Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 03-Oct-2018 | Report No: PIDISDSC25419

BASIC INFORMATION

A. Basic Project Data

Country	Project ID	Parent Project ID (if any)	Project Name
Guinea	P168613		Guinea Biodiversity Conservation Project (P168613)
Region	Estimated Appraisal Date	Estimated Board Date	Practice Area (Lead)
AFRICA	Jul 15, 2019	Dec 18, 2019	Environment & Natural Resources
Financing Instrument	Borrower(s)	Implementing Agency	
Investment Project Financing	Ministry of Finance	Ministry of Environment, Water and Forests	

Proposed Development Objective(s)

The Development Objective is to strengthen the capacity of the Ministry of Environment, Water and Forests in biodiversity conservation and environmental management.

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	15.00
Total Financing	15.00
of which IBRD/IDA	15.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	15.00
IDA Credit	15.00

Environmental and Social Risk Classification

Concept Review Decision

Track II-The review did authorize the preparation to continue

Other Decision (as needed)

B. Introduction and Context

Country Context

- 1. Located on the western coast of Africa, **Guinea is a low-income country**, with a *per capita* GDP of US\$ 662 and a population of 12.4 million in 2016. The economy depends largely on mining, which accounts for 35 percent of the GDP, and on agriculture, with 20 percent of the GDP. The country is endowed with significant *mineral resources*: it has one third of the world's reserves of bauxite, the world's largest and highest quality iron ore, significant gold and diamond reserves, undetermined amounts of uranium, and prospective oil-shore oil reserves. As the source of several major rivers, Guinea also has significant *hydropower potential*, estimated at 6,230 megawatts, which is equivalent to more than 12 times the capacity of the existing grid.
- 2. The country's dependence on minerals makes the **economy vulnerable to changes in trade and metal prices**. During 2011-2012, the economy grew 3.3 percent, due to soaring commodity prices, particularly iron ore and gold. Unfortunately, the Ebola pandemic in 2013–2015, which claimed 2,544 lives, weakened the economy. A decline in global commodity prices, including the price of Guinea's main exports further weakened the economy during 2014-2015. The country's economy is now recovering, with a GDP growth reaching 6.7 percent in 2017, driven by an increase in production of bauxite and gold, a dynamic construction sector and positive agricultural performance.
- 3. **Guinea is one of the world's poorest countries**, ranking 183rd out of 188 countries in the United Nations Human Development Index. The incidence of poverty was 55 percent in 2012. It has been estimated that poverty has increased to 58 percent in 2014 in the aftermath of Ebola, due to the pandemic's ripple effects on the economy: the south east of the country and the areas around Conakry were particularly affected, through a decline of urban employment and rural income.
- 4. **Guinea is the home of unique biodiversity**. The country serves as a major watershed for West Africa, which is the source of about 22 rivers, including the Niger and Senegal (with the Bafing and Faleme tributaries). The landscape is part of the larger Upper Guinea forest system that covers Guinea, Liberia, Sierra Leone, Côte d'Ivoire, Ghana, and Togo. These forests the Guinean forests of West Africa are one of the 35 world's biodiversity hotspots identified by Conservation International, along with the Tropical Andes, the Atlantic Forest and the Horn of Africa.

Sectoral and Institutional Context

5. **Guinea's biodiversity is subject to major threats**. Despite the importance of the country's biodiversity for West Africa, it is subject to major threats – notably from mining and hydropower. Experience shows that mining and hydropower can have serious negative effects, both direct and indirect, on biodiversity and the environment. For example, mining

causes air pollution, deterioration of water quality (through acid rock drainage and transport of heavy metals) and losses of aquatic species. Given Guinea's ambitious *National Economic and Social Development Plan* in both mining and hydropower, the potential risks from these will require careful management.

- 6. The capacity of the country to mitigate the impact of development projects on biodiversity is currently very low. The Ministry of Environment, Water and Forests, in charge of designing and monitoring the implementation of environmental policies and regulation, remains under staffed, poorly financed and under equipped. A recent institutional audit of the Ministry of Environment, Water and Forests highlighted the following weakness: outdated legal texts that need to be updated and adopted, overlapping responsibilities between departments, aging personnel (noting for example that 90% of the staff of the Department of Water and Forests was older than 55 years), very weak ratio of trained rangers per protected area, total lack of financial resources [e.g., the yearly operating budget of the BGEEE (the arm of the Ministry in charge of environmental and social safeguard compliance) is about \$3,500], very limited equipment and logistical support [e.g., OUIPAR (the arm of the Ministry in charge of park management) has only 63 surveillance posts to oversee a protected area of about 3.7 million ha].
- 7. Considering i) Guinea's *National Economic and Social Development Plan* that will be supported by international organizations if the Government can show the ability to improve the management of environmental and social risks and impacts of this program; and ii) the new World Bank Environmental and Social Framework which provides more responsibilities to the client; the **proposed project** will attempt to reconcile biodiversity conservation with the interests of economic development. The proposed project will address this need by building institutional capacity for biodiversity conservation, implementing conservation measures in selected protected areas and improving the financial sustainability of biodiversity conservation through the creation of an endowment fund. It will also strengthen the country's capacity to oversee the implementation of infrastructure projects to minimize their impact on biodiversity.

Relationship to CPF

- 8. The proposed project is part of the new lending program under the Country Partnership Framework (CPF) for the period FY 2018-FY23. It directly contributes to achieve Objective 3 *improved management of the mining, natural resources and biodiversity* of the first pillar: *fiscal and natural resource management*. The proposed project will strengthen Guinea's institutions to safeguard the risks associated with the biodiversity-hydropower-mining nexus. This project will complement the ongoing working partnership between the World Bank, IFC and MIGA in the mining sector (particularly under the Mineral Governance Support Project) and help reduce the negative impacts of mining and hydropower activities on biodiversity.
- 9. Moreover, the proposed project will directly contribute to achieving a key objective of Guinea's **Nationally Determined Contribution (NDC)**, namely to "ensure effective conservation of classified forests and protected areas by means of strengthening supervisory arrangements (OGUIPAR); awareness raising; participatory management; and enforcement of the criminal sanctions set out in the Forest Code". This objective has both adaptation benefits (in terms of water quality preservation) and mitigation benefits (in terms of carbon sequestration). The project contributes to achieve Guinea's **National Strategy on Biological Diversity** (2016 2025), as well as the fourth pillar of the Guinea's **National Economic and Social Development Plan** (2016-2020) related to the sustainable management of natural capital.

C. Proposed Development Objective(s)

The Development Objective is to strengthen the capacity of the Ministry of Environment, Water and Forests in biodiversity conservation and environmental management.

Key Results (From PCN)

The key results of the proposed project are:

- (i) Endowment fund for biodiversity conservation legally established (Yes/No)
- (ii) Surface of protected area with improved biodiversity management (ha)
- (iii) Environmental monitoring inspections of large infrastructure projects carried out per year by the Ministry of Environment, Water and Forests (Number)
- (iv) (Citizen engagement indicator to be included)

D. Concept Description

Component 1: Biodiversity conservation planning, legal and institutional framework (estimated US\$3 million)

10. This component will reinforce OGUIPAR's institutional capacity through the following activities: (i) strengthening the PAs' legal and institutional framework (e.g., revision and update of environmental legal texts, training courses in PA management); (ii) developing multi-sectoral development plans for selected areas (e.g., Moyen-Bafing) and developing/updating management plans for selected PAs; (iii) developing an information system for PAs network and training OGUIPAR staff in GIS and data management, and (iv) setting up an Endowment Fund for biodiversity conservation.

Component 2: Biodiversity management in selected PAs (estimated US\$8 million)

11. This component will improve the management of two (tbc) selected PAs¹, through their natural or assisted regeneration, thereby creating a habitat conducive to improved biodiversity and enhanced carbon sequestration capacity. The component will finance works, equipment and technical assistance related to improving the management of the selected PAs. This will include: i) implementing activities identified in the PA management plans (e.g., inventory of biodiversity; conserving natural areas of high biodiversity value; rehabilitating degraded areas); (ii) building/rehabilitating infrastructure (e.g., offices, housing, monitoring stations); and (iii) providing means of transport and communication (e.g., vehicles, radio stations).

Component 3: Environmental management and monitoring (estimated US\$3 million)

- 12. While previous components focus on biodiversity conservation and PA management, component 3 aims at mitigating the impact of infrastructure projects (particularly hydro) on biodiversity at the national level, by reinforcing the institutional capacity for environmental and social safeguard compliance.
- 13. Specifically, this component will strengthen the capacity of the BGEEE in environmental and social <u>impact assessments</u>, <u>monitoring</u>, and <u>enforcement</u> through the following activities: (i) develop sectoral guides that orient potential investors and facilitate the process of environmental monitoring, (ii) develop a manual of financial and administrative procedures; (iii) provide equipment, office furniture and vehicles to facilitate BGEEE's activities; (iv) provide

¹ The Government has proposed an initial list of PAs including: the biosphere reserve of High Niger (752,200 ha), the biosphere reserve of Badiar (146,600 ha), the protected marine areas of Tristao (85,000 ha), the protected marine area of Alcatraz (25,000 ha), the marine protected area Rio Kapatchez (20,000 ha, RAMSAR site), the Delta of Koukouré Dubréka (90,000 ha, RAMSAR site) and Bafing Source (1,100 ha, RAMSAR site). The selection of intervention areas will be discussed and finalized during project appraisal.

new premises for the BGEEE central office in Conakry, (v) train and equip staff working on large infrastructure project to enable them to properly monitor the environmental and social compliance of large infrastructure projects.

Component 4: Project management, monitoring and evaluation (estimated US\$1 million)

This component will support the establishment of a fully functioning Project Implementation Unit (PIU). It will cover the cost of staff, consultants, field visits, office equipment, audits and the operating costs necessary for project implementation, monitoring and evaluation.

Legal Operational Policies

Triggered?

Projects on International Waterways OP 7.50

Projects in Disputed Areas OP 7.60

Summary of Screening of Environmental Risks and Impacts

Note To view the Environmental and Social Risks and Impacts, please refer to the Concept Stage ESRS Document.

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APPROVAL

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