

PROJECT INFORMATION DOCUMENT (PID) CONCEPT STAGE

Report No.: PIDC11730

Project Name	INFRASTRUCTURE, URBAN DEVELOPMENT AND MOBILITY PROJECT (P151832)
Region	AFRICA
Country	Burkina Faso
Sector(s)	Rural and Inter-Urban Roads and Highways (55%), General water, sanitation and flood protection sector (10%), Sub-national government administration (25%), General public administration sector (10%)
Theme(s)	Rural services and infrastructure (55%), City-wide Infrastructure and Service Delivery (30%), Urban services and housing for the poor (5%), Administrative and civil service reform (10%)
Lending Instrument	Investment Project Financing
Project ID	P151832
Borrower(s)	GOVERNMENT OF BURKINA FASO
Implementing Agency	Secretariat Permanent du Programme Sectoriel des Transports, Ministère de l'Habitat et de l'Urbanisme - MHU, Ministère des Infrastructures, du Désenclavement et des Transports - MIDT, Ministère de l'Administration Territoriale et de la Sécurité
Environmental Category	A-Full Assessment
Date PID Prepared/ Updated	04-Jun-2015
Date PID Approved/ Disclosed	14-Jul-2015
Estimated Date of Appraisal Completion	22-Dec-2015
Estimated Date of Board Approval	24-May-2016
Concept Review Decision	Track II - The review did authorize the preparation to continue

I. Introduction and Context

Country Context

1. Burkina Faso is a land-locked country located in West Africa with a population of about 17 million people (demographic survey of 2010) characterized by high demographic growth of 2.7% and with a high share of youth (as of 2006, 46% of the population is aged 15 years and below). With the current population growth rate, the total population of the country is estimated to reach 21.5 million by 2020 according to forecasts of INSD "National Institute of Statistics". Economic

growth in Burkina Faso has been higher than in other African countries, at 6% as opposed to 4.5% in sub-Saharan Africa, according to the World Bank Country Data (2015). Yet, this masks fluctuations. GDP growth rate went from 3.5 percent in 2009 to about 7.9 percent in 2010, followed by a slowdown in 2011 to about 4 percent and then a rebound to 7 percent in 2012 due to good rains and high gold prices. Despite the relatively satisfactory macro-economic performance of the country during these recent years, the living conditions have not steadily improved. After a decrease in poverty rates in the country since the 1990s, from 54.6% in 1998 to 46.7% in 2009 (WB Data, 2015), today some 45% of the population is living under 1.25US\$ per person per day. The country also faces increasingly harsh climatic conditions which hinder efforts to reduce extreme poverty..

2. Burkina Faso experienced a political crisis in October 2014 as a result of the Government's modification of the country's constitution to allow the president to run for a fourth mandate. This political crisis led to the change of government and the country is currently led by a transitional government whose mandate will end in November 2015, following which elections will take place and it is expected the country will be in a more politically stable position. Also this crisis led to a dismissal of local governments (decentralization was adopted in 2004 through law 055-2004/AN on the "Code Général des Collectivités Territoriales (CGCT)" and replaced them by special delegations.

3. Infrastructure remains a major drag on doing business in Burkina Faso, and its development is key to improve the country's competitiveness and diversify its economy (Burkina Faso Country Economic Memorandum (2008). Cities and their hinterlands rural areas are linked through dynamic trading and other exchanges supporting their development. Despite the importance of the transport sector for economic development, the road network remains undeveloped. Even though, about 75% of Burkina Faso's population still lives in rural areas, their access to all season roads is weak (Rural Access Index (RAI is around 26%) and remains low behind SSA standard. In addition, at least 50% of the classified tertiary (rural road) network is impassable, for certain periods of year (during rainy season) and only 20% of the classified roads are paved and around 74% is in good and fair condition. This means that rural mobility and urban centers connection remain a key challenge to ensure products transfer to consumption zones and improve economic development in the given rural areas. Therefore, building sustainable infrastructure and service provision as well as ensuring adequate mobility of the population and products to markets are key to the development of capital cities and their hinterlands. The Government has updated its transport sector strategy to cover the period of 2011-2025 as implemented under the Priority Investment Plan 2011-2015. The key actions were included in the Strategy for Accelerated Growth and sustainable Development (Stratégie de Croissance Accélérée et de Développement Durable - SCADD).

4. Urban mobility mainly in Ouagadougou has become a major concern. The city is experiencing traffic congestion on most of its roads sections due to continuing population growth, an increase in the use of individual transport, mostly motorized vehicles and especially motorcycles (two and three wheelers). A study conducted in 2004, found that the city of Ouagadougou is responsible for 80 percent of the total urban pollutant emissions in Burkina and the large part is deriving from transport. Government has taken some initiatives to tackle the issue but urban mobility is still not appropriately managed due to no clear institutional responsibility, weak efficiency of traffic organization and transport services and poor conditions of urban roads. It is urgent to set up a clear institutional framework and a policy dialogue framework with the client.

5. Burkina Faso is rapidly urbanizing. The total urbanization rate is 26% (INSD, 2009),

following a steady increase from 6.4 in 1975 to 22.7% in 2006) and it is estimated to reach at least 35% by 2025 (PNH DU, 2008). The urban population is expected to double within 15 years to reach 9.7 million by 2025 (UN-Habitat, 2014). The country is still predominantly rural, has a population density that is unevenly spread. The country's urbanization is occurring mainly in two large cities (Ouagadougou and Bobo-Dioulasso), the remaining numerous secondary cities being predominantly small and with rural characteristics. The capital Ouagadougou makes up roughly 45% of the total urban population of the country (UN-Habitat, 2014). In addition to its population growth, Ouagadougou has almost tripled its built up area in 22 years (58 square km in 1983 to 160 square km in 2005, SDAGO). The combined effect of rapid population growth, rapid urbanization and the extreme youth of the population will increase the demand for basic services, infrastructures and jobs to maintain growth and social stability and is a potential risk of vulnerability for the country's youth and could lead to social unrest.

6. Municipalities have very limited budget while their urban responsibilities and significant investments requirements are huge. The World Bank supported the improvement of urban management capacity and introduction of financing and management tools like FPDCT (Fonds permanent de développement des collectivités territoriales), the Urban Information System for land management ("Système Information Urbain - SIU"), and solid waste management systems, but communes are still lacking financing resources for large infrastructure investment. The two larger cities (Ouagadougou and Bobo Dioulasso) benefit from more investment from donors although this is still deemed insufficient. Secondary cities are in crucial needs of financing their basic infrastructure needs to make them more urban than they appear currently. Therefore, supporting secondary cities in responding to some of their huge needs in infrastructure investments and capacity building needs would give them economic development basis and opportunities of jobs for their population and improved living conditions thus maintaining them from systematically moving to the larger cities.

Sectoral and Institutional Context

7. A core part of the Government's overall development strategy (SCADD), adopted in 2011, through its Pillars 1 and 4 promotes accelerating growth and sustainable development through enabling the economic development basis, jobs creation and revenue generation. The SCADD, along with others sectoral strategies aims to support the development of regions and urban areas that promote and specialize specific areas of production and economic activity based on their location, natural endowments and enabling environment. They also aim to balance out lagging and leading regions, and address inefficiencies in connectivity and the lack of good infrastructure and roads that lead to loss of agriculture products worth of millions of dollars. Agriculture and livestock products transfer to consumption zones, trade and people mobility are rendered hard due to deficient linking roads, and weak storage capability of producers though negatively impacting the economic development of urban and rural zones.

8. Burkina Faso has 13 regional capital cities; each plays an important role in the economic development of the country. Most jobs are concentrated in these cities, which attracts migration to the main cities. The regional capitals are characterized by low density and sprawling development, which results in greater challenges for service delivery (connectivity, mobility, water, energy etc..) due to lack of efficiency and high cost. The socio-economic infrastructure of cities – education, employment, commerce and public services – is mostly located in core urban areas. Rapid urbanization has outpaced the municipalities' ability to provide land, infrastructure and services in a timely manner and with required quality. The improvement of many services, such as sanitation

facilities, has therefore remained stagnant or deteriorated since the 1990s, and effective solid waste management systems are almost nonexistent outside Ouagadougou and Bobo Dioulasso (system created but not working in Bobo). Almost 60% of the urban population lives in slums (UN Habitat 2010), and housing is typically overcrowded, informal and without tenure security. Strong population growth, coupled with urbanization and environmental vulnerabilities, have strained the urban infrastructure investments in Burkina Faso. The country is prone to increasingly frequent recurrent natural disasters such as drought, floods and locust invasions. These cause loss of lives and damages on existing public infrastructure such as roads, dams, or health and education facilities and public buildings; often with additional damages due to poor conditions and limited maintenance of already existing infrastructure stock (UN-Habitat, 2014). The cities are also facing increasing urban insecurity due to youth unemployment, challenges facing livelihoods, vulnerability and lack of appropriate transportation systems. Increased traffic congestion due to a rising population, and inefficient transport services delivery as well as inadequate investment in urban roads and services infrastructure have jeopardized a feasible and realistic institutional and regulatory framework for more reliability of urban services.

9. In addition to the cross cutting issues identified in the 12 regional capitals, Ouagadougou due to its size and spatial settlement (1.6 million inhabitants and 350 square km) faces particular mobility challenges at a larger scale with detrimental effects for the economy due to the importance of the city for production and manufacturing. The main urban transport problems in Ouagadougou are (i) the unclear and ineffective institutional framework for urban transport in view of the decentralization context in Burkina Faso; (ii) traffic congestion due to continuing population growth in urban centers (Ouagadougou and Bobo mainly); (iii) inefficient public transport services; and (iv) growing use of individual transport, mostly motorized vehicles and especially motorcycles and recently three wheelers. Based on information provided in the five-year action plan elaborated by CETUO “Conseil Executif des Transports Urbains de Ouagadougou” in October 2003, 62 percent of trips have as destination the city center, and only six percent of all trips are covered by public transport. The unclear institutional framework, limited and unenforced regulation, and the multiplicity of institutions involved in managing urban transport (managed under three different entities “Ministère des Infrastructures du Désenclavement et des Transports (MIDT)”, the Municipality, and the public bus transport company), continues to be an overarching challenge for delivering transport services in the city, and resolving this issue could help Government better address the service delivery issues in the transport sector and improve coordination.

10. Recently, a pilot project - Ouagadougou Transport Modal Shift Project - financed the update of the study for the establishment of the “Autorité Organisatrice des Transports Urbains (AOTU)” and an urban transport strategy and investment plan. In addition to this, the French Development Agency has financed the preparation of the traffic master plan for central Ouagadougou. With all those studies and initiatives undergoing, it is worth continuing the dialogue to support the country put in place the AOTU.

11. The transport sector has benefited from heavily investment over the last 10 years; to develop both the capacity and quality of its transport infrastructure network which constitute one of the engines of growth for the country economy. The Government of Burkina Faso’s (GOBF) prepared the Second Transport Sector Program (STSP) (Deuxième Programme Sectoriel des Transports) for 2000-2010, which was multi-donor funded. The recently updated Transport Sector Development Strategy (TSDS) is covering the 2011 to 2025 period and was endorsed by GOBF in December 2011. It is aiming at broadly continuing the previously strategic objectives for the sector,

and supports SCADD. A Transport Sector Strategy Priority Investment Program (TSSPIP), covering the 2011-2016 periods was prepared by the Government of Burkina Faso (GoBF) to support the implementation of the SCADD and TSDS.

12. The total road network of Burkina Faso is about 61,000 km of which about 15,300 km is classified and low proportion is paved (about 3,100 km, (20%)). Burkina Faso still has one of the lowest road densities in West Africa and a Rural Access Index (RAI) of only about 25 percent. Road maintenance system (road fund) created in 2007, receives about 70 percent of what required funds for adequately maintain its classified road network. The current project would support the implementation of the TSDS and the SCADD in its portion of upgrading and strengthening of the core road network. Transport sector is supporting the development of other sectors such as agriculture, education, trade and health. Agriculture, for example, occupies more that 80% of the work force of the country and contributes to the GDP for about 30%. Though, agriculture products evacuation towards consumption centers and is key challenge for rural population.

13. In order to address these challenges, Burkina Faso has designed sector strategies aiming at providing strategic direction for investment and ways for improved livelihoods for its citizens including in urban areas, among which the most important ones are; (i) the National Planning Framework for Regional Development (Schéma National d'Aménagement du Territoire-SNAT); (ii) National Policy of Habitat and Urban Development (PNHDU) which is implemented through the Action Plan for Habitat and Urban Development (2009-2018); (iii) the law for urbanization and construction (law N ° 017-2006/year dated May 18, 2006); and (iv) the transport strategy covering the period 2011-2015 adopted in December 2011. In addition to those texts there are other strategic documents like the Master Plans of all regional capitals (excluding Ouagadougou), prepared in 2012, and the land use plans that are currently being formalized and pending final approval by Cabinet. These documents are providing the overall institutional framework and policy for the sector. The master plans for the regional capitals lay out the cross cutting challenges that cities face including (i) land use planning and management; (ii) limited local economic development; (iii) constraints to urban mobility; (iv) rapid population growth in all regional capitals; (v) sustainable development and access to basic services; and (vi) urban institutions and capacity constraints.

14. As such, the Government has identified specific zones and growth poles that have high potential and that it intends to support to enable more effective production and economic development as well as improving the connection between regions and between agglomerations and their hinterlands. Among others, it intends to improve connectivity between two important agriculture production zones with high potential (North-West and South of the country) with the center of the country where agriculture production is usually deficient. This connectivity if ensured, will complement the existing investment through Bagre Growth Pole Project (funded by IDA), Sahel Growth pole project (funded by IDA) and the Millennium Challenge Corporation investments as well as paving of classified roads linking the three main cities at the Central-West and the North West of the country (Koudougou, Dedougou, Ouahigouya) and the planned investments. Such investments, are aiming to build and reinforce the economic linkage between the center (plateau central), the North West (Ouahigouya, Dédougou and Koudougou) and the Southern part of the country (Manga and Tenkodogo) which is Bagre pole impacted zoned to ensure smooth removal of products from rural areas to urban ones (consumption zones). This strategy requires investment across all sectors, including in improving human development outcomes, but at the foundation is the requirement to have more interventions in core infrastructure that can make cities more efficient and improve connectivity. Two key pillars in particular require attention in this area – expanding the

coverage and quality of Burkina's roads networks for improved mobility and connectivity and investing in improving the level of provision of core urban services to enable business development and maintain service delivery standards in the context of rapid urbanization. As part of enhancing urban efficiency, Government has also targeted the importance of improving urban mobility in Ouagadougou, the country's largest metropolitan area and the concentrated area for economic activities.

Relationship to CAS

15. The current SCADD (in its Pillar 1 - Development of Accelerated Growth) emphasizes Government's commitment to put in place a performing urban system while reinforcing the economic functions of the different cities. Pillar 1 highlights transport services and infrastructure development as a central element for improving the internal and external connectivity and improving trade and economic activities. The Country Partnership Strategy (CPS) 2013-2015 is built on the SCADD and is a result of in-depth consultation with the population and leadership of the country. The consultations confirmed the key priorities for the Bank in areas of closing the infrastructure gap, financing the development of lagging and leading regions, and the implementation of infrastructure upgrading in urban areas.

16. The Infrastructure, Urban Development and Mobility Project (PIDURMO) supports the Bank's twin goals of reducing extreme poverty and enhancing shared prosperity, as it invests in infrastructure to support economic growth and agriculture products transfer from production areas to consumption zones and generates jobs.

II. Proposed Development Objective(s)

Proposed Development Objective(s) (From PCN)

The project development objective aims to contribute to removing infrastructure, connectivity and mobility constraints facing urban and rural communities and businesses in the Bagre Growth Pole zone and its hinterland, as well as increase access to services and promote economic development in selected regional capitals.

To do so, the project will support the implementation of the priority actions resulting from the following strategic documents: (i) the transport sector strategy of Burkina Faso for 2011-2015; (ii) the actions identified in the urban development master plans of the 12 regional capitals of Burkina Faso; (iii) the relevant development strategy actions resulting from the National scheme of territory planning (SNAT); and (iv) the national policy of housing and urban development. All those strategies highlighted the relevance of harmonious development of urban centers and their rural hinterlands for a sustainable economic growth of the country; and shared prosperity.

Key Results (From PCN)

The expected results are: (i) improved level of service, quality and safety of targeted road links and reduced travel time; (ii) increased economic development activities in the Bagre zone; (iii) jobs created through labor intensive public works in rural and urban areas; (iv) municipal management capacity of transport systems improved; (v) increased access to urban services in Dédougou, Koudougou, Ouahigouya, Manga et Tenkodogo; and (vi) increase in economic activities for targeted cities.

III. Preliminary Description

Concept Description

20. The project provides an integrated package of support linking infrastructure investments with existing and emerging economic activities in the Bagre Zone and in the regions immediately north of Ouagadougou. Simultaneously, the projects targets institutional and capacity strengthening of regional capitals to enable them to manage rapid urbanization in terms of spatial planning and provision of key strategic urban services with the aim of accommodating a rapidly growing population and supporting the growth of economic activities. Finally, the project aims at supporting the improvement of urban transport management in Ouagadougou given the link between improved mobility and productivity in the nation's capital and most important urban agglomeration.

21. In terms of connecting infrastructure and linking key rural and urban centers, the project would finance the construction and paving of key roads in the Bagre region to connect agricultural producers and enterprises in the area with key markets, as identified in the existing Transport Sector strategy and investment plans. In addition, the project would finance the technical studies of 40 culverts including around 100 km to be executed under the labor intensive approach (Haute Intensité de Main d'oeuvre - HIMO).

22. To create enabling conditions for economic growth and the reduction in disparities across the national territory, the project will address the technical assistance priorities identified in the master plans of the 12 regional capital cities including: (i) design of a complete cycle of household solid waste management (collection, transfer, treatment and disposal), (ii) undertaking detailed zoning for each of the twelve cities, (iii) design of drainage master plans, and (iv) carrying out feasibility studies to determine economic and social viability, institutional arrangements and financing of proposed special economic activity zones in the cities (e.g. zones for horticulture and vegetable production, areas, dry port areas or parking areas).

23. In the five targeted cities (two in the Bagre zone and three in the northern corridor), the project would finance the construction and rehabilitation of key urban infrastructure and services such as urban roads, drainage system and storm water channels, marketplaces, bus terminals, and abattoirs, using the HIMO approach were feasible. Finally, for Ouagadougou, the project would continue support to urban transport sector including the AOTU, traffic scheme priority activities implementation and a study for a dedicated bus rapid lane as pilot.

Project beneficiaries

24. The beneficiaries of the project are the 3.5 million people living in the five targeted regional capitals and Ouagadougou, as well as the populations living in the rural areas impacted by the interventions (road paving) including farmers, SMEs, administrative services, local authorities, the private sector and civil society as well as all users of the road sections rehabilitated or constructed an infrastructure and services to be put in place.

Area of coverage

25. The project will be implemented with a spatial focus on the Bagre growth pole region including two capital cities (Manga and Tenkodogo) and three capital cities of the North-West corridor (Ouahigouya, Koudougou and Dédougou) for specific targeted activities. In addition, the 12 regional capital cities (Ouahigouya, Koudougou, Dédougou, Tenkodogo, Manga, Dori, Kaya,

Bobo, Gaoua, Banfora, Ziniare and Fada N'gourma) will benefit from targeted technical assistance support in the areas of planning and solid waste management. The main capital city Ouagadougou will benefit from a support on urban transport activities.

Project cost.

26. The estimated cost of the Project is US\$105 million of which IDA is providing 100US\$ million and the GoBF a counterpart funding of approximately US\$5 million.

Project components.

The proposed project has three components:

27. Component A: Infrastructure improvement for Rural-Urban Connectivity, and improved urban services and economic development. (US\$96m). This component will finance priority investments for improved rural and urban connectivity in the Bagre zones, as well as critical urban infrastructure in the selected cities and regional capitals. It includes three sub components:

- Sub component A.1. would finance the construction and paving of the road section RN29 Manga-Zabre - Zoaga - border of Ghana and the studies of the road sections RD30 Dindeogo-Zonsé (9 km), and the rehabilitation of the road section Bagre-Dindeogo (40 km).
- Sub component A.2. would finance a combination of infrastructure and TA support to the five regional capitals and support to improvements in spatial planning and management of core urban services across all the 12 regional capitals.
- Sub component A.3. would finance core environmental and social safeguards management associated with sub-components A1 and A2, as well as communication activities, and participatory approaches.

28. Component B: Institutional support, sectoral reforms and governance (US\$3.15 million). This component comprises two sub components. Subcomponent B.1 supports the transport sector (MIDT, General Secretariat, Central, regional and provincial directorates involved in the project) and the continuation and implementation of reforms in the sector. Sub-component B2 supports urban sector (MHU and its directorates, the beneficiary municipalities) and some urban governance and implementation of priority reforms.

29. Component C: Project management, monitoring and evaluation. (US\$4.72 million) This component includes activities related to project implementation, procurement of equipment for all the project stakeholders, monitoring and evaluation, technical and financial audits and the recruitment of consultants to support the project implementation. The main implementing agency will be MIDT and MHU.

30. Physical and Price- Contingencies: An unallocated amount of US\$2 million is provisioned to cover any contingencies fees.

IV. Safeguard Policies that might apply

Safeguard Policies Triggered by the Project	Yes	No	TBD
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	

V. Financing (in USD Million)

Total Project Cost:	105.00	Total Bank Financing:	100.00
Financing Gap:	0.00		
Financing Source			Amount
BORROWER/RECIPIENT			5.00
IDA Grant			100.00
Total			105.00

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