



# Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 07-Dec-2020 | Report No: PIDC31048

**BASIC INFORMATION****A. Basic Project Data**

Country Congo, Democratic Republic of	Project ID P175834	Parent Project ID (if any)	Project Name Stabilization and Recovery in Eastern DRC (P175834)
Region AFRICA EAST	Estimated Appraisal Date Mar 29, 2021	Estimated Board Date Jun 11, 2021	Practice Area (Lead) Social Sustainability & Inclusion
Financing Instrument Investment Project Financing	Borrower(s) Mnsr Tshiyoyo	Implementing Agency Mr Julien Kahongya	

**Proposed Development Objective(s)**

The overall project development objective of the project is to contribute to the stabilization and recovery of communities in targeted areas of Ituri and North and South Kivu in eastern DRC. To do this it will support (i) provision of basic community socio-economic infrastructure; (ii) the socio-economic reintegration of those associated with armed groups into their communities and (iii) establishing a decentralized platform in eastern DRC for project management, public financial management, knowledge generation, advisory support and learning.

**PROJECT FINANCING DATA (US\$, Millions)****SUMMARY**

Total Project Cost	200.00
Total Financing	200.00
of which IBRD/IDA	200.00
Financing Gap	0.00

**DETAILS****World Bank Group Financing**

International Development Association (IDA)	200.00
IDA Grant	200.00



Environmental and Social Risk Classification

High

Concept Review Decision

Track I-The review did authorize the preparation to continue

Other Decision (as needed)

## B. Introduction and Context

### Country Context

- 1. The Democratic Republic of Congo (DRC) is bound by contradiction; rich in minerals, forest resources, freshwater, agricultural potential, a vibrant population, and yet most Congolese live in poverty.** DRC has a Gross Domestic Product (GDP) of \$747 per capita. Poverty remains widespread; given a population growth rate of more than three percent, recent economic growth is not enough to reduce poverty. Poverty declined from 94.3 to 76.9 percent from 2005 to 2012 but remains substantially higher than the African average of 42.6 percent. The number of poor increased by 1.5 million over the same period; in 2018, 73 percent of Congolese lived on less than \$1.90 a day.
- 2. Political instability, armed conflict, criminal violence, poor governance of immense (potential) wealth and weak state institutions are the main factors that explain this contradiction.** Despite the action of the United Nations Organization Stabilization Mission in the DRC (MONUSCO) parts of the territory continue to be contested by violent armed groups. Chronic conflict has had a devastating impact. Estimates vary, but over three million persons have died as a result. More currently, two million children in eastern DRC do not have access to education due to the destruction or damage to schools.
- 3. DRC has some of the largest gender gaps in the world and ranks 149 out of 153 countries in the 2020 Global Gender Gap Index.** Interrelated constraints of girls' school dropout, early childbearing, and early marriage are especially problematic and are most prominent among the rural poor. Women tend to have low decision-making power within the household, with only 11 percent of cases in which a woman is the main decider on matters that affect her own health according to the 2013-14 DHS. DRC's context exacerbates gender gaps and especially contributes to high rates of sexual and Gender-Based Violence (GBV), which represent a significant barrier to women's full engagement in social and economic life. According to the 2013-14 DHS, 52 percent of women have experienced physical violence since the age of 15, and 27 percent of women reported they had been victim to physical violence over the past 12 months, most often at the hands of their husbands.
- 4. DRC is encountering two epidemics; the worst Ebola outbreak in its history (since 2018) and Covid-19 (since March 2020).** Efforts to contain the Ebola epidemic (2,300 deaths out of 3,500 cases) have been hampered by insecurity: over 300 incidents against health workers were recorded in 2019. Specific challenges include community resistance to the public health response, fueled by disregard for existing local authorities and distrust of external actors, following decades of violence and neglect. In turn, the country has managed to contain the worst aspects of Covid-19 (with some 13,000 cases and around 400 deaths reported to date). However, the pandemic is expected to trigger economic recession (-2.2%) in 2020, stemming from weaker exports caused by the global economic downturn.



5. **Regarding the climate crisis, the impacts are noticeable throughout the country through adverse effects that pose risks to sustainable development.** DRC is witnessing extreme rain and flood events leading to soil erosion and degradation, a prolongation of the dry season, and an increase in drought periods during the rainy seasons. Subsistence farmers, the urban poor, and women are especially vulnerable. The number of food-insecure people doubled from 7.7 million in 2017 to 15.6 million in 2019, making access to food a daily struggle for a significant part of the population. An estimated five million children are acutely malnourished.

6. **Despite these formidable challenges, the country experienced its first peaceful transfer of power in 2018 and may be at a turning point.** Support for the Government's efforts to address overlapping crises may catalyze more sustainable pro-poor policies, such as free primary education, and initiate a cycle of positive, self-reinforcing initiatives to increase the resilience of the country and its population.

#### Sectoral and Institutional Context

7. **Armed conflict in the Congo is best understood as three interlocking wars.** While the Congo wars originated in the 1994 Rwanda genocide, 'the first war began in September 1996 as an invasion by a coalition of neighboring states of what was then Zaire and resulted in replacing President Mobutu with Laurent Kabila in May 1997. The second broke out in August 1998 when a similar configuration of neighboring states, some of which had been Kabila's patrons in the first war, broke with him and attempted a similar ouster, but without their earlier success. It ended with the signing of the Lusaka Ceasefire Agreement in July 1999.' A third 'war' followed from 2006, largely concentrated in eastern DRC, and in many forms continues to this day.

8. **The current conflict is a complex with roots in the Rwandan genocide while also drawing on contemporary political economic interests, such as found in the 3T trade.** At the regional level, groups such as the *Forces Démocratiques de Liberation du Rwanda* (FDLR), associated with the perpetrators of the genocide, reside in Congolese territory as armed opposition to the Rwandan regime. The cross-border tactics of the FLDR are now being mimicked by the Allied Democratic Forces (ADF) in opposition to Uganda. However, these groups along with the many Congolese armed groups have taken on more 'organized-criminal' dimensions in predation on natural resources (timber, cash crops and minerals) as well as the general population.

9. **Armed groups are but symptoms of contestation over structural issues about which development institutions have some but limited control.** Here a 'levels analysis' is useful in breaking down such inter-linked contestation. This includes at the regional level, politically led proxy wars given inter-state rivalry. At the national level this includes the weakness of the state, corruption and the role of elites and military forces in such predation. At the local level there are issues around exclusion, for example of youth, identity, contests over public authority and land disputes. A development operation needs to situate itself in such a context: i) to deal with the risks and ii) assess how it can deploy its (limited) influence on addressing such drivers. Hence, for this purpose the operation uses a tiered system, identifying Tier 2 conflict drivers as those that could potentially be addressed.

Level of Analysis	Type of Conflict Driver	Degrees of Influence
Local	Identify, land disputes, power contests, exclusion	Tier 2
National	Corruption, predatory forces, illicit finance, migration	Tier 1 and 2
Regional	Porous borders, proxy-wars	Tier 1

10. **An example of an issue which a development actor may influence is that of illicit financial flows and the link with armed violence.** Illicit exploitation of natural resources in eastern DRC is estimated at around US\$1.25 billion per year (more than 2.5% of the country's GDP). In 2015, 57% of the mining and natural resources (mainly gold, coltan, copper,



diamonds, cobalt cassiterite and tungsten gold mines) were controlled by armed groups. The groups also finance themselves through ivory and fish trafficking, and illicit taxation of communities and commerce via roadblocks. According to the Financial Action Task Force Against Money Laundering and terrorism financing in Central Africa (GABAC) the DRC suffers from endemic corruption which generates huge illicit profits. The value of the losses caused by fraud and corruption is estimated by the Government at US\$ 9 billion nearly double the national budget.

11. **The costs of war have been enormous.** There are now an estimated 5.1 million Internally Displaced Persons (IDPs) with 1.6 million being displaced in 2019 alone, principally due to conflict in the east. DRC hosts approximately 918,000 refugees from neighboring countries, principally from CAR, South Sudan, Burundi and Rwanda. The 2020 Humanitarian Response Plan for the over 15 million people in need originally stood at US\$1.79bn. A revision in June 2020 increased this by US\$205 million to US\$2.07bn based on the impact of Covid-19 and the continuing crisis.

12. **The cycle of violence cannot be broken without addressing the specific problems carried by the perpetrators of violence.** A significant number of former combatants have developed conditions requiring treatment as a result of experiencing traumatic or traumatizing events. Up to 45 percent have suffered post-traumatic stress disorder (PTSD). Other data suggests that 20-30 percent are depressive, 40 percent drug addicts, 25 percent with suicidal thoughts, and 22 percent with appetitive aggression (AA, representing a proclivity toward violence).

13. **After twenty years and various international efforts to pacify eastern Congo, including the presence of a UN peacekeeping mission, the conflict continues to persist at enormous cost.** Some commentators have termed this 'stable instability' insofar as the use of armed violence is simply a part of the means of production and is embedded in political and economic life. There are examples of how local peacebuilding has broken these cycles as well as reform at the nation-state level but clearly the efforts in DRC have some way to go.

#### Relationship to CPF

14. **The Country Management Unit is in the process of completing a Risk and Resilience Assessment of the country that will feed into a new Comprehensive Partnership Framework (CPF) for DRC that will be accompanied by an eligibility Prevention and Resilience Allocation (PRA) note to access additional IDA-19 financing.** The CPF will comprise a 'conflict prevention' pillar that will also draw links to the PRA and this project will be central to both in terms of drawing together both policy and operational elements of Bank engagement in a sub-national conflict zone.

#### C. Proposed Development Objective(s)

15. The proposed development objective is to contribute to the recovery of communities in targeted areas of Ituri and North and South Kivu in eastern DRC by supporting; (i) provision of basic community socio-economic infrastructure; (ii) the socio-economic reintegration of those associated with armed groups into their host communities and (iii) establishing a decentralized platform in eastern DRC for project management, data collection, knowledge generation and learning.

#### Key Results (From PCN)

16. **The following PDO indicators will be considered and refined during project preparation:**

- i. Direct project beneficiaries (number), of which female (percentage).
- ii. Average percentage increase in access to improved community social and economic infrastructure.
- iii. Average percentage increase in annual revenues among beneficiaries of the livelihood support subcomponent (by



sex).

- iv. Number of beneficiaries employed in own-business activities.
- v. Percentage of beneficiaries of the livelihood support subcomponent whose revenue increased (by sex)
- vi. Project management unit established as hub and used by other projects.
- vii. Percentage of use of government revenues.
- viii. Number of former combatants reintegrated into their communities.
- ix. Public confidence in uniformed security forces.

#### **D. Concept Description**

17. Given the dynamic and volatile context the project is going to remain simple and build on the achievements and lessons of previous projects. The project activities will include community development activities focusing on improvement of livelihoods, basic infrastructure and cohesion and security in target locations. Beneficiaries will be poor and conflict-affected communities in the eastern provinces of DRC, more specifically the North Kivu, South Kivu, and Ituri province. With regards to implementation arrangements, the project will establish a decentralized 'stabilization' project-platform, embedded in the provincial administration, combined with strengthening public financial management systems so that state revenues can eventually sustain such interventions. A project-platform would prepare a foundation for longer term stabilization and recovery investments. The proposed project will be implemented through four components, as described below:

##### **Component 1: Community-based Stabilization:**

This will be based on the experience of PASU and STEP while also incorporating aspects from successful peacebuilding programs (such as CISPE) and linking socio-economic interventions with agreements between the state, citizens and project identifying key challenges and sub-project priorities. Key elements will include: (i) Communication, sensitization, conflict-sensitivity analysis, mediation, conflict management training; (ii) Identification of mechanism for local state-citizen accountability and project planning; (iii) Delivery of emergency goods to crisis-affected areas (this sub-component will be further assessed during project preparation); (vi) Support to local infrastructure (as every community is different, interventions will be tailored to the specific ethnic, social, physical and economic dynamics of each community, paying special attention to the needs and preferences of vulnerable groups such as women and the displaced).

##### **Component 2: Community-based Reintegration:**

This component will consist of two sub-components: (i) Community reintegration and (ii) labor-intensive public works (LIPW). Community reintegration activities will include provision of small grants, psycho-social support and other capacity building activities. LIPW activities will largely follow the methodologies and unit cost as applied by the STEP project. Community reintegration activities will be designed based on the national/provincial strategies and in close coordination with the UN team.

##### **Component 3. Program, Finance and Knowledge Management:**

This component will comprise three activities: (i) Project Management, (ii) Public Financial Management and (iii) Knowledge Management and Advisory Support. Project Management will include the planning, implementation, and technical oversight of program activities; effective social and environmental risks management; and financial management and procurement. In order to sustain the investments in the three provincial administrations (and those at the community level the project will support a basic public financial and Human Resource management (HRM) and systems component.



Knowledge Management and Advisory Support will include capacity building support to Congolese institutions to support policy dialogue and research on relevant issues such as armed conflict, violence, natural resources, illicit financing, etc.

**Component 4: Contingency Emergency Response:**

A contingency emergency response component (CERC), initially without a budget allocation, will allow for the rapid reallocation of project funds in the event of natural or man-made crisis and major disease outbreaks of public health importance during the implementation of the project, in accordance with the World Bank Investment Project Financing (IPF) Policy, paragraphs 12 (Projects in Situations of Urgent Need of Assistance or Capacity Constraints). Activation of the CERC is triggered by (a) a declaration of a state of emergency by the Government and (b) Government request to the World Bank for activation of the CERC.

Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No
Summary of Screening of Environmental and Social Risks and Impacts	

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### APPROVAL

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### Approved By

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