49	2.43
C - Project Management	250.50	587.42	837.92	0.32	0.75	1.07	0.38	0.90	1.28
<b>Baseline Cost</b>	<b>13,597.47</b>	<b>4,269.40</b>	<b>17,866.87</b>	<b>17.32</b>	<b>5.44</b>	<b>22.75</b>	<b>20.73</b>	<b>6.51</b>	<b>27.24</b>
Physical Contingencies	1,359.75	426.94	1,786.69	1.73	0.54	2.28	2.07	0.65	2.72
Price Escalation	162.84	51.13	213.96	0.21	0.07	0.27	0.25	0.08	0.33
<b>TOTAL COST</b>	<b>15,120.05</b>	<b>4,747.47</b>	<b>19,867.53</b>	<b>19.26</b>	<b>6.05</b>	<b>25.30</b>	<b>23.05</b>	<b>7.24</b>	<b>30.29</b>

2.3.5 Project Phase 1 will be financed by the Bank through the ADB and ADF windows, and by the Government as indicated in the table below. The ADB contribution (UA 8.72 million or EUR 10.44 million), which represents 34.46% of the project cost, will be used to cover part of the cost of



Component A. The ADF contribution (UA 11.00 million, or EUR 13.17 million), which represents 43.48% of the project cost, will be used to cover part of the cost of components A, B and C. Côte d'Ivoire's counterpart contribution to project financing (UA 5.58 million, or EUR 6.68 million), which represents 22.06%, will be used to cover part of the cost of Component A as well as all the compensation costs for expropriation estimated at about CFAF 345 million, and the operating costs of the executing agency.

Table 2.5 – Sources of Financing for Project Phase 1

SOURCES	CFAF million			UA million			EUR million			%
	F.E.	L.C.	Total	F.E.	L.C.	Total	F.E.	L.C.	Total	
<b>ADB LOAN</b>	6 845.96	0.00	6 845.96	8.72	0.00	8.72	10.436	0	10.436	34.46%
<b>ADF LOAN</b>	8 274.09	363.33	8 637.42	10.54	0.46	11	12.613	0.554	13.167	43.48%
<b>GOVT</b>		4 382.99	4 382.99	0	5.58	5.58	0	6.681	6.68	22.06%
<b>Total</b>	<b>15 120.05</b>	<b>4 746.32</b>	<b>19 866.37</b>	<b>19.26</b>	<b>6.04</b>	<b>25.30</b>	<b>23.05</b>	<b>7.24</b>	<b>30.28</b>	<b>1.00</b>

Table 2.6 - Costs per Expenditure Category for Project Phase 1

EXPENDITURE CATEGORIES	UA million			EUR million			%
	F.E.	L.C.	Total	F.E.	L.C.	Total	
<b>A - Goods</b>	0.07	0.02	0.09	0.09	0.02	0.11	0.35%
<b>B - Works</b>	15.89	3.97	19.86	19.02	4.76	23.78	78.51%
<b>C – Services</b>	1.35	0.58	1.93	1.62	0.69	2.31	7.63%
<b>D – Miscellaneous</b>	0.00	0.87	0.87	0.00	1.04	1.04	3.43%
<b>BASE COST</b>	<b>17.32</b>	<b>5.44</b>	<b>22.75</b>	<b>20.73</b>	<b>6.51</b>	<b>27.24</b>	<b>89.93%</b>
<i>Physical contingencies</i>	1.73	0.54	2.28	2.07	0.65	2.72	8.99%
<i>Price Escalation</i>	0.21	0.07	0.27	0.25	0.08	0.33	1.08%
<b>TOTAL COST</b>	<b>19.26</b>	<b>6.05</b>	<b>25.30</b>	<b>23.05</b>	<b>7.24</b>	<b>30.29</b>	<b>100.00%</b>

Table 2.7 – Expenditure Schedule per Component for Project Phase 1 (in UA million)

Components	2019	2020	2021	2022	Total
<b>A – Upgrading of Roads</b>	3.31	7.69	8.66	0.00	19.66
<b>B - Integrated Upgrading Works and Support</b>	0.04	0.97	0.99	0.04	2.03
<b>C - Project Management</b>	0.23	0.27	0.33	0.23	1.07
<b>Base Cost</b>	<b>3.57</b>	<b>8.93</b>	<b>9.98</b>	<b>0.27</b>	<b>22.75</b>
Physical Contingencies	0.36	0.89	1.00	0.03	2.28
Price Escalation	0.04	0.11	0.12	0.00	0.27
<b>Total</b>	<b>3.98</b>	<b>9.93</b>	<b>11.10</b>	<b>0.30</b>	<b>25.30</b>
<b>% Total</b>	<b>15.71%</b>	<b>39.25%</b>	<b>43.85%</b>	<b>1.19%</b>	<b>100.00%</b>

Table 2.8 – Expenditure Schedule per Financing Source for Project Phase 1 (in UA million)

Source	2019	2020	2021	2022	Total
<b>ADB LOAN</b>	<b>1.26</b>	<b>3.42</b>	<b>4.02</b>	<b>0.01</b>	<b>8.72</b>
<b>ADF LOAN</b>	<b>1.44</b>	<b>4.44</b>	<b>4.93</b>	<b>0.19</b>	<b>11.0</b>
<b>Govt. of Côte Ivoire</b>	<b>1.28</b>	<b>1.79</b>	<b>1.86</b>	<b>0.64</b>	<b>5.58</b>
<b>Total</b>	<b>3.98</b>	<b>9.657</b>	<b>10.817</b>	<b>0.84</b>	<b>25.3</b>
<b>Total en %</b>	<b>15.71%</b>	<b>39.25%</b>	<b>43.85%</b>	<b>1.19%</b>	<b>100%</b>

## 2.4 *Project Area and Beneficiaries*

2.4.1 Côte d'Ivoire is a West African country with a surface area of 322 462 km<sup>2</sup> and an estimated population of 23.3 million inhabitants (2016). It is bounded to the north by Mali and Burkina Faso, to the west by Liberia and Guinea, to the east by Ghana and to the south by the Atlantic Ocean. Its maritime border is 532 km long. Côte d'Ivoire is divided into 31 regions, which are subdivided into 108 divisions (*départements*). In turn, the departments are divided into 509 **sub-prefectures**, further subdivided into 8000 villages and 197 municipal councils.

2.4.2 The activities selected for Phase 1 are located in the Zanzan Region and specifically the Gontougo Prefecture, which is the direct project area (DPA). However, since this road segment is part of the Ghana-Côte d'Ivoire road corridor, the extended project area (EPA) covers the Zanzan Region in Côte d'Ivoire and the Bron Ahanfo Region in Ghana. The DPA has a surface area of 38 118 km<sup>2</sup>, or 12% of the surface area of Côte d'Ivoire, and an estimated population of 934 352 inhabitants, or close to 4% of the country's total population. Women represent 49.5% of the DPA population. The age distribution shows that 65% of the population is below the age of 25 years, 49% under 15 and over 22% aged 10 to 19 years.

2.4.3 The incidence of poverty in the DPA (66.70%) exceeds the national average (46.70%). The DPA has an agricultural economy and several soil types that are suitable for agriculture. Given its wealth of forest resources, agricultural production, livestock and tourism potential, the DPA is often considered potentially rich. The average rainfall is around 1084 mm per year and more than 80% of households practice agriculture. The dominant crops remain yam, cassava and cashew nut. Forestry and tree farming (especially fruit trees) are an alternative source of income for the population. The mining sector is experiencing a boom in the DPA. It has manganese, bauxite and gold deposits exploited by small-scale miners. A private company extracts manganese in Bondoukou Division. A processing plant has been operational since 2014, thus creating jobs.

2.4.4 The project will significantly improve access to basic infrastructure (less than 2 km walking distance to a road, increased travel speed on the road network, reduced walking distance to reach a drinking-water point and incentives to improve access to an Internet connection through the reservation and initiation of optical fibre). The project will also have a positive impact on the activities of DPA communities in general, and on those of women and the youth in particular, by improving their employability, increasing job opportunities in the construction industry, strengthening business activities, improving access to socioeconomic infrastructure and boosting income through training and support. Road safety will be improved through construction standards as well as better treatment and evacuation of road accident victims.

## 2.5 *Participatory Approach to Project Identification, Design and Implementation*

2.5.1 The participatory approach was integrated into the project review process both during detailed feasibility studies and project preparation and appraisal missions. During project preparation, the Government initiated plenary information and consultation sessions in 2011 with administrative, decentralised and political authorities, heads of decentralised technical services and the population throughout the project area. During the project preparation mission, meetings were held in Bondoukou and Soko with nearly 160 people, including decentralised authorities, transport users and operators, beneficiary communities, particularly women and youth, local NGOs, etc. These consultations, which were continued during updating of the studies and the project appraisal mission in September 2018, made it possible to identify the social, economic and market infrastructure needs of project area communities (health centres, boreholes, schools, economic activities of women and young people, etc.) to integrate them into the project.

2.5.2 During project implementation phase, this participatory approach will be continued, especially in the course of the supervision and midterm review missions as well as during the assessment of its development impact. Public consultations are also recommended for ESMP implementation.

## **2.6 Bank Group Experience and Lessons Reflected in Project Design**

2.6.1 At the end of September 2018, the Bank's active portfolio in Côte d'Ivoire included 11 national public sector operations worth UA 511.2 million, five regional operations worth UA 202.2 million, and seven private sector operations worth UA 215.8 million. This portfolio is mainly funded with resources from the ADB (70.9%), ADF (22.8%) and Special Funds (NTF, FAPA, AWTF etc.) (6.3%). This portfolio has total net commitments of UA 929.2 million (UA 929.2 million), mainly focused on energy and transport infrastructure. The sector distribution of the portfolio focuses on transport (56.3%), energy (28.8%), agriculture (11.8%), governance (2.8%) and finance (0.2%). The portfolio's focus is consistent with Government priorities set out in PND 2016-2020 as well as the Bank's High 5s, which are geared towards the structural transformation of Africa.

2.6.2 The portfolio review conducted in April 2018 concluded that performance was satisfactory with a score of 3 on a scale of 1 to 4. The performance indicators highlight the rejuvenation of the portfolio from 6.6 years in 2011 to 2.5 years in 2018, mainly due to the recent approval of eight new operations and the closure of five older projects. The performance also includes an increase of the portfolio disbursement rate to 22% in April 2018 (12.7% for national projects, 14.6% for regional projects and 54% for the private sector), and the absence of projects at risk. The main challenges identified during the review are: (i) delays in the establishment or reconstitution of project teams; (ii) instability of project management structures; (iii) weak project implementation capacity of local firms and individual consultants; (iv) delays in the procurement process due to poor understanding and mastery of Bank rules and procedures; (v) inadequate monitoring of the work plan and project procurement plan; (vi) protracted delays in granting the Bank's no-objection notices due to understaffing of divisional teams; (vii) late availability of counterpart funds; (viii) inadequate project coordination; and (ix) a weak monitoring/evaluation mechanism.

2.6.3 With regard to the transport sector in Côte d'Ivoire, project completion and supervision reports are prepared regularly and various lessons are drawn from them. In general, the transport sector operations financed by the Bank were relatively well executed. The main implementation problems are: (i) the poor quality of studies; (ii) weak implementation capacity; and (iii) delays in procurement due to poor mastery of Bank rules and procedures, and fiduciary risks. The main lessons from these projects were factored into the design of the current project as follows: (i) the 2011 studies were updated in 2018; (ii) advance contracting will shorten the procurement timeframes and thus avoid protracted delays between study completion and project execution; (iii) training sessions will be organised for the staff of the project's executing agencies on the Bank's procurement and disbursement rules; and (iv) the Project Management Team at AGEROUTE will rely on the same staff that monitors the fiduciary and procurement components of the Bank's ongoing projects in order to build on the experience they have already acquired.

## **2.7 Key Performance Indicators**

2.7.1 The identified key performance indicators and expected outcomes at project completion presented in the results-based logical framework are classified in the following three groups: (i) increased inter-State trade in West Africa, reduced generalised transport costs (VOCs and travel time) on cross-border roads; (ii) increased income for women through various forms of support provided to promote the production, processing and conservation of agricultural products; (iii) improved community living conditions thanks to enhanced access to basic infrastructure; (iv) improved security in cross-border areas, thanks to easier deployment of security forces; (v) the Rural Accessibility Index (RAI), i.e. the percentage of the population located within 2 km of a road; (vi) increased youth employability through practical training; and (vii) reduction of early marriages and teen pregnancies through

construction of a local high school or secondary school that will promote tutoring for adolescent girls and awareness-raising.

2.7.2 In addition to these output and achievement indicators in the logical framework, programme implementation performance indicators will be monitored. They were adopted based on the Bank’s institutional performance indicators. These are essentially: (i) timeframes for implementation and fulfilment of conditions precedent to first disbursement; (ii) procurement timeframes; (iii) average project progress status indicators (PI); and (iv) changes in the disbursement rate in accordance with the expenditure schedule. These indicators will be monitored during supervision missions and in the daily management of the project.

### 3 PROJECT FEASIBILITY

#### 3.1 Economic and Financial Performance

3.1.1 Traffic counts in 2010 on the Bondoukou-Sampa-Ghana Border highway yielded an average annual daily traffic (AADT) of 234 vehicles (4 wheels and more) and 166 motorcycles. The traffic volume of vehicles with four or more wheels is dominated by bush taxis (“*taxis brousse*”) and private cars, which account for almost 72% of the total average daily traffic. Freight transport vehicle traffic is estimated at just over 5% of the total average annual daily traffic. Induced traffic is expected to be approximately 193 vehicles of all categories from the time the highway is commissioned.

3.1.2 To conduct the economic analysis, the following elements were taken into account: (i) a 20-year analysis period; a residual value ranging from 43% to 45% depending on the technical solutions; estimation of passenger and freight transport growth rates at 4% per year for the first 10 years of the project and 3% for the remaining years; and (ii) investment costs as well as pre-project and post-project maintenance costs (periodic maintenance triggered according to IRI), vehicle operating costs before and after the project, and a time value determined based on purpose of travel and activity. The economic analysis conducted using the HDM.4 module yielded a rate of return (ERR) that varies between 28.8% and 30.4%, depending on the technical solution and sensitivity analysis for the most favourable scenario (+10% of costs and -10% of benefits) yielded an ERR of 19.06%. These rates exceed the opportunity cost of capital, which is 12%. Hence, the project is economically profitable. However, an update of the study on the Bondoukou-Sampa road will provide a more current status. While awaiting the study outcomes, the economic analysis was reviewed based on the same assumptions underlying the 2011 study, but with an average yearly traffic growth rate of 2% between 2011 and 2017, and the updated cost of works. The table below sums up the economic analysis of the project.

Table 3:1 - Summary of the Economic Analysis

	IRR	Net present value (NPV) at 12% (in CFAF million)
<b>Upgrading option</b>		
1. Baseline option: Paving (4SA+18 LC+ 20LN)	24.32%	4 451.98
2. Variant 1: Paving (4SA+15 GC+ 20LNC)	23.39%	4 363.57
3. Variant 2: Paving (5 BB + 18 GC+ 20LN)	23.08%	4 265.67
<b>Sensitivity testing of the baseline solution</b>		
1. Sensitivity 1: (+10% of project cost)	21.10%	3 794.38
2. Sensitivity 2: (-10% of benefits)	20.89%	3 367.81
3. Sensitivity 3: (+10% cost and -10% benefits)	19.06%	2 896.51

## 3.2 *Environmental and Social Impact*

### **Environment**

3.2.1 In accordance with the requirements of the Bank's Integrated Safeguards System (ISS), the project was classified under category 2 given: (i) its limited length of 11.4 km; (ii) its limited negative impact on the biological environment due to the existence of the roadbed and regular traffic between Bondoukou and the Ghanaian border; (iii) the absence of protected zones within the project area; (iv) the limited number of properties impacted (buildings, sheds, plantations, farms) within the road right-of-way and the number of people affected (less than 120 in the localities of Bondoukou and Soko traversed by the road). The ESIA and abbreviated ARP summaries will be published latest by 26 October 2018 on the Bank's website.

### **Resettlement**

3.2.2 The project will result in the partial destruction of 116 socioeconomic properties in Bondoukou and Soko, namely: 48 residential houses, 27 empty plots, 23 cashew nut plantations, and 18 cassava and yam farms. AGEROUTE updated the project environmental and social assessment and prepared an abbreviated Resettlement Action Plan. Summaries of the ESIA and the abbreviated RAP will be published on the Bank's website latest by 28 October 2018.

### **Climate Change**

3.2.3 With regard to climate change, the project has a moderately negative impact on the biological environment due to: (i) the limited destruction of plant resources since the roadbed is already in existence; and (ii) the limited vulnerability of the road to climate change and the risk of alteration from floods. However, this risk can be pre-empted in the design and execution phases through appropriate sizing of gutters and storm water drainage channels where the project road cuts across Bondoukou and Soko localities, and in the operational phase through regular maintenance of the channels. In light of the above, the project is classified in category 2, in accordance with the Bank's Climate Safeguards System (CSS).

### **Gender**

3.2.4 Construction of the Bondoukou road will have a positive impact on both women and men. Indeed, women and men have different responsibilities and transport needs, expressed differently and requiring appropriate specific responses. Women represent just over 49% of the total DPA population, or 465 000 inhabitants. Without the road, women face difficulties in accessing markets and basic social services, especially health centres, which amplifies risks associated with unassisted delivery and increases the child mortality rate. The crisis in Côte d'Ivoire contributed to the deterioration of the living and socioeconomic conditions of these women. The INS estimates that in 2015: (i) poverty affected 47.4% of Ivorian women compared to 45.5% of men; and (ii) the literacy rate was 51.2% for men and 36.3% for women. These phenomena are aggravated by the problem of teenage pregnancies, especially in schools. The result has been a massive increase in school dropouts that has fuelled poverty. Women in the project area are massively involved in informal activities to ensure the survival of their households. This project plans to support the consolidation of gender gains and the strengthening of income-generating activities for women grouped in associations in Bondoukou and Soko.

3.2.5 Overall, the project will facilitate the evacuation of agricultural products and boost trade with Ghana and other urban centres. The road will ensure more travel comfort, less hardship, less inconvenience, greater safety and time gains for women. Furthermore, since the road will boost agricultural output and reduce wastage, women will see an increase in their income. Construction of the road with public lighting will significantly reduce the incidence of gender-based violence against women and contribute to greater safety for women and girls. The road will facilitate access to health facilities, particularly for childbirth, thus reducing the maternal and infant mortality rates.



3.2.6 The areas of support for women's specific activities were determined based on the requests made during the working sessions organised during the preparatory missions in July 2018 and the appraisal missions in September 2018 with: (i) the leaders of the Gontougo women's groups and associations based in Bondoukou and Soko; (ii) the presidents of the Bondoukou and Soko youth associations; (iii) and the Mayor of Bondoukou and the heads of the decentralised services responsible for women's affairs. This entails supporting: (a) income-generating activities; and (b) the rehabilitation of basic socioeconomic infrastructure.

3.2.7 The project plans to support the processing, value-addition and marketing value chains for cassava. More specifically, the following actions are planned (some of the actions will be supported by the National Rural Development Action Agency - ANADER): (i) support the processing and marketing of cassava and its by-products: 1050 women from the Federation of Women's Associations and Groups in Gontougo (FAGFEG) involved in cassava processing and marketing activities will receive a commercial vehicle, 2 tricycles, a tarp, 100 chairs and a computer; 350 women from the Soko Women's Cooperative will benefit from equipment for processing cassava into *attiékè* and *placali* (mill), a corn husker, two (2) tricycles; (ii) construction and equipment of a training, skills development and capacity-building centre for young girls and women from the Gontougo region of Bondoukou in various trades; (iii) economic empowerment of women and young girls through the organisation of a training package on agricultural product processing, development of bankable projects, access to funding and market access to vary household sources of income; and (iv) change in attitudes and behaviour regarding gender equality, gender-based violence and sexual harassment, reproductive health, early marriage and community leadership.

3.2.8 In view of general social inequalities, the project will also provide support to rural men's organizations through: (i) support for the completion and equipment of the artisanal weaving centre for Soko weavers; (ii) the development of 3 ha of lowlands for vegetable farming and rice cultivation by the Soko rice farmers' cooperative; (iii) support for young people in Soko for the creation of a local poultry farm; and (iv) two mills for the association of people with reduced mobility in Soko. The project is classified in Category 2 according to the Bank's gender marker system. The total budget allocated to gender promotion and women's empowerment activities is UA 1 272 290, of which UA 1 129 790 for women's empowerment. The gender analysis and detailed action plan for implementation of gender activities are presented in the technical annex. Particular attention will be paid to the recruitment of companies that will build the road. In this regard, the drafting of the terms of reference and the entire recruitment process will give priority to companies that have proven expertise in combating sexual harassment at work and that respect the principles of gender equality.

## **Social Situation and Youth Employment**

3.2.9 In Côte d'Ivoire, unemployment and underemployment rates are a concern to the authorities. To improve the employment situation, Côte d'Ivoire adopted a National Employment Policy (PNE) in June 2012. In July-August 2016, the unemployed accounted for 2.8% of the labour force (compared to 5.3% according to the 2013 Survey), unevenly distributed (proportionally) between the different subgroups. The unemployed are predominant in urban areas (84.1%), with a high concentration in Abidjan (49.6%), and among the youth aged 14-35 years (70.3%) and persons with a secondary or higher level of education (54.2%). However, the percentage of the unemployed is almost equally distributed between men and women (49.5% for the former and 50.5% for the latter).

3.2.10 In 2016, the Bank adopted the Jobs for Youth in Africa Strategy 2016-2020, whose Pillar I provides for the mainstreaming of employment into all Bank sector operations. Therefore, the construction sector, which absorbs a significant amount of Côte d'Ivoire's investment budget, should contribute to attaining the objectives of this strategy. The project will provide support by aligning with national employment promotion strategies. It will support this initiative by: (i) including incentives for the recruitment of local labour in the bidding documents for works; (ii) including procurement provisions for related works (worth a total CFAF 1.428 billion) for contracts having a size that would

enable national SMEs to participate in the bidding process; (iii) providing practical training to increase the employability of young people and women in construction and road maintenance, through "demonstration projects" with an allocated budget of CFAF 112.5 million; and (iv) including youth mentoring and training into works contracts and works control and supervision contracts.

3.2.11 This project will have a major impact in terms of the creation of direct or indirect jobs. The scheduled monitoring/evaluation mechanism will allow for the accurate measurement of its scope. However, based on experience from other projects conducted by the Bank's Transport Department, and taking the length of the road as a criterion, at least 3339 person/days of direct employment are expected to be created (including 35% for young people under 35 years of age and 15% for women). In addition to such job creation during the construction phase, the project provides for actions that boost the employability of job-seeking young engineers and senior technicians. In the works and works control contracts, a provision will be included to cover youth immersion in works execution for the duration of the project (eight months). These young people will be deployed to work on the project sites with the six companies concerned (two for road works and two for related works), the road works control office and the building architecture firm (two), with at least 40% of them women. Young persons so employed will mandatorily submit a quarterly report detailing the activities in which they participated during the project period. These reports, endorsed by the company or the control firm, shall be transmitted to the executing agency, as appropriate. From experience, at the end of the works, the trained engineers will be able to join government departments, find jobs in large companies or consultancy firms, or become self-employed. In any event, the experience acquired could help them to join the labour market. In the bidding documents and requests for proposals, bidders will be required to indicate how they would supervise the young people during works execution and support them after the project.

3.2.12 On average, women make up 49.5% of the total PA population. As in other parts of the country, there is much gender inequality in almost all sectors. For example, in 2015, the job distribution by gender showed that men held the majority of formal jobs in agriculture (70.1%), industry (68.4%) and services (60.5%). Meanwhile, women are predominant in trade, holding 59.5% of jobs. It is worth noting that the majority of women operate in the informal sector. The vulnerable jobs rate is 78.9% for women compared to 64% for men.

3.2.13 According to the national employment policy 2016-2020, 51.6% of those holding formal domestic jobs (household services) in 2015 were women and 77% were youths (14-35 years). The proportion of the female workforce decreased from 42.9% in 2014 to 39.9% in 2015 while the population, excluding the labour force, increased from 55.7% to 61.4%. In short, the unemployment rate for women is higher than for men.

3.2.14 In the Gontougo region, of which Bondoukou is the capital, teenage pregnancies and early marriages undermine the academic performance of girls. For example, during the 2016-2017 school year, the Regional Directorate of National Education recorded 28 cases of pregnancies in the primary cycle and 288 cases in the secondary cycle, comprising 13 in rural areas and 275 in urban areas (Bondoukou). These pupil mothers drop out of school and are consequently shut out of all education opportunities. Hence, they are reduced to performing domestic chores, carrying out petty trading, serving as maids, etc.

## **Road Safety**

3.2.15 In Côte d'Ivoire, the accident statistics provided by *Office de la Sécurité Routière* (Road Safety Agency) (OSER) show an average of 6,000 accidents per year between 2000 and 2013, with an average of 600 dead and 8,000 injured (light and serious injuries combined). From 2014 to 2017, these averages rose to about 10,210 accidents with slightly over 1,000 deaths and more than 17,000 injured (light and serious injuries combined). However, this increase should be placed in context, considering that the statistics from 2000 to 2013 include the war period, during which the statistics applied to only half of

the country. In the DPA for 2015-2017, the annual average statistics were 32 accidents, 7 dead and about 55 injured (light and serious injuries combined).

3.2.16 The main reasons behind these casualties are: (i) driver behaviour and the state of vehicles; (ii) the state and/or geometric characteristics of certain roads that are not compliant with accepted norms and standards; and (iii) a shortage of appropriate mechanisms for the rapid evacuation of victims and swift management of road accidents. In March 2010, the United Nations General Assembly adopted resolution A/RES/64/255 proclaiming 2011-2020 as the Decade of Action for Road Safety to stabilise and reduce the projected number of road traffic deaths worldwide by increasing activities at the national, regional and global level. Furthermore, WAEMU has enacted several texts on road safety (Directive No. 13/2009/cm/UEMOA on the establishment of road safety audits in WAEMU Member States; Decision No. 04/2009/cm/UEMOA on the establishment, organisation and functioning of the WAEMU Regional Road Safety Committee (CRSR); and Directive No. 12/2009/CM/UEMOA of 25 September 2009 on a harmonised road safety management scheme in WAEMU Member States). In this respect, actions are carried out in Côte d'Ivoire by the Road Safety Office (OSER), a public administrative establishment with legal personality and financial autonomy created by Law No. 78-661 of 4 August 1978, which is the institutional body responsible for monitoring and coordinating the implementation of all road safety mechanisms.

3.2.17 In accordance with the WAEMU Decisions and Directives on road safety, the Government has issued decrees to establish a National Road Safety Commission and a Road Safety Audit. Decree No. 2017-71 of 1 September 2017 establishes, organises and defines the functioning of the National Road Safety Commission and Decree No. 2015-653 of 23 September 2015 establishes the Road Safety Audit in Côte d'Ivoire. The mandate of these bodies is to improve road safety and reduce the mortality rate and gravity of road accidents.

3.2.18 The project design includes measures to improve road safety by: (i) complying with existing road safety technical regulations and standards pertaining to geometry, signage, gradients, slopes, banking and deviations; (ii) the development of temporary parking and driver rest areas in Bondoukou and Soko; (iii) road safety awareness campaigns that will target users and communities along the project road; and (iv) road safety audits at commencement, during construction and at completion.

## **4 IMPLEMENTATION**

### **4.1 Implementation Arrangements**

#### **Executing Agency**

4.1.1 The project owner is the Ministry of Infrastructure and Road Maintenance that will rely on the Roads Management Agency (AGEROUTE), which has long-standing experience in implementing similar projects. A Project Management Team (PMT) has been established within AGEROUTE to pilot and control overall project implementation. The PMT is composed of a road engineer, a coordinator, a procurement expert, an environmentalist and a financier. The composition of the PMT took into account the need to: (i) have an operational team familiar with the Bank's procedures to ensure the rapid commencement of procurement processes; and (ii) avoid the proliferation of project teams, thus easing the pressure on AGEROUTE staff.

4.1.2 The PMT will essentially be responsible for: (i) compliance with State commitments in financing agreements; (ii) preparation of documents that enable the Government to satisfy the loan conditions; (iii) preparation of bidding documents for submission to the Bank for formal approval and handling of the project's procurement files; (iv) compliance with the project implementation schedule; (v) preparation of progress reports; (vi) preparation and timely implementation of counterpart budgets; (vii) contribution to project financial management (checking of accounts, transmission of direct payment requests to the Bank and timely submission of project accounting and financial audit reports); (viii) impact monitoring/evaluation; and (ix) maintenance of an exhaustive dashboard showing the dates



of transmission and reception of responses to documents, reports and payment requests to other Government services and the Bank.

4.1.3 Lastly, given the importance of the socioeconomic facilities component, the project team will receive support from the corresponding ministries and departments concerned during the implementation phase. Henceforth, the National Rural Action Development Agency (ANADER) will support AGEROUTE in supervising women and young people in their market gardening and poultry farming activities. The Ministry of National Education and Technical Training will intervene with regard to school infrastructure.

### **Procurement Arrangements**

4.1.4 All goods, works and consultancy services funded with Bank resources will be procured in accordance with the Procurement Policy for Bank Group-funded Operations (AfDB Procurement Policy) October 2015 edition, and the provisions set out in the financing agreements. In addition, in accordance with the “Waiver of the Rule of Origin for Specific Cases” adopted by the Board of Directors of the Bank, the procurement of goods, works and services using the resources of the Bank shall be open to countries that are not member states of the Bank since the project is jointly co-financed by the Bank and the African Development Fund. Furthermore, pursuant to this policy and based on various assessments conducted, it was agreed that: (a) all goods, works and services below UA 300 000, UA 3 000 000 and UA 200 000 respectively, except for audit missions and directly negotiated contracts, shall be procured in accordance with the country's procurement system ("National System") defined in Decree No. 2009-259 of 6 August 2009 establishing the Public Procurement Code, as amended by Decrees No. 2014-306 of 27 May 2014 and No. 2015-525 of 15 July 2015 and the related implementing orders; (b) the following items: (i) all services estimated at above UA 200 000, audit missions and directly negotiated contracts; (ii) bids for goods and works valued at UA 300 000 and UA 3 000 000 respectively, shall be procured in accordance with the Bank's procurement system (“AfDB System”).

4.1.5 The use of the National System helps to improve efficiency through, among others: (I) greater ownership of the procurement system to be used by the executing agency; and (ii) time saving with the absence of a second control (after the national entities), which is actually ex ante review by the Bank. **However, the Bank reserves the right to ask the Borrower to revert to the AfDB System if:** (a) Côte d’Ivoire's legal framework for procurements were to change to a system that fails to satisfy the Bank; (b) the provisions in force are not respected by the executing agency; or (c) the appropriate risk mitigation measures included in the risk evaluation action plan are not respected.

**4.1.6 Procurement Capacity and Risk Assessment (PCRA):** To take account of project specificities, the Bank has assessed: (i) the risks at the national, sector and project level; and (ii) the capacity of the executing agency. The results of these assessments show that the procurement risk is moderate. These results have been used to determine the group of procurements that will be executed under the AfDB System and the group that can be implemented, without major risks, under the National System, subject to application of the mitigation measures proposed in Paragraph 5.9 of Annex B.5.

### **Disbursement and Audit**

4.1.7 The arrangements adopted for disbursements and financial management are direct payment and reimbursement. Disbursements for works, consultancy services and goods procurement are done through direct payment. The reimbursement method will be used for expenses incurred by Côte d’Ivoire but authorised by the Bank. The opening of a special account by the project will be necessary for the management of the operating budget. However, it should be noted that, apart from guaranteed advances, payments are made only after services have been rendered.

4.1.8 Government's contribution to project financing will be disbursed through a counterpart account. This account, opened at the Treasury, will be managed by a sworn Treasury Accounting Officer.

4.1.9 The annual audit of project accounts shall be carried out by an independent audit firm, The related reports shall be transmitted to the Bank in accordance with the rules and procedures in force, within six months following the end of the audited financial year. Three audits have been planned for this project (for the 2019, 2020 and 2021 financial years). The Bank's positive assessment of the first audit report will be a condition for the continuation of the contract.

## Financial Management

4.1.10 The project financial management framework will be commitment accounting, not cash accounting. The project will use appropriate accounting software to produce annual implementation budgets, quarterly financial monitoring reports, monthly bank reconciliations and special account reconciliations attached to each financial statement produced, annual financial statements (balance sheet, income/expenditure statement, annual inventory of fixed assets, statement reconciling the Bank's disbursements of funds recorded in project accounts and supplementary statements of the special account and other project accounts). To ensure reliable and transparent project management, the current project procedures manual at AGEROUTE will be applied to the project.

## 4.2 Monitoring/Evaluation

4.2.1 The project will be monitored through AGEROUTE and the main service providers. Monthly and half-yearly reports will be produced. Bank and Government supervision missions will ensure additional monitoring of project implementation. With regard to the monitoring/evaluation of the socioeconomic impact, a consulting firm will be recruited to: (i) propose and select the indicators to be monitored and establish the baseline situation prior to works commencement; (ii) establish a trend for these indicators at project midterm; and (iii) carry out the quantitative and beneficiary evaluation at project completion. The objective of evaluation by the beneficiaries is to understand the changes attributable to the project as perceived by the various social groups affected.

*Table 4.1–Project Monitoring and Supervision Schedule*

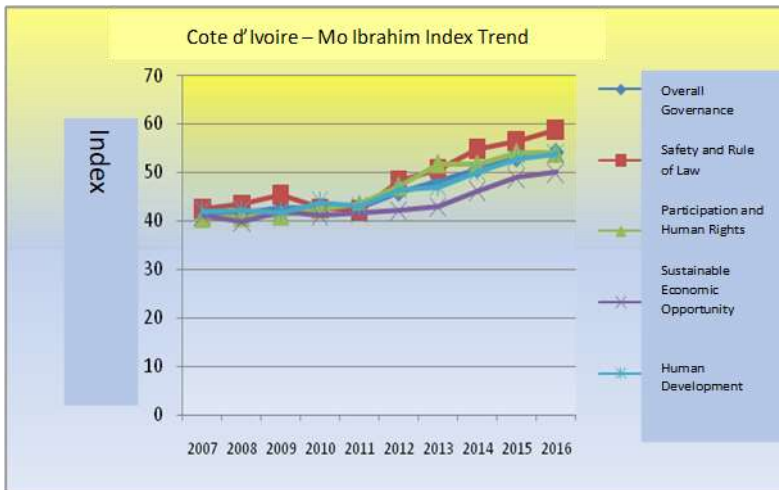
Approximate Date	Activity	Mission Composition	Person/weeks
18/12/2018	Launching	Project officers (transport economist and civil engineer), a disbursement officer, a procurement officer, a social sector expert and an environmentalist.	6
19/08/2019	Supervision	Project officers (transport economist and civil engineer) and infrastructure officers from the Bank's country offices and social sector experts	7
18/02/2020	Supervision	Infrastructure and procurement officers from the Bank's country offices and a social sector expert	5
19/08/2020	Supervision	Project officers (transport economist and civil engineer) and infrastructure officers from the Bank's country offices and a social sector expert	7
18/02/2021	Project midterm review	Project officers (transport economist and civil engineer), a disbursement officer, a procurement officer, an environmentalist and a social sector expert.	9
16/09/2021	Supervision	Project officers (transport economist and civil engineer), a disbursement officer, a procurement officer, an environmentalist and infrastructure officers from the respective Bank country offices and a social sector expert	11
17/08/2022	Completion report	Transport economist, a civil engineer and a social sector expert	6
	<b>Total</b>		<b>51</b>

## 4.3 Governance

4.3.1 As concerns governance, Ivorian authorities have resolutely embarked on combating impunity and promoting economic governance. The measures taken in terms of economic and budgetary transparency relate to the amendment of Decree No. 2014-219 of 16 April 2014 on the procedures for

declaration of assets. Pursuant to Ordinance No. 2018-25 of 17 January 2018 amending Ordinance No. 2013-660 of 20 September 2013, this decree organises action to prevent and combat corruption. The Court of Auditors, a crucial entity in the oversight of public accounts, has been established. The High Authority for Good Governance has also been operating since 20 September 2013.

4.3.2 The country is ranked 22<sup>nd</sup> among 54 African countries under the Mo Ibrahim Index of African Governance and 103<sup>rd</sup> out of 183 countries under Transparency International’s 2018 Corruption Perceptions Index. With a score of 36 points under the Transparency International Index, Côte d’Ivoire is the sixth-best economy in the ECOWAS zone. A recent assessment conducted by the Bank concluded that the procurement procedures currently in force are based on the principles of economy, efficiency and transparency, and can be applied to national competitive bidding for Bank-funded projects in the country.



4.3.3 Challenges to good governance in the transport sector include lengthy delays and the lack of transparency in procurement, the need for a baseline for investment planning, the lack of transparency in the financial management of infrastructure maintenance and traffic obstacles on the various roads. Côte d’Ivoire has adopted a new public procurement code that is consistent with the regulatory and legal framework, international standards and the provisions of the WAEMU Directive, which are based on the principle of separation of regulatory and control functions (Public Procurement Regulatory Authority, General Directorate for Public Procurement and Procurement Commissions within each ministry). The project's design also includes specific governance risk mitigation measures to ensure that resources are used efficiently and for their intended purposes. All procurement activities shall be subject to ex-ante or ex-post review by the Bank. Furthermore, the project provides for independent auditors who will perform its accounting, financial and procurement audits.

4.4 **Sustainability**

4.4.1 The sustainability of project investments depends on the quality of works and the measures that will be taken to ensure the maintenance and renewal of infrastructure. The pavement structures selected are capable of accommodating quite aggressive traffic. The project roads, road networks and highways are eligible for maintenance under the Road Maintenance Fund (RMF). Instituted by Ordinance No. 2001-591 of 19 September 2001 and then created by Decree No. 2001-593 of 19 September 2001, the Côte d’Ivoire Road Maintenance Fund (RMF) is a second-generation fund because it is based on two fundamental principles: (1) road commercialisation, i.e. road maintenance is considered a service rendered to users that should be paid for; and (2) co-management of road funds, i.e. all road users are represented on the Fund's Board of Directors. The RMF is supposed to fund routine and periodic road maintenance studies and works, as well as the supervision and management of road maintenance studies and works.

4.4.2 The sustainability of social infrastructure funded under the project was a major concern during the project preparation and appraisal phases. All sub-components targeting women’s organisations (cassava processing equipment, means of transport), associations of persons with reduced mobility (mills), youth organisations (farms to raise local poultry), weavers (support for the completion and equipment of the artisanal weaving centre), rice farmers (development of 3 ha of wetlands for market gardening and rice production) cannot succeed without considerable support to various beneficiary groups. In this regard, the National Rural Development Action Agency (ANADER) – a State body specialised in rural development activities and advisory support to farmers’ organisations, was identified to provide the support. The Ministry of Women, Child Protection and Solidarity will coordinate women

and girls' empowerment activities. Furthermore, education investments (Soko Community High School, housing for primary school teachers) have been proposed based on concerns raised by the Bondoukou Regional Directorate of Education and validated by the Ministry, which will factor these activities into its future annual budgets with a view to allocating the needed human, material and financial resources. Lastly, 90 young people from the region trained in the building trades (masonry, house painting, plumbing) at the Bondoukou Vocational Training Centre will be provided with a vocational integration support kit right after the training.

4.4.3 From 2012 to 2017, AGEROUTE developed and implemented three road network maintenance programmes (routine and periodic). The average commitment per programme was CFAF 114.5 billion, of which CFAF 93.3 billion has been covered, representing an average coverage rate of 80%. These resources were provided mainly by the RMF, which resorted to two bank loans during the period. The road network, described as aging, requires substantial resources for its rehabilitation and maintenance. The RMF will have to be innovative in its resource mobilisation to meet the growing annual needs. Accordingly, the Ivorian Government has committed itself under the MCC to increase RMF resources annually to absorb the financing gap over the MCC's five years (2019-2024). The increase will be 20% in 2019 and 10% in other years. This increase was determined through a study on road maintenance needs. The current level of resources is CFAF 100 billion. Proof of implementation of this commitment is one of the loan conditions for this project. .

4.4.4 With regard to axle load control, WAEMU issued Regulation No. 14/2005/CM/UEMOA on 16/12/2005. Given the difficulties of ensuring its full and concomitant implementation, States have decided to adopt a phased implementation strategy. Accordingly, the 2017 road map prohibited extreme overload (+40% above the authorised weight). In a bid to build on the achievements and maintain the momentum gained through the implementation of Regulation 14, infrastructure and land transport ministers from WAEMU Member States, Guinea and Ghana, adopted the following strategy on 21 June 2018: (i) from 1 July to 31 December 2018 – application of a 20% tolerance level, payment of penalties and reduction of loads that are 20% above limit; (ii) from 1 January to 30 June 2019 – application of a 15% tolerance level, payment of penalties and reduction of loads that are 15% above the limit; and (iii) evaluation in July 2019 with a view to the full application of Regulation 14.

4.4.5 In accordance with the decisions of the meeting of Ministers of 21 June 2018, the Ivorian Government, through the structures of the Technical Committee of the National Road Safety Commission, has already initiated the awareness-raising campaign that will end on 30 September 2018. In this regard, the RMF has published material in the form of posters, leaflets and flyers that are distributed to road professionals and users. This material specifies the dimensions and weights tolerated for vehicles. This campaign will be followed by the control phase end-November 2018. A Steering Committee has been set up comprising the Government services concerned, transporters' unions, loaders from the sub-region (Mali, Burkina Faso, Niger, etc.) and others. *Proof of implementation of the current decisions of the Ministers of Transport on Regulation 14 is one of the conditions for granting the loan for this project.*

## 4.5 Risk Management

4.5.1 The main risks that could hamper the achievement of results are: (1) the sustainability of investments is not ensured due to: (a) the inadequacy of RMF resources; (b) the low collection rate for taxes allocated to the RMF since they pass through the Treasury; and (2) resistance to the full application of WAEMU Regulation 14 on axle load control of trucks that prematurely degrade roads.

4.5.2 **The first risk** is mitigated by the fact that: (i) the Government has undertaken to secure and increase RMF resources by reorganising road maintenance and identifying new sources of revenue; and (ii) the very name of the Ministry in charge of roads (Ministry of Infrastructure and Road Maintenance (MEER)) reflects Government's willingness to give priority to road network maintenance. **The second risk** is mitigated by the fact that, in a bid to build on the achievements and maintain the momentum

gained through the implementation of Regulation 14, infrastructure and land transport ministers from WAEMU Member States, Guinea and Ghana, took a decision on 21 June 2018 to eradicate the extreme overload and lay the foundations for its gradual concomitant application. *The implementation of these commitments is one of the conditions for granting the loan for this project.*

4.5.3 The risks that could hamper project implementation are: (1) the increase in the cost of works relative to the estimated budget; (2) significant delays in procurement; and (3) difficulties and/or delays in mobilising counterpart funds. **The first risk** is mitigated by (i) the availability of detailed implementation studies carried out in 2011 and updated in September 2018; a realistic cost estimate based on similar works contracts that started between 2017 and 2018; and adequate provision for physical and financial contingencies. **The second risk** is mitigated by relying on the experience of the same project management team as the one that monitors ongoing Bank-funded transport projects in Côte d'Ivoire. With regard to **the third risk**, the expected counterpart funding for Project Phase 1, estimated at approximately CFAF 4 382.69 million (UA 5.58 million), is affordable. *However, to secure the counterpart resources, the opening and regular provisioning of a counterpart account in the Public Treasury to be managed by a sworn Treasury Accounting Officer, is one of the loan conditions for this project.*

#### 4.6 Knowledge Building

4.6.1 The knowledge that should emerge from project implementation will focus on best practice in the conduct and monitoring/evaluation of road projects. Best practice will be disseminated among stakeholders involved in the project through regular meetings and briefings. The focus on assessing project impact is particularly geared towards addressing the need for knowledge building. The establishment of the baseline situation prior to the commencement of project activities will provide a basis for comparison that will lead to a realistic appraisal of the level of achievement of project impact. The comparison data will come from the assessment of programme outcomes conducted at the end of works. A national workshop will be organised to disseminate the knowledge gained from these studies. The road will also be maintained through the mechanism that will be established to guarantee the sustainability of the investment.

4.6.2 The main lessons and knowledge gained will be managed from a relational database at AGEROUTE. Actually, this database will facilitate the management of all accumulated knowledge on the activities, outcomes, key results and lessons learned from this project. Summaries could be published on the Bank's website.

## 5 LEGAL FRAMEWORK

### 5.1 Legal Instrument

An ADB loan and an ADF loan will serve as the legal instrument for financing this project.

### 5.2 Conditions Associated with the Bank's Intervention

#### A. Commitments

5.2.1 The Republic of Côte d'Ivoire undertakes, to the satisfaction of the Bank, to:

- (i) Execute the project, the Environmental and Social Management Plan (ESMP) and the Abbreviated Resettlement Plan (RP) and have them implemented by its contractors in accordance with national laws, recommendations, prescriptions and procedures contained in the ESMP and the Abbreviated Resettlement Plan, and with the applicable AfDB rules and procedures;
- (ii) Refrain from commencing works on a given area until affected persons in that area have been fully compensated; and



- (iii) Provide the Bank with quarterly reports on ESMP and RP implementation, including, where applicable, any weaknesses and corrective actions initiated or to be initiated.

**B. Conditions Precedent to Effectiveness of the ADB and ADF Loans**

5.2.2 The ADB and ADF loan agreements shall become effective subject to the Borrower's fulfilment of the conditions provided for in Section 12.01 of the General Conditions for Loan Agreements and Guarantee Agreements of the ADB and the ADF.

**C. Conditions precedent to first disbursement of the ADB and ADF loans**

5.2.3 First disbursement of the ADB and ADF loans is subject to fulfilment, by the Borrower, of the following condition:

- (i) Provide the Bank with proof that a counterpart account managed by a sworn Treasury Accounting Officer has been opened in the Public Treasury and that it has received an initial contribution of CFAF 345 million corresponding to the expropriation costs and part of the contribution to the financing of works and the operation of the executing agency (par. 4.5.3).

**D. Other ADB and ADF loan conditions**

- (i) Provide the Bank on a half-yearly basis with proof that the counterpart fund account has been replenished to the required level (par. 4.5.3);
- (ii) Provide proof of compensation of affected persons within the project area, as the works progress and, in any event, prior to the commencement of works in the area concerned; with such compensation paid in accordance with the resettlement plan and applicable Bank rules and procedures, especially its policy on involuntary displacement of people (par. 3.2.3);
- (iii) Provide evidence yearly to the Bank of mobilising adequate resources for the Cote d'Ivoire Road Maintenance Fund (FER) (par. 4.4.3);
- (iv) Provide evidence yearly of enforcing the road map adopted by the Ministers of Transport of the West Africa Economic and Monetary Union (WAEMU) on 21 June 2018 in Niamey (Niger) within the framework of Regulation 14 (No. 14/2005/CM/UEMOA/ of 16 December 2005) concerning axle load control on highways, by presenting the outcomes of axle load control campaigns in existing weighing stations in Cote d'Ivoire.

**5.3 Compliance with Bank Policies**

This project is in conformity with all the Bank's applicable policies.

**6 RECOMMENDATION**

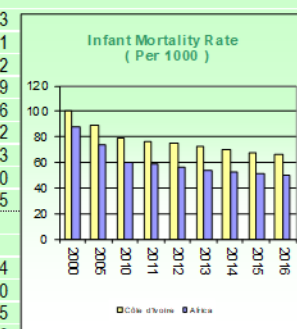
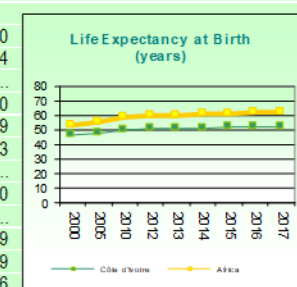
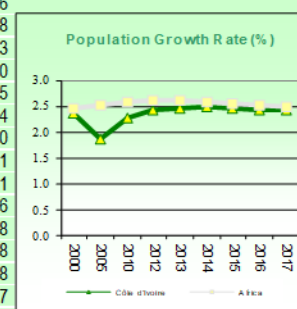
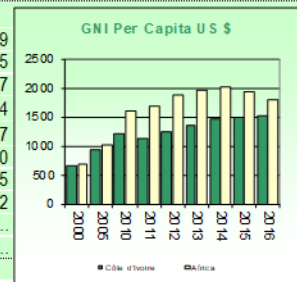
Management recommends that the Boards of Directors approve the proposal to grant an ADB loan of EUR 10.44 million and an ADF loan of UA 11.00 million to the Republic of Côte d'Ivoire to finance Phase 1 of the project in accordance with the conditions set forth in this report.

## I. Comparative Socioeconomic Indicators

## Côte d'Ivoire

### COMPARATIVE SOCIO-ECONOMIC INDICATORS

	Year	Côte d'Ivoire	Africa	Developing Countries	Developed Countries
<b>Basic Indicators</b>					
Area ('000 Km <sup>2</sup> )	2017	322	30,067	80,386	53,939
Total Population (millions)	2017	23.8	1,184.5	5,945.0	1,401.5
Urban Population (% of Total)	2017	51.9	39.7	47.0	80.7
Population Density (per Km <sup>2</sup> )	2017	74.9	40.3	78.5	25.4
GNI per Capita (US \$)	2016	1 520	2 045	4 226	38 317
Labor Force Participation * - Total (%)	2017	67.1	66.3	67.7	72.0
Labor Force Participation ** - Female (%)	2017	52.6	56.5	53.0	64.5
Sex Ratio (per 100 female)	2017	103.2	0.801	0.506	0.792
Human Develop. Index (Rank among 187 countries)	2015	171	...	...	...
Popul. Living Below \$ 1.90 a Day (% of Population)	2015	27.9	39.6	17.0	...
<b>Demographic Indicators</b>					
Population Growth Rate - Total (%)	2017	2.4	2.6	1.3	0.6
Population Growth Rate - Urban (%)	2017	3.5	3.6	2.6	0.8
Population < 15 years (%)	2017	42.1	41.0	28.3	17.3
Population 15-24 years (%)	2017	20.4	3.5	6.2	16.0
Population >= 65 years (%)	2017	3.0	80.1	54.6	50.5
Dependency Ratio (%)	2017	82.5	100.1	102.8	97.4
Female Population 15-49 years (% of total population)	2017	23.6	24.0	25.8	23.0
Life Expectancy at Birth - Total (years)	2017	52.6	61.2	68.9	79.1
Life Expectancy at Birth - Female (years)	2017	53.6	62.6	70.8	82.1
Crude Birth Rate (per 1,000)	2017	36.4	34.8	21.0	11.6
Crude Death Rate (per 1,000)	2017	12.9	9.3	7.7	8.8
Infant Mortality Rate (per 1,000)	2016	66.0	52.2	35.2	5.8
Child Mortality Rate (per 1,000)	2016	91.8	75.5	47.3	6.8
Total Fertility Rate (per woman)	2017	4.8	4.6	2.6	1.7
Maternal Mortality Rate (per 100,000)	2015	645.0	411.3	230.0	22.0
Women Using Contraception (%)	2017	20.5	35.3	62.1	...
<b>Health &amp; Nutrition Indicators</b>					
Physicians (per 100,000 people)	2008	14.3	46.9	118.1	308.0
Nurses and midwives (per 100,000 people)	2008	47.9	133.4	202.9	857.4
Births attended by Trained Health Personnel (%)	2012	59.4	50.6	67.7	...
Access to Safe Water (% of Population)	2015	81.9	71.6	89.1	99.0
Access to Sanitation (% of Population)	2015	22.5	51.3	57	69
Percent. of Adults (aged 15-49) Living with HIV/AIDS	2016	2.7	39.4	60.8	96.3
Incidence of Tuberculosis (per 100,000)	2016	153.0	3.8	1.2	...
Child Immunization Against Tuberculosis (%)	2016	95.0	245.9	149.0	22.0
Child Immunization Against Measles (%)	2016	77.0	84.1	90.0	...
Underweight Children (% of children under 5 years)	2012	15.7	76.0	82.7	93.9
Prevalence of stunting	2012	29.6	20.8	17.0	0.9
Prevalence of undernourishment (% of pop.)	2015	15.4	2 621	2 335	3 416
Public Expenditure on Health (as % of GDP)	2014	1.7	2.7	3.1	7.3
<b>Education Indicators</b>					
Gross Enrolment Ratio (%)					
Primary School - Total	2016	96.7	106.4	109.4	101.3
Primary School - Female	2016	91.3	102.6	107.6	101.1
Secondary School - Total	2016	46.1	54.6	69.0	100.2
Secondary School - Female	2016	38.8	51.4	67.7	99.9
Primary School Female Teaching Staff (% of Total)	2016	28.0	45.1	58.1	81.6
Adult literacy Rate - Total (%)	2014	43.9	61.8	80.4	99.2
Adult literacy Rate - Male (%)	2014	50.7	70.7	85.9	99.3
Adult literacy Rate - Female (%)	2014	36.8	53.4	75.2	99.0
Percentage of GDP Spent on Education	2015	4.8	5.3	4.3	5.5
<b>Environmental Indicators</b>					
Land Use (Arable Land as % of Total Land Area)	2015	9.1	8.6	11.9	9.4
Agricultural Land (as % of land area)	2015	64.8	43.2	43.4	30.0
Forest (As % of Land Area)	2015	32.7	23.3	28.0	34.5
Per Capita CO2 Emissions (metric tons)	2014	0.5	1.1	3.0	11.6



Sources : AfDB Statistics Department Databases; World Bank: World Development Indicators;

last update :

May 2018




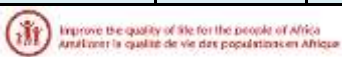

UNAIDS; UNSD; WHO, UNICEF, UNDP; Country Reports.

Note : n.a. : Not Applicable; ... : Data Not Available. \* Labor force participation rate, total (% of total population ages 15+)

\*\* Labor force participation rate, female (% of female population ages 15+)

PORTFOLIO OF ONGOING BANK PROJECTS IN COTE D'IVOIRE - October 2018



## 4.1 NATIONAL PROJECTS

Sector / Operation		Approval Date	Amount Approved (UA M)	Amount Disbursed (UA M)	Disburs. Rate	Disbursement Deadline
<b>ENERGY</b> 						
1	Electricity Network Strengthening and Distribution Project (PRETD) - BAD	16-Nov-16	113.86	17.75	15.5%	31-Dec-20
<b>Subtotal</b>			<b>113.86</b>	<b>17.75</b>	<b>15.5%</b>	
<b>AGRICULTURE</b> 						
2	Project to Support Agricultural Infrastructure in the Indénié-Djuablin Region (PAIA-ID) - ADF	01-Mar-12	21.60	16.04	74.0%	28-Feb-19
3	Bélier Region Agro-Industrial Hub Project (2PAI-BELIER)- ADB ADF (Loan) ADF (Grant)	25-Jan-17	53.17	3.64	7.0%	31-Dec-22
		25-Jan-17	26.04	1.48	5.7%	31-Dec-22
		25-Jan-17	3.40	0.84	24.8%	31-Dec-22
4	PPF – Enable Youth Côte d'Ivoire - ADF	07-July-16	1.00	0.10	10.5%	31-Aug-19
5	Project to Develop Value Chains in the Indénié – Djuablin Region (PDC-ID) - NTF	21-Oct-16	4.00	0.09	0,2%	30-June-20
<b>Subtotal</b>			<b>109.45</b>	<b>21.91</b>	<b>20.0%</b>	
<b>TRANSPORT</b> 						
6	Abidjan Urban Transport Project (PTUA) - ADB GEF	16-Dec-16	196.3	0.7	0.4%	31-Dec-21
		16-Dec-16	5,1	0.03	1.0%	31-Dec-21
7	Abidjan Urban Transport Project –Phase 2- ADB	16-Oct-18	261,49	0	0.0%	31-Dec-21
8	Air Côte d'Ivoire Project - ADB ADF (Guarantee) ADF (Loan)	8-Nov-17	42.46	41.16	96.9%	31-Dec-23
		8-Nov-17	14.15	0.00	0%	31-Dec-23
		8-Nov-17	3.55	0.00	0%	31-Dec-23
<b>Subtotal</b>			<b>523.05</b>	<b>41.89</b>	<b>8.0%</b>	
<b>GOVERNANCE</b> 						
9	Industrial Sector Competitiveness Support Project (PARCSI) - ADF	30-Sep-15	10.00	1.7	17.0%	30-Nov-19
10	Economic and Financial Management Support Project ADF (Loan) ADF (Grant) TSF (Loan) TSF (Grant)	30-Mar-17	6.55	0.87	13.2%	31-Dec-19
		30-Mar-17	0.21	0.00	0%	31-Dec-19
		30-Mar-17	9.61	0.13	1.3%	31-Dec-19
		30-Mar-17	0.03	0.02	95.3%	31-Dec-19
<b>Subtotal</b>			<b>26.40</b>	<b>2.72</b>	<b>10.3%</b>	
<b>WATER AND SANITATION</b> 						
11	Project to Develop Liquid Waste and Promote Employment in Bouake and Katiola (AWF)	4-Sep-13	1.04	0.31	29.4%	31-Dec-18
<b>Subtotal</b>			<b>1.04</b>	<b>0.31</b>	<b>29.4%</b>	
<b>TOTAL</b>			<b>769.75</b>	<b>84.58</b>	<b>10.98%</b>	

\* Source: SAP-PS






## 4.2 REGIONAL PROJECTS

Sector / Operation		Approval Date	Amount Approved (UA M)	Amount Disbursed (UA M)	Disburs. Rate	Disbursement Deadline
<b>ENERGY</b> 						
1	CLSG-Interconnection - Cote d'Ivoire-Transco -ADF	6-Nov-13	26.17	2.64	10.1%	31-Oct-20
2	CLSG - WAPP- Cote d'Ivoire - ADF	6-Nov-13	0.72	0.43	59.5%	31-Oct-20
3	CLSG – Rural Electrification Project - ADF	06-Nov-13	6.10	3.11	50.9%	31-Oct-20
<b>Subtotal</b>			<b>32.99</b>	<b>6.18</b>	<b>18.7%</b>	
<b>TRANSPORT</b> 						
4	Road Development and Transport Facilitation Programme – Manu River Union (PARFT/UFM) - ADF (Initial)	18-Dec-14	41.5	9.56	22%	30-June-20
	TSF (TSF)	18-Dec-14	22.82	5.02	22%	30-June-20
	ADF (Supplementary loan)	3-June-15	31.18	6.89	22%	30-June-20
5	CI - Bamako-Zantiebougou Corridor Transport Development and Facilitation Project - ADB	26-Nov-15	42.5	8.8159	21%	30-June-21
	ADF	26-Nov-15	30.00	4.44	14.79%	30-June-21
<b>Subtotal</b>			<b>169.22</b>	<b>34.54</b>	<b>20.4%</b>	
<b>TOTAL</b>			<b>202.21</b>	<b>40.72</b>	<b>20.1%</b>	

\* Source: SAP-PS

## 4.3 PRIVATE SECTOR OPERATIONS

Sector / Operation		Approval Date	Amount Approved (UA M)	Amount Disbursed (UA M)	Disburs. Rate	Disbursement Deadline
<b>ENERGY</b> 						
1	Power Station Extension Project (CIPREL)-ADB	24-July-13	41.18	41.18	100%	13-Aug-28
	FAT	24-July-13	12.44	0.00	0%	13-Aug-28
2	AZITO Power Station Expansion Project - ADB	19-Dec-12	25.53	25.53	100%	27-Feb-20
3	Singrobo Hydropower Project- ADB	06-Dec-17	41.49	0.0	0%	01-Jan-21
<b>Subtotal</b>			<b>120.64</b>	<b>66.71</b>	<b>55.3%</b>	
<b>FINANCE</b> 						
4	Prise de participation au Capital de MCI - FAPA	16-Apr-10	0.70	0.59	84.5%	31-May-18
<b>Subtotal</b>			<b>0.70</b>	<b>0.59</b>	<b>84.5%</b>	
<b>TRANSPORT</b> 						
5	Air Côte d'Ivoire Private Sector Project - ADB	8-Nov-17	35.20	0.00	0%	19-Jan-21
6	Henry Konan Bédié Toll Bridge - ADB	1-Mar-12	46.06	46.06	100%	28-June-27
	TSF	4-Nov-15	8.76	0.00	0%	28-June-27
7	Riviera Toll Bridge Stand By - ADB	1-Mar-12	2.07	2.07	100%	28-June-27
	FAT	4-Nov-15	0.63	0.00	0%	28-June-27
<b>Subtotal</b>			<b>92.72</b>	<b>48.13</b>	<b>51.9%</b>	
<b>TOTAL</b>			<b>214.06</b>	<b>115.43</b>	<b>53.9%</b>	

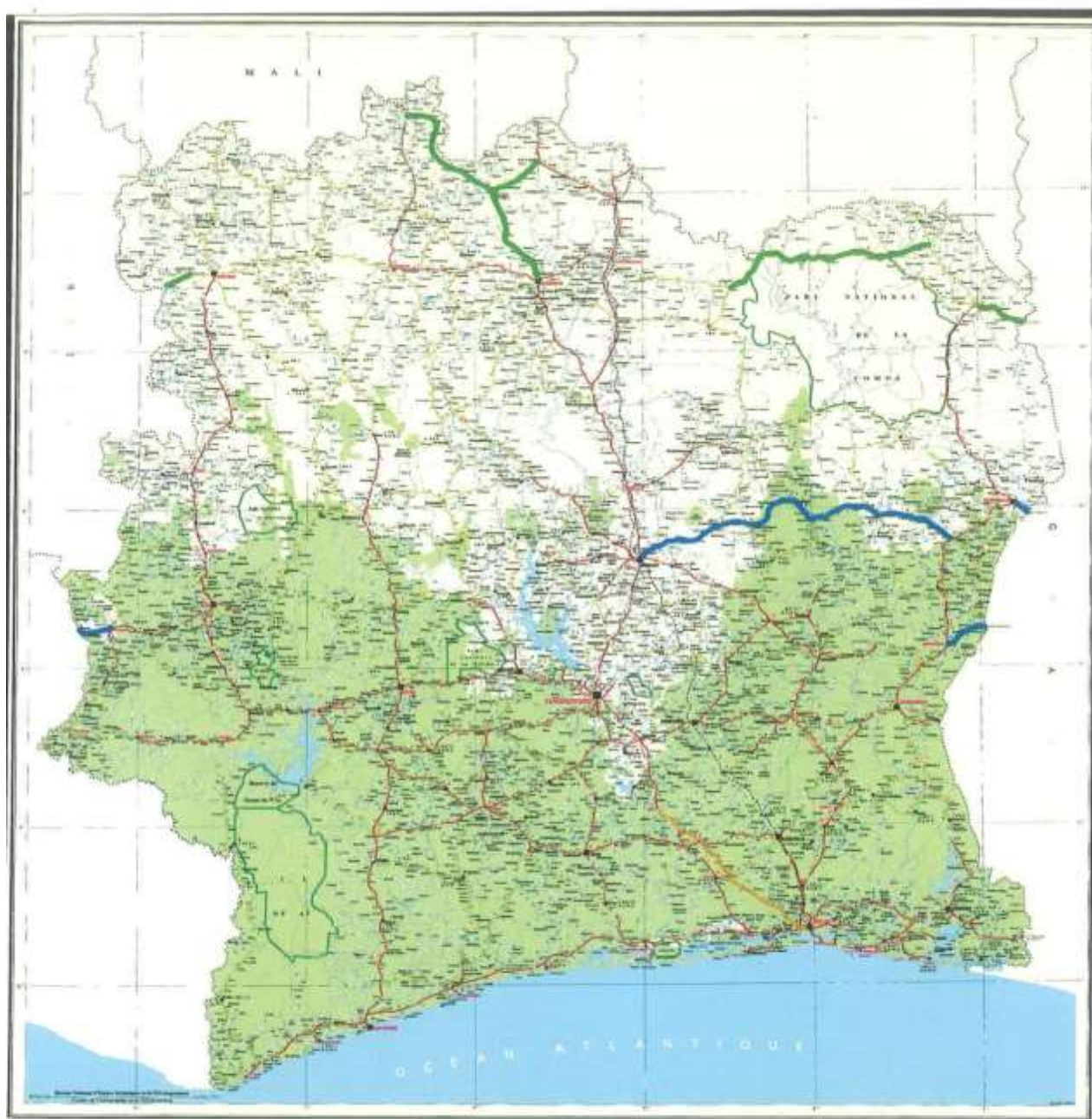
<b>MAIN RELATED PROJECTS FINANCED BY THE BANK AND OTHER DEVELOPMENT PARTNERS IN CÔTE D'IVOIRE</b>	<b>TYPE OF WORKS</b>	<b>AMOUNT (CFAF million)</b>	<b>IMPLEMENTATION PERIOD</b>	<b>FINANCING</b>	<b>REMARKS</b>
Prolongation of the North Highway	Construction of a 2x2 lane highway of 85.9 km	166,400	Commissioning date: December 2013	BADEA - OFID IsDB – SDF – KFAED - STATE	
Paving of the Boundiali-Bolona Highway - 92.5 km	Paving of a 2x1 lane highway	23,930	Commissioning date: December 2013	WADB - STATE	
Paving of the Abobo-Anyama Highway - 5.6 km	Paving of a 2x2 lane highway	9,400	Commissioning date: March 2015	WADB - STATE	
Urban Road Networks – Agboville – Bingerville - Abobo	Works on road networks	30,000	Commissioning date: March 2015	IDA	
Abidjan-Bassam Highway	Upgrading of the Place Akwaba - Gonzagueville Expressway (2x2 road) into a 2x3 lane road over a distance of 10.68 km; Construction of the Gonzagueville – Grand Bassam Highway into a 2x3 lane road over a distance of 17.45 km; Upgrading of the existing 2x1 lane road over a distance of 14.04 km; 5 pedestrian overpasses	65,000	Commissioning date: September 2015	Eximbank- China STATE	
Bolona-Tengrela Road - 40 km	Paving works	15,000	Commissioning date: June 2016	IsDB - STATE	Ongoing works - 30% executed
Upgrading of the Aboisso-Noé Road	Upgrading of 60.9 km of the existing Aboisso-Noé road into a 2x1 lane highway; Rehabilitation and expansion of the urban road network of 1.407 km in Aboisso and 1.408 km in Noé into a 2x2 lane road; Doubling of the bridges in Aboisso and Noé	22,000	Commissioning date: June 2016	IDA	Ongoing works - 34% executed

Asphalting of the Bouna-Doropo-Burkina Faso Border Road	Asphalting of the Bouna-Doropo-Burkina Faso border highway into a 2x1 lane road over a distance of 91 km; construction of 3-slab reinforced concrete bridges that are 54 m long (4 spans 12-15-15-12); related infrastructure	33,400	Commissioning date: July 2017	WADB - BADEA SDF – KFAED - STATE	Ongoing works - 2% executed
Upgrading of the Comoé Bridge-Agnibilekro-Abengourou Road	Upgrading of the existing road over 87.5 km - interurban segment into a 2x3 and 2x1 lane road with 5 m of road shoulders, 3 m of parking spaces at various points - Abengourou Road into a 2x6 m lane road and 2x2 m of road shoulders made of interlocking paving stones	32,000	Commissioning date: September 2016	European Union	Ongoing works - 46% executed
Upgrading of the Adzopé-Akoupé-Pont Road	Upgrading of the existing 2x1 lane road	21,000	Commissioning date:	C2D	Ongoing works - 46% executed
Comoé	78 km + 5 km of road networks at Adzopé + 3 km of road networks in Akoupé	October 2016	25%		
Upgrading of the Ferké-Ouangolo Highway	Upgrading of the North highway Ferké-Ouangolo segment over 46 km	18,200	Commissioning date: September 2016	C2D	Ongoing works - 17% executed
Asphalting of the Agboville-Rubino-Cechi Highway	Asphalting of the Agboville-Rubino-Cechi highway into a 2x1 lane road - 6 km of road networks; -60 km of interurban roads	36,000	Commissioning date: September 2017	Eximbank-China STATE	Work in progress - Commencement status

Asphalting of the Odienné-Gbéléban Highway	Asphalting of the Odienné - Gbeleban highway into a 2x1 lane road over 72 km	38,300	Commissioning date: September 2017	Eximbank-China STATE	Work in progress - Commencement status
Asphalting of the Boundiali-Odienné Highway	Upgrading and asphalting of the Boundiali-Odienné highway into a 2x1 lane carriageway over 135 km, including the Madinani and Tiémé access roads	62,000	Commencement date: January 2016	IsDB - STATE	Procurement process under way
Upgrading of the Grand Bassam-Aboisso Highway	Upgrading of 73 km of the existing Grand Bassam - Aboisso highway into a 2x1 lane road	30,000	Commencement date: November 2015	IDA - STATE	Procurement process under way
Asphalting of the Danané-Guinea Border Road	Asphalting of the interurban highway into a 2x1 road over 47 km	19,000	Commencement date: November 2015	AfDB - STATE	Procurement process under way
Asphalting of the Bolequin-Toulepleu-Liberian Border Road	Asphalting of the interurban road into a 2x1 highway over 65 km	27,000	Commencement date: November 2015	AfDB - STATE	Procurement process under way
Asphalting of the Tabou-Prolo Road	Asphalting of the interurban road into a 2x1 highway over 36.5 km	15,000	Commencement date: November 2015	AfDB - STATE	Procurement process under way
Construction of the Yamoussoukro-Tiebissou Motorway	Upgrading and asphalting of the Yamoussoukro-Tiebissou highway of 30 km, an expressway of 6.5 km, 02 bridges and 02 interchanges (Lolobo and Tiebissou)	78,000	Commencement date: March 2016	IsDB - STATE	Procurement process under way
Upgrading of the Bouaké-Ferké Highway	Upgrading of 232 km of the existing road into a 2x1 lane highway	59,000	Commencement date: June 2016	C2D	Procurement process under way
Enlargement of the Boulevard de Marseille and Asphalting of the Road Network in the Yopougon Industrial Zone	Expansion of the Boulevard de Marseille into 2 x 2 lane carriageway over 7 km and the adjoining routes; upgrading and asphalting into a 2 x 1 lane carriageway over 1.281 km	25,000	Commencement date: November 2015	RMF (WADB)	Procurement process under way

	of networks in the Yopougon industrial zone				
Interchange over the VGE	Construction of a three-level interchange that is approximately 2700 m long with a one-way lane that is 6 m wide and composed of: 16 bridge structures; 06 access ramps on reinforced soil	24,620	Bridge completed in December 2014	WADB - STATE	
HKB bridge or Third bridge	2 x 3 lane bridge; box girder of 1.558 km - 30 spans of 50 m	129,400	Bridge completed in December 2014	PPP: BOUYGUES - STATE	Bank contribution up to .....
Rehabilitation of the Boulevard de France Interchange					
Construction of an Overpass Bridge of 52 m and 3 access ramps to the Boulevard de France via the HKB Bridge Motorway					
Jacquerville Bridge	Construction of a 608 m long bridge with 15 spans (i.e. 2 bank spans of 37.58 m and 13 spans of 38.10 m), into 2x1 lane carriageway	20,340	Bridge completed in March 2015	WADB – BADEA – OFID - STATE	
Béoumi Bridge	Construction of a 304 m bridge in 2x1 lanes on the Bandama; Construction of a 94 m bridge into 2x1 lanes on the Kan; Rehabilitation of 32 km of the Béoumi-Kounahiri dirt road	16,300	Commissioning date: November 2015	AFD - STATE	Ongoing works - 91% executed
Construction of the Azito Bridge	Construction of a bridge in pre-stressed concrete of 969.1 m and 2 x 1 lanes	26,500	Commencement date: January 2016	WADB - EBID - STATE	Procurement process under way
Rehabilitation of FHB Bridge	Rehabilitation of a 372 m bridge with rebuilding of the foundations and reinforcement of the deck	28,000	Commencement date: January 2016	C2D - STATE	Procurement process under way
Construction of the Fifth Abidjan bridge	Construction of a link connecting Yopougon to Plateau	100,000	Commencement date: August 2016	PPP	

## Project Map



*This map has been provided by the staff of the African Development Bank (AfDB) Group exclusively for the use of the readers of the report to which it is attached. The names used and the borders shown do not imply on the part of the AfDB Group and its members any judgement concerning the legal status of a territory or any approval or acceptance of its borders.*

## ANNEXES: BASIS OF THE KEY ARGUMENTS OF THE REPORT

### A.1 Project Cost Estimates (Details)

#### Cost per Component of Project Phase 1

COMPONENTS	CFAF million			UA million			EUR million		
	F.E.	L.C.	Total	F.E.	L.C.	Total	F.E.	L.C.	Total
<b>A – Upgrading of Roads</b>									
Upgrading and paving of roads	7,680.00	1,920.00	9,600.00	9.78	2.45	12.23	11.71	2.93	14.64
Upgrading of roads	320.00	80.00	400.00	0.41	0.10	0.51	0.49	0.12	0.61
Upgrading of road networks	3,360.00	840.00	4,200.00	4.28	1.07	5.35	5.12	1.28	6.40
Environmental measures	113.60	28.40	142.00	0.14	0.04	0.18	0.17	0.04	0.22
Works control and supervision	573.68	143.42	717.10	0.73	0.18	0.91	0.87	0.22	1.09
Awareness-raising on HIV/AIDS, social mobilisation, environmental protection, nutrition and road safety	24.00	6.00	30.00	0.03	0.01	0.04	0.04	0.01	0.05
Vacation of the right-of-way (expropriations) and environmental monitoring	0.00	345.24	345.24	0.00	0.44	0.44	0.00	0.53	0.53
<b>B - Integrated Upgrading Works and Support</b>	0.00	0.00	0.00						
Development of boreholes, vegetable farms in mud plains and protection of the habitat of primates	29.68	7.42	37.10	0.04	0.01	0.05	0.05	0.01	0.06
Support to women and youth groups for the processing and conservation of agricultural products	67.17	16.79	83.96	0.09	0.02	0.11	0.10	0.03	0.13
School and health infrastructure	964.00	241.00	1,205.00	1.23	0.31	1.53	1.47	0.37	1.84
Studies and ancillary works control and supervision	4.84	1.21	6.05	0.01	0.00	0.01	0.01	0.00	0.01
Support for the promotion of youth employability	90.00	22.50	112.50	0.11	0.03	0.14	0.14	0.03	0.17
Study on the development strategy of the area	120.00	30.00	150.00	0.15	0.04	0.19	0.18	0.05	0.23
<b>C - Project management</b>									
Monitoring/evaluation of the project's socioeconomic impact	90.00	90.00	180.00	0.11	0.11	0.23	0.14	0.14	0.27
Technical and road safety audit	65.00	65.00	130.00	0.08	0.08	0.17	0.10	0.10	0.20
Accounting and financial audit	40.00	40.00	80.00	0.05	0.05	0.10	0.06	0.06	0.12
Procurement audit	7.50	7.50	15.00	0.01	0.01	0.02	0.01	0.01	0.02
Communication	48.00	48.00	96.00	0.06	0.06	0.12	0.07	0.07	0.15
Operation of the EA	0.00	336.92	336.92	0.00	0.43	0.43	0.00	0.51	0.51
<b>Baseline Cost</b>	<b>13,597.47</b>	<b>4,269.40</b>	<b>17,866.87</b>	<b>17.32</b>	<b>5.44</b>	<b>22.75</b>	<b>20.73</b>	<b>6.51</b>	<b>27.24</b>
Physical contingencies	1,359.75	426.94	1,786.69	1.73	0.54	2.28	2.07	0.65	2.72
Price escalation	162.84	51.13	213.96	0.21	0.07	0.27	0.25	0.08	0.33
<b>TOTAL COST</b>	<b>15,120.05</b>	<b>4,747.47</b>	<b>19,867.53</b>	<b>19.26</b>	<b>6.05</b>	<b>25.30</b>	<b>23.05</b>	<b>7.24</b>	<b>30.29</b>

**Financing Plan for Expenditure Categories of Project Phase 1 (in UA million)**

Categories	ADB LOAN			ADF LOAN			Côte d'Ivoire Govt.			Total		
	F.E.	L.C.	Total	F.E.	L.C.	Total	F.E.	L.C.	Total	F.E.	L.C.	Total
A – Goods	0	0	0	0.07	0	0.07	0	0.02	0.02	0.07	0.02	0.09
B - Works	7.37	0	7.37	8.52	0	8.52	0	3.97	3.97	15.89	3.97	19.86
C – Consultancy services	0.48	0	0.48	0.88	0.42	1.3	0	0.16	0.16	1.35	0.58	1.93
D - Miscellaneous	0	0	0	0	0	0	0	0.87	0.87	0	0.87	0.87
<b>Base cost</b>	<b>7.85</b>	<b>0</b>	<b>7.85</b>	<b>9.47</b>	<b>0.42</b>	<b>9.89</b>	<b>0</b>	<b>5.02</b>	<b>5.02</b>	<b>17.31</b>	<b>5.44</b>	<b>22.75</b>
Physical contingencies	0.785	0.00	0.79	0.95	0.04	0.99	0.00	0.50	0.50	1.73	0.54	2.28
Price escalation	0.09	0.00	0.09	0.11	0.00	0.12	0.00	0.06	0.06	0.20	0.06	0.27
<b>Total</b>	<b>8.72</b>	<b>0.00</b>	<b>8.72</b>	<b>10.53</b>	<b>0.47</b>	<b>11.00</b>	<b>0.00</b>	<b>5.58</b>	<b>5.58</b>	<b>19.24</b>	<b>6.05</b>	<b>25.30</b>



## A.2 Project Procurement Arrangements

The various procurement arrangements and contract amounts in UA million are presented in the tables below.

### CÔTE D'IVOIRE- PRDZT – PHASE 1 IN UA MILLIONS

EXPENDITURE CATEGORIES	SPM CÔTE D'IVOIRE			BMP			Not financed by the Bank	TOTAL
	OC	LC	Others	OC	LC	Others		
<b>WORKS</b>								
Works on roads, highways and road networks				20.31 [19.04]				20.31 [19.04]
Social and health infrastructure and restoration of tourism sites	1.73 [1.73]		0.05 [0.05]					1.78 [1.78]
<b>GOODS</b>								0.00 [0.00]
Small equipment for processing agricultural products, for weaving and furniture			0.02 [0.02]					0.02 [0.02]
Means of transport			0.08 [0.08]					0.08 [0.08]
<b>TOTAL 1</b>	<b>1.73 [1.73]</b>	<b>0.00 [0.00]</b>	<b>0.15 [0.15]</b>	<b>20.31 [19.04]</b>	<b>0.00 [0.00]</b>	<b>0.00 [0.00]</b>	<b>0.00</b>	<b>22.19 [20.92]</b>
	SPM CÔTE D'IVOIRE			BMP			Not financed by the Bank	TOTAL
	QCBS	LCS / QCBS	Others	QCBS	LCS / QCBS	Others		
<b>SERVICES</b>								
Works control and supervision for highways, road and road networks				1.02 [0.95]				1.02 [0.95]
Solar infrastructure architectural studies	0.07 [0.07]							0.07 [0.07]
Studies and ancillary works control and supervision	0.07 [0.07]							0.07 [0.07]
Awareness-raising on HIV/AIDS, social mobilisation, environmental protection and road safety	0.04 [0.04]							0.04 [0.04]
Study on the development strategy of the area				0.21 [0.21]				0.21 [0.21]
Monitoring/evaluation of the project's socioeconomic impact				0.25 [0.25]				0.25 [0.25]
Technical and road safety audit				0.18 [0.18]				0.18 [0.18]
Accounting and financial audit					0.11 [0.11]			0.11 [0.11]

Procurement audit						0.02	[0.02]				0.02	[0.02]			
Communication						0.14	[0.14]				0.14	[0.14]			
Youth training									0.16	[0.16]	0.16	[0.16]			
<b>OPERATION/MISCELLANEOUS</b>															
Operation of the executing organ											0.48	[0.00]			
Vacation of the right-of-way (expropriations) and monitoring of ESMP implementation:											0.49	[0.00]			
<b>TOTAL 2</b>						<b>1.80</b>	<b>[1.74]</b>	<b>0.13</b>	<b>[0.13]</b>	<b>0.16</b>	<b>[0.16]</b>	<b>0.97</b>	<b>3.11</b>	<b>[2.08]</b>	
<b>TOTAL</b>	<b>1.78</b>	<b>1.78</b>	<b>0.00</b>	<b>0.00</b>	<b>0.15</b>	<b>0.15</b>	<b>22.11</b>	<b>20.78</b>	<b>0.13</b>	<b>0.13</b>	<b>0.16</b>	<b>0.16</b>	<b>0.97</b>	<b>25.30</b>	<b>[23.00]</b>

**OTHERS**

\*Goods: Consultation with suppliers

\*\*Youth training: Direct negotiations with the Bondoukou Vocational Training Centre

\*\*\*Rehabilitation of tourist sites in Soko: Direct negotiations with the NGO "Notre Grenier" of Bondoukou