

**INTEGRATED SAFEGUARDS DATA SHEET
APPRAISAL STAGE**

Report No.: ISDSA15165

Date ISDS Prepared/Updated: 12-Jan-2016

Date ISDS Approved/Disclosed: 22-Jan-2016

I. BASIC INFORMATION

1. Basic Project Data

| | | | |
|--|---|------------------------------|------------------------------|
| Country: | Rwanda | Project ID: | P150844 |
| Project Name: | RW-Urban Development Project (P150844) | | |
| Task Team Leader(s): | Meskerem Brhane, Jonas Ingemann Parby | | |
| Estimated Appraisal Date: | 11-Jan-2016 | Estimated Board Date: | 29-Mar-2016 |
| Managing Unit: | GSU13 | Lending Instrument: | Investment Project Financing |
| Sector(s): | Sub-national government administration (50%), Urban Transport (20%), Sanitation (5%), Solid waste management (5%), General water, sa nitation and flood protection sector (20%) | | |
| Theme(s): | City-wide Infrastructure and Service Delivery (30%), Urban planning and housing policy (15%), Urban services and housing for the poo r (40%), Municipal governance and institution building (15%) | | |
| Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)? | | | No |
| Financing (In USD Million) | | | |
| Total Project Cost: | 100.00 | Total Bank Financing: | 95.00 |
| Financing Gap: | 0.00 | | |
| Financing Source | | | Amount |
| BORROWER/RECIPIENT | | | 5.00 |
| International Development Association (IDA) | | | 95.00 |
| Total | | | 100.00 |
| Environmental Category: | B - Partial Assessment | | |
| Is this a Repeater project? | No | | |

2. Project Development Objective(s)

The project development objective is to enhance urban management and provide access to basic infrastructure in selected urban centers.

3. Project Description

The project provides an integrated package of support to address key challenges associated with Rwanda's urbanization: (i) access to basic infrastructure to promote livability and local economic development; (ii) upgrading of informal areas to promote inclusive urbanization; and (iii) building the capacity of district governments for better urban management.

Component 1: Basic infrastructure provision in secondary cities (US\$ 80million). This component will support provision of basic infrastructure in the 6 secondary cities to enhance living conditions for residents and support local economic development. Eligible investments are those that are directly under the mandate of district governments such as roads, drainage, solid waste management and sanitation.

Component 2: Informal Settlement Upgrading in Nyarugenge District of Kigali (US\$ 10million). This component will support the upgrading of an 86 hectare unplanned settlement comprising of 4 cells (Rwampara, Kiyovu, Biryogo and Agatare), which cover one of Kigali's oldest located close to the Central Business District (CBD). The project area is densely populated (220 people per ha) with a total population of almost 19,000. The upgrading of the site shall serve as a model for community based urban regeneration that can be scaled up to other parts of Kigali and to secondary towns in Rwanda. Planning and design has actively involved communities within the area and flexible standards have been applied with the fundamental objective of minimizing resettlement, land acquisition and social disruption. This upgrading project will help define the most appropriate approach for upgrading in the Rwandan context and these lessons will be shared and disseminated among key stakeholders, especially district leaders to scale up the approach. To further assist the scaling up of urban upgrading initiatives, technical support will be provided to RHA under Component 3.

Component 3: Technical Assistance for Sustainable Urban Management (US\$ 3 million). This component provides technical assistance for key priorities identified for achieving sustainable urban development: (i) support for building competitive cities; (ii) capacity building for urban management; (iii) developing information systems for coordinated planning and strategic decision making; and (iv) capacity building for scaling up urban upgrading.

Component 4: Project management (US\$ 2 million). This component will support overall project coordination by MININFRA and project management of secondary cities by LOA. The activities supported include PIU staffing costs, training related to project implementation, safeguards monitoring, beneficiary surveys, design review and supervision.

4. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The project will include a number of infrastructure activities, such as construction of secondary urban roads, drainage, medium to small scale water and sanitation facilities, small scale solid waste management interventions, street lighting, etc. The first phase of the sub-project investments only include rehabilitation of secondary urban roads and drainage. Based on the initial screening, field visits, interviews with the project stakeholders, the proposed activities triggers WB OP 4.01 – Environmental Assessment, OP 4.04 – Natural Habitats and OP 4.11 - Physical Cultural Resources. The policy on Natural Habitats may be relevant to the project, as several of the secondary cities are located in proximity to lakes, rivers and wetlands, which may require specific design and/or mitigation measures. There are no known cultural resources in the targeted project areas, however,

OP 4.11 is triggered as the project involves earth works. The ESMF for the project incorporates chance find procedures, which will also be included in bidding documents for use by the contractors.

On social safeguards, the project interventions will trigger World Bank Operation Policy on Involuntary Resettlement OP 4.12 although social assessment and field visits suggest that the social and environmental impacts will neither be large scale or irreversible. The investments under first phase have been selected directly through citizen engagement in all cities with least and/or minimal expropriation of land and displacement of communities, businesses and services. In some cases, the displacement of households and expropriation of land has been avoided, minimized and/or managed through a negotiated flexibility of construction standards with RTDA where permitted and by applying an active community participatory planning, implementation and maintenance process for neighborhood improvement. Nonetheless, in Kigali and Musanze there are few investments in the first year pipe line interventions that require Resettlement Action Plans (or Abbreviated Resettlement Action Plans) and Environmental & Social Management Plans (ESMP). Preparation of these instruments have been closely coordinated with the feasibility and technical design consultants. In addition, a Resettlement Policy Framework and an Environmental and Social Management Framework has been prepared for the urban infrastructure investments not yet identified.

For the first year of activities, the sub-projects in Musanze City will displace and/or partially affect 26 households (partially affect 24 households and demolition of two kiosks along the road) and in Agatare area in CoK relocation of 34 households and partial and limited impact (pushing back a meter or half a meter of boundary walls) for approximately 255 homes and/or businesses. The client has prepared the two abbreviated resettlement action plan (ARAP) for cities of Musanze and for Agatare Area in the CoK.

5. Environmental and Social Safeguards Specialists

Svetlana Khvostova (GEN01)

Yasmin Tayyab (GSU07)

| 6. Safeguard Policies | Triggered? | Explanation (Optional) |
|-------------------------------------|------------|---|
| Environmental Assessment OP/BP 4.01 | Yes | The project will include a number of infrastructure activities, such as construction of secondary urban roads, drainage, medium to small scale water and sanitation facilities, small scale solid waste management interventions, street lighting, etc. Based on the findings of EMF and RPF, field visits and interviews with the project stakeholders the project is assigned EA Category B as the proposed projects will have environmental and social impacts, which are expected to be reversible and limited to the project site. The ESMF has been prepared and consulted upon and will be publicly disclosed in Rwanda and in the World Bank InfoShop prior to project appraisal. As the project identified the investments to be conducted during the first year of implementation, the EIA/ESMP and RAPs have also been prepared, consulted upon and will be disclosed locally and in the Infoshop before project appraisal. The EIA/ESMP and RAPs cover rehabilitation and construction of secondary urban roads |

| | | |
|--|-----|---|
| | | and drainage in six secondary cities and in Kigali. |
| Natural Habitats OP/BP 4.04 | Yes | The policy on Natural Habitats is applicable to the project, as several of the secondary cities are located in proximity to lakes, rivers and wetlands, which may require specific design and/or mitigation measures to avoid negative impacts, for example solid and liquid construction waste management and increased runoff. The findings of the EMF (and EIA) did not identify any irreversible or large scale impacts, that cannot be avoided or mitigated. |
| Forests OP/BP 4.36 | No | |
| Pest Management OP 4.09 | No | |
| Physical Cultural Resources OP/BP 4.11 | Yes | There are no known physical cultural resources identified in the vicinity of proposed project sites during screening. The EMF includes a sample chance finds procedure to be incorporated into subproject EMPs and bidding documents, once these are identified. |
| Indigenous Peoples OP/ BP 4.10 | No | |
| Involuntary Resettlement OP/BP 4.12 | Yes | The project interventions will trigger World Bank Operation Policy on Involuntary Resettlement OP 4.12. The first year pipe line interventions require Resettlement Action Plan (or Abbreviated Resettlement Action Plans) in Kigali and Musanze and Environmental Impact Assessment / Environmental Management Plans (EMP) for Rubavu, Rusizi, Musanze, Muhanga, Huye, Nyagatare and the City of Kigali. Preparation of these instruments have been closely coordinated with the feasibility and technical design consultants. In addition, a Resettlement Policy Framework and an Environmental Management Framework has been prepared for the urban infrastructure investments not yet identified. The investments under first phase have been selected with least and/or minimal expropriation of land and displacement of communities, businesses and services. In some cases, the displacement of households and expropriation of land has been avoided, minimized and/or managed through a negotiated flexible standard of construction with Rwanda Transport Development Authority where permitted and by applying an active community participatory planning, implementation and maintenance process for neighborhood improvement. |

| | | |
|--|----|--|
| Safety of Dams OP/BP 4.37 | No | |
| Projects on International Waterways OP/BP 7.50 | No | |
| Projects in Disputed Areas OP/BP 7.60 | No | |

II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

| |
|--|
| <p>1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:</p> <p>There are no potential large scale, significant and/or irreversible impacts associated with the project proposed activities. The first year of project investments includes rehabilitation and construction of urban roads and drainage. The investments for subsequent years of the project will be identified and designed during implementation stage. Social Assessment through field visits to the secondary cities of the potential infrastructure does not indicate any large scale or irreversible social and environmental impacts. The first year pipeline interventions will require EIA for all cities and Resettlement Action Plans (or Abbreviated Resettlement Action Plans) in Kigali and Musanze, the budget for these RAPs will be the responsibility of the Districts and as such has been included in the 2016 budget cycle. Preparation of these instruments have been closely coordinated with the feasibility and technical design consultants.</p> |
| <p>2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:</p> <p>There are no indirect and/or long term impacts due to anticipated future activities in the project area. In addition, will project is anticipated to have significant positive impacts due to improvements to urban infrastructure.</p> |
| <p>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</p> <p>The investments under first phase have been selected with least and/or minimal expropriation of land and displacement of communities, businesses and services. In some cases, the displacement of households and expropriation of land has been avoided, minimized and/or managed through a negotiated flexibility of construction standards with RTDA where permitted and by applying an active community participatory planning, implementation and maintenance process for neighborhood improvement. The project design for the first year of activities was conducted in close collaboration with safeguards assessments, which provided an opportunity to minimize potential negative impacts and maximize environmental and social benefits.</p> |
| <p>4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.</p> <p>The capacity to manage the social and environmental impacts of the project preparation and implementation is insufficient at the Ministry, LODA and District levels. MININFRA has already established and filled positions for Sociologist and Environmentalist at senior level. The SPIU, which will be under Local Development Agency (LODA), will also include two positions; a Sociologist and Environmentalist, who will in turn hire consultants as and when needed for support. The SPIU in LODA is managing another World Bank project: the Great Lakes Trade Facilitation Project. This project has assigned a full time position for a social development</p> |

specialist who will spend 50% of their time on RUDP and 50% on the Great Lakes Project. In addition, a Mobile Implementation and Capacity Support Team (MICST) would be engaged through a Consulting Firm to support the SPIU in RUDP activities. The MICST will include a social expert primarily to provide technical support and guidance to each of the six Districts in implementation and monitoring of their respective RUDP programs. The Districts already have positions of Environmental Officers working under the One Stop Center. The districts will bring on board a social expert for monitoring the day to day activities for RAP implementation, provide support in the preparation of safeguards instruments for the second phase of investments and act as the community liaison for all social aspects of the project. Skills in mainstreaming of social, vulnerability and gender issues will be boosted at all levels through training under the embedded capacity building component of the RUDP.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

The identification and prioritization of the first phase investments has been undertaken through citizen engagement in all six secondary cities and the City of Kigali. Consultation workshops were led and managed by the Local Authorities (and observed by the Bank team) with representation from the project affected villages, Cells and Sector leaders; city and urban area leaders; Districts leaderships and technical staff; community members; opinion leaders; local experts; CBOs/CSOs/NGOS; Central Government representatives; the Feasibility Study team representatives; and Social Assessment team. The RUDP was generally viewed positively by communities in the respective project areas and implementation of the proposed sub-projects was viewed and assessed by beneficiary citizens across the seven cities as having following benefits: i) improved town connectivity, accessibility and infrastructure; ii) improved health; iii) social cohesion and engagement; and iv) economic opportunities. The first phase of investment were deliberately prioritized to affect minimal expropriation of land and displacement. Cities of Nyagatare, Rusizi, Rubavu, Huye and Muhanga were able to completely avoid expropriation in the first phase investments, while the cities of Musanze and Agatare area of the CoK managed to significantly limit the need for expropriation.

All safeguards documents: the ARAPs (for 2 cities), ESMF, EIA and RPF have been disclosed in Kigali on MININFRA website (<http://www.mininfra.gov.rw/index.php?id=256>), and on CoK website (<http://www.kigalicity.gov.rw/spip.php?article1322>) and in the InFoShop prior to appraisal in January 2016.

B. Disclosure Requirements

| Environmental Assessment/Audit/Management Plan/Other | |
|--|-------------|
| Date of receipt by the Bank | 04-Jan-2016 |
| Date of submission to InfoShop | 12-Jan-2016 |
| For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors | 00000000 |
| "In country" Disclosure | |
| Rwanda | 12-Jan-2016 |
| <i>Comments:</i> http://www.mininfra.gov.rw/index.php?id=256 | |
| Resettlement Action Plan/Framework/Policy Process | |
| Date of receipt by the Bank | 20-Dec-2015 |
| Date of submission to InfoShop | 07-Jan-2016 |

| | |
|---|-------------|
| "In country" Disclosure | |
| Rwanda | 07-Jan-2016 |
| <i>Comments:</i> http://www.kigalicity.gov.rw/spip.php?article1322 | |
| If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP. | |
| If in-country disclosure of any of the above documents is not expected, please explain why: | |
| | |

C. Compliance Monitoring Indicators at the Corporate Level

| | |
|---|--|
| OP/BP/GP 4.01 - Environment Assessment | |
| Does the project require a stand-alone EA (including EMP) report? | Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>] |
| If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report? | Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>] |
| Are the cost and the accountabilities for the EMP incorporated in the credit/loan? | Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>] |
| OP/BP 4.04 - Natural Habitats | |
| Would the project result in any significant conversion or degradation of critical natural habitats? | Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>] |
| If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank? | Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input checked="" type="checkbox"/>] |
| OP/BP 4.11 - Physical Cultural Resources | |
| Does the EA include adequate measures related to cultural property? | Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>] |
| Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property? | Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input checked="" type="checkbox"/>] |
| OP/BP 4.12 - Involuntary Resettlement | |
| Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared? | Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>] |
| If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan? | Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>] |
| Is physical displacement/relocation expected? | Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] TBD [<input type="checkbox"/>] |
| 310 Provided estimated number of people to be affected | |
| Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods) | Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] TBD [<input type="checkbox"/>] |
| 1500 Provided estimated number of people to be affected | |
| The World Bank Policy on Disclosure of Information | |
| Have relevant safeguard policies documents been sent to the World Bank's Infoshop? | Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>] |

| | |
|--|---|
| Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs? | Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>] |
| All Safeguard Policies | |
| Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies? | Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>] |
| Have costs related to safeguard policy measures been included in the project cost? | Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>] |
| Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies? | Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>] |
| Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents? | Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>] |

III. APPROVALS

| | | |
|-------------------------------|---|-------------------|
| Task Team Leader(s): | Name: Meskerem Brhane, Jonas Ingemann Parby | |
| <i>Approved By</i> | | |
| Safeguards Advisor: | Name: Johanna van Tilburg (SA) | Date: 22-Jan-2016 |
| Practice Manager/ Manager: | Name: Maria Angelica Sotomayor Araujo (PMGR) | Date: 22-Jan-2016 |