

**PROJECT INFORMATION DOCUMENT (PID)
APPRAISAL STAGE**

Report No.: PIDA25491

Project Name	Central African Republic - LONDO Project (P152512)
Region	AFRICA
Country	Central African Republic
Sector(s)	Other social services (60%), Sub-national government administration (20%), Rural and Inter-Urban Roads and Highways (20%)
Theme(s)	Conflict prevention and post-conflict reconstruction (100%)
Lending Instrument	Investment Project Financing
Project ID	P152512
Borrower(s)	Ministry of Economy and Planning
Implementing Agency	Agence d'Execution des Travaux d'Interet Public en Centrafrique (AGETIP-CAF)
Environmental Category	B-Partial Assessment
Date PID Prepared/Updated	29-Apr-2015
Date PID Approved/Disclosed	29-Apr-2015
Estimated Date of Appraisal Completion	27-Apr-2015
Estimated Date of Board Approval	15-Jun-2015
Appraisal Review Decision (from Decision Note)	

I. Project Context

Country Context

With about a quarter of its population displaced, over half in need of humanitarian assistance, and a high level of losses and damages, the Central African Republic (CAR) is currently home to one of Africa's most serious crises. Over the past two years, violence along ethno-religious lines has dramatically increased and led to a de facto partition of the country, while institutions have been weakened to an unprecedented level. The current conflict in CAR is the result of several unresolved and overlooked structural problems including, but not limited to, (a) an uneven geographic distribution of public investment, (b) very limited state presence outside the capital, (c) chronic poverty and high unemployment, and (d) weak institutions, both formal and informal. The prime evidence of this situation has been the proliferation of non-state armed groups able to control large portions of the population and the territory, as well as key economic sectors. For the people of CAR, this situation translates into political instability, decreasing socio-economic indicators, limited or no access to basic services, marginalization of most rural areas, loss of investments and livelihoods, and dramatic violence. Meanwhile, the legitimacy of the Transition Authorities has

periodically been contested and social expectations about the new Government remain high. The CAR crisis has also a significant regional dimension with the potential to destabilize fragile neighbor countries.

Sectoral and institutional Context

The Bank is currently implementing a phased Emergency Response Plan of US\$100 million in CAR, which was presented to the Board in January 2014. Phase 1 of the plan includes three emergency operations: (a) a health response project (P119815); (b) a food crisis and agriculture re-launch project (P149512); and (c) a public services recovery project (P149884). Phase 2 of the response plan supported the restructuring of the existing transport project (P079736) and urban project (P104595) to launch a multi-donor labor-intensive public works (LIPW) program in Bangui, while the community development project (P111679) has remained active in western rural areas. The proposed LONDO ('Stand-Up' in Sango, the official and commonly-used language in CAR) project fits in Phase 3 of the Emergency Response Plan (IDA 17 frontloading) by offering a longer-term development intervention. Its focus on social cohesion directly addresses the country's drivers of fragility and consequences of the crisis: chronic poverty, communal violence, unbalanced public investment, lagging regions, lack of state presence and services, absence of alternative employment to armed groups, and destruction of public infrastructures. A Country Engagement Note (CEN) defining the Bank's engagement strategy in CAR over a 24-month period and identifying priority sectors of intervention is under review. LONDO will be included as a flagship operation under the CEN's pillar of "support to the recovery and reconstruction of basic infrastructure and livelihoods." LONDO will strengthen the Bank's portfolio by complementing existing operations. The preparation of this operation has benefited from the on-going implementation of the LIPW program in Bangui. Moreover, LONDO will build on the experience of the community development project in rural areas to expand Bangui's LIPW program throughout the territory and set up the foundations for sustainable development interventions in CAR.

II. Proposed Development Objectives

III. Project Description

Component Name

Component 1: Local Governance

Comments (optional)

This component will first finance rapid development assessments at the level of sous-préfectures across the country to gather necessary data for successful development interventions: governance, security, social dynamics, economy, and logistics. These development assessments will complement the 'Rapid Response Mechanism' diagnostics of the humanitarian community and can be shared with other public agencies and development partners. This component will also support inclusive engagement with local stakeholders to support the selection of beneficiaries (through transparent public lottery) and agreement on work sites in the sous-préfectures. Citizen engagement activities also include the implementation of the Grievance Redress Mechanism (GRM), which will take the form of a secured toll-free nu

Component Name

Component 2: Public Infrastructure

Comments (optional)

This component will finance all works-related expenses except stipends to beneficiaries for the preparation, execution, and supervision of the works selected under Component 1. It includes the costs of (i) the preliminary conditions surveys, environmental checklists, bills of quantities, cost calculations, and work schedules; (ii) the supply of materials, tools, and equipment; and (iii) the management of works, stores, and sites, as well as quality control. The works will consist in the maintenance of roads, e.g. vegetation clearing, debris removal, side drains cleaning, or minor surface repairs. They will be performed using a labor-based methodology, i.e. a public works technology that maximizes opportunities for the employment of labor (vs. machines) and local resources.

Component Name

Component 3: Socio-Economic Integration

Comments (optional)

Since road works will be executed using the LIPW method, labor will account for about 40% (US\$ 4.2 million in stipends) of the total cost of works, based on the project's budget estimate. About 1.42 million worked days will be paid: 35,500 contracts of 40 working days each. 71 local reconstruction teams of 500 workers (20 brigades of 25 beneficiaries per sous-préfecture) will be set up, managed, and paid. The deployment of the teams will be phased following an adaptive schedule taking into account the geography, logistics and security. In addition, this component will sponsor the development of a community maintenance system (cantonnage communal) to promote the sustainability of the investment, in terms of both jobs and roads. Tools and equipment (signage, wheelbarrows, etc.) will be trans

Component Name

Component 4: Project Management

Comments (optional)

This component will cover all costs related to the management and coordination of the project, in particular the creation and maintenance of a comprehensive monitoring and evaluation (M&E) system. This will also include communication at the national level with beneficiaries and all other stakeholders involved in the project, including line ministries, international partners like the Multidimensional Integrated Stabilization Mission in the CAR (MINUSCA), and civil society organizations.

IV. Financing (in USD Million)

Total Project Cost:	20.00	Total Bank Financing:	20.00
Financing Gap:	0.00		
For Loans/Credits/Others			Amount
BORROWER/RECIPIENT			0.00
IDA Grant			20.00
Total			20.00

V. Implementation

Institutional and implementation arrangements have been designed to ensure ownership of the project by the government, while maintaining an appropriate balance between capacity-building of clients and effective execution of the project. To this end, the MEPCI will be the sponsoring authority of the project and will manage the Project's M&E activities, while the fiduciary and

technical implementation of activities will be delegated to AGETIP-CAF through a service agreement (Convention de maitrise d'ouvrage déléguée).

VI. Safeguard Policies (including public consultation)

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

Comments (optional)

LONDO is a category B project as defined in OP 4.01 (Environmental Assessment). No activity funded under the project is expected to have a significant negative environmental or social impact. The potential environmental and social negative impacts of the proposed project are associated with the implementation of Component 2, which is designed to support the road maintenance activities. They may have some minor social and environmental impacts which are likely to be minimal, site-specific, limited in scope and time, and easily manageable. The potential adverse impacts include vegetation clearing, dusts, soil erosion due to borrow area, injuries, and poor construction-related waste management. Therefore, the project triggers OP 4.01. As the proposed project is processed through OP 10.00 Para 12, the preparation of the environmental and social assessment documents has been deferred. A short Environmental and Social Management Framework will be prepared, consulted upon, and disclosed during project implementation. In addition, AGETIP-CAF has an in-house environmental specialist who will regularly monitor the project.

VII. Contact point

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