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Report No: PAD2256

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

PROJECT PAPER

ON A

PROPOSED ADDITIONAL LOAN

IN THE AMOUNT OF €20.1 MILLION  
(EQUIVALENT TO US\$25 MILLION)

TO THE

REPUBLIC OF CONGO

FOR THE

STATISTICS CAPACITY BUILDING PROJECT

MARCH 14, 2018

Poverty and Equity Global Practice  
Africa Region

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## CURRENCY EQUIVALENTS

(Exchange Rate Effective January 31, 2018)

Currency Unit = CFA Franc (CFAF)  
 CFAF 527 = €1  
 €0.80 = US\$1  
 US\$0.69 = SDR 1

## FISCAL YEAR

January 1 – December 31

## ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
AfDB	African Development Bank
AFRISTAT	<i>Observatoire Economique et Statistique d'Afrique Subsharienne</i> (Economic and Statistical Observatory of Sub-Saharan Africa)
AIMF	<i>Association Internationale des Maires Francophones</i> (International organization of mayors of cities in French-speaking countries)
AWP	Annual Work Program
BEAC	<i>Banque des Etats d'Afrique Centrale</i> (Central Bank of the Central African Countries)
BoP	Balance of Payments
CAPI	Computer-Assisted Personal Interview
CASP	<i>Centre d'Application de la Statistique et de la Planification</i> (Center for Applied Statistics and Planning)
CFAF	CFA Francs
CNSEE	<i>Centre National de la Statistique et des Etudes Economiques</i> (National Center for Statistics and Economic Studies – Current National Institute of Statistics)
CPCMB	<i>Comité Permanent de Cadrage Macroéconomique et Budgétaire</i> (Fiscal and Macroeconomic Framework Standing Committee)
CPI	Consumer Price Index
CPS	Country Partnership Strategy
DC	Directors' Committee
DEP	<i>Direction des Etudes et de la Planification</i> (Directorate of Studies and Planning)
DGCMP	<i>Direction Générale du Contrôle des Marchés Publics</i> (Public Procurement Prior Review General Directorate)
DGDDI	<i>Direction Générale des Douanes et Droits Indirects</i> (General Directorate of Customs)
DHS	Demographic and Health Survey
DL	Disbursement Letter
DQAF	Data Quality Assessment Framework
ECOM	<i>Enquête congolaise après des ménages pour le suivi et l'évaluation de la pauvreté</i> (referred to as the “Household Budget and Consumption Survey”)
EPI	Export Price Index
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
FAO	Food and Agriculture Organization
FM	Financial Management

GDP	Gross Domestic Product
HCS	High Commission of Statistics
HICP	Harmonized Index of Consumer Prices
HR	Human Resources
IBRD	International Bank for Reconstruction
ICT	Information and Communication Technology
IDA	International Development Agency
IFR	Interim Financial Reports
IMF	International Monetary Fund
INS	<i>Institut National des Statistiques</i> (National Institute of Statistics)
IPF	Investment Project Financing
IPI	Import Price Index
ISAG	Information Systems Advisory Group
ISR	Implementation Status and Results Report
ISSP	Information System Strategic Plan
IT	Information Technology
ITTO	International Tropical Timber Organization
M&E	Monitoring and Evaluation
NA	National Accounts
NAS	National Accounts Statistics
NDP	National Development Plan
NHICP	National Harmonized Index of Consumer Prices
NSS	National Statistical System
OP/BP	Operational Policy/Bank Policy
PBP	Performance-Based Payment
PDO	Project Development Objective
PIU	Project Implementation Unit
PLR	Performance and Learning Review
PPA	Project Preparation Advance
PPI	Producer Price Index
PPSD	Project Procurement Strategy for Development
PSC	Project Steering Committee
PSTAT	<i>Projet de renforcement des capacités en statistiques</i> (Statistics Capacity Building Project)
RAP	Resettlement Action Plan
RPF	Resettlement Policy Framework
SCD	Systematic Country Diagnostic
SDR	Special Drawing Rights
SDG	Sustainable Development Goal
SISE	<i>Système Intégré des Statistiques d'Entreprise</i> (Integrated Enterprise Statistics System)
SNA	System of National Accounting
TA	Technical Assistance
UNICEF	United Nations Children's Fund
UNFPA	United Nations Population Fund
US\$	United States Dollar
WPI	Wholesale Price Index

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Practice Manager/Manager:	Pierella Paci
Task Team Leader:	Franck M. Adoho
Co-Task Team Leaders	Yele Maweki Batana, Jonna Maria Lundvall

# REPUBLIC OF CONGO

## Additional Financing - Statistics Capacity Building Project (P162345)

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## ADDITIONAL FINANCING DATA SHEET

*Republic of Congo*

*Additional Financing - Republic of Congo - Statistics Capacity Building Project (P162345)*

**AFRICA**

*Poverty and Equity Global Practice*

Basic Information – Parent									
Parent Project ID: P133731				Original EA Category: C - Not Required					
Current Closing Date: 15-Jun-2019									
Basic Information – Additional Financing (AF)									
Project ID: P162345				Additional Financing Type (from AUS): Cost Overrun, Financing Gap, Restructuring					
Regional Vice President: Makhtar Diop				Proposed EA Category: B - Partial Assessment					
Country Director: Franck Bousquet				Expected Effectiveness Date: 1-Nov-2018					
Senior Global Practice Director: Carolina Sanchez				Expected Closing Date: 30-Apr-2021					
Practice Manager/Manager: Pierella Paci				Report No: PAD2256					
Team Leader(s): Franck M. Adoho, Yele Maweki Batana, Jonna Maria Lundvall									
Borrower									
Organization Name		Contact		Title		Telephone		Email	
Ministry of Finance		Calixte Nganongo		Minister		(242-05) 521-9264		contact@finances.gouv.cg	
Project Financing Data - Parent (CG-Statistics Capacity Building Project-P133731) (in US\$, Million)									
Key Dates									
Project	Ln/Cr/TF	Status	Approval Date	Signing Date	Effectiveness Date	Original Closing Date	Revised Closing Date		
P133731	IDA-55000	Effective	09-Jun-2014	07-Jul-2014	08-Apr-2015	15-Jun-2019	15-Jun-2019		
Disbursements									
Project	Ln/Cr/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P133731	IDA-55000	Effective	SDR	3.10	3.10	0.00	3.01	0.09	97.06

Project Financing Data - Additional Financing (Additional Financing - Republic of Congo - Statistics Capacity Building Project-P162345) (in US\$, Million)				
<input checked="" type="checkbox"/> Loan	<input type="checkbox"/>	Grant	<input type="checkbox"/>	IDA Grant
<input type="checkbox"/> Credit	<input type="checkbox"/>	Guarantee	<input type="checkbox"/>	Other
Total Project Cost:	25.00	Total Bank Financing:	25.00	
Financing Gap:	0.00			
Financing Source – Additional Financing (AF)			Amount	
International Bank for Reconstruction and Development			25.00	
Total			25.00	
Policy Waivers				
Does the project depart from the CAS in content or in other significant respects?			No	
Explanation				
Does the project require any policy waiver(s)?			No	
Explanation				
Team Composition				
Bank Staff				
Name	Role	Title	Specialization	Unit
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Jonna Maria Lundvall	Team Leader	Social Scientist	Operations, Social	GPV01
Yele Maweki Batana	Team Leader	Senior Economist	Poverty Economist	GPV01
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Bella Diallo	Financial Management Specialist	Senior Financial Management Specialist	Financial Management	GGO25
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Josiane Maloueki Louzolo	Team Member	Program Assistant	Project Support	AFMCG	
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Melat Assefa Asfaw	Team Member	Consultant	Infrastructure	GPV01	
Mervy Ever Viboudoulou Vilpoux	Team Member	Consultant	Statistics	GPV01	
R. Wendy Karamba	Team Member	Economist	Poverty economist	GPV01	
Senait Kassa Yifru	Team Member	Operations Analyst	Operations	GPV01	
Veronique Kabongo	Team Member	Lead Operations Officer	Operations	GGO18	
Extended Team					
Name		Title	Location		
Locations					
Country	First Administrative Division	Location	Planned	Actual	Comments
Congo, Republic of		Commune de Brazzaville			
Institutional Data					
Parent (CG-Statistics Capacity Building Project - P133731)					
Practice Area (Lead)					
Poverty and Equity					
Contributing Practice Areas					
Additional Financing (Additional Financing - Republic of Congo - Statistics Capacity Building Project-P162345)					
Practice Area (Lead)					
Poverty and Equity					
Contributing Practice Areas					



# PROJECT PAPER

## I. Introduction

1. This project paper seeks the approval of the Board of Executive Directors to provide an additional financing (AF) in an amount of €20.1 million (equivalent to US\$25 million) to the Republic of Congo for the Statistics Capacity Building Project (PSTAT) (P133371) No. IDA–Cr. 5500–CG.

2. The proposed AF would help close the financing gap that resulted from the Government's inability to release the anticipated counterpart funding. In the past two years, the Republic of Congo has been facing severe financial constraints due to the decline in oil prices. The additional loan would also help finance costs associated with new activities requested by the Government including the (a) construction of a new building for the National Institute of Statistics (*Institut National des Statistiques*, INS) and the Center for Applied Statistics and Planning (*Centre d'Application de la Statistique et de la Planification*, CASP) – ('*complexe INS-CASP*'); (b) implementation of a general enterprise census; (c) introduction of performance-based payments (PBPs) as a means to increase motivation and performance of staff; (d) technical assistance (TA) to support the macroeconomic framework committee; and (e) support to the development of a National Development Plan (NDP). The construction of the new building under the AF triggers: (a) OP/BP 4.01 as it might involve potential negative environmental and social impacts; (b) OP/BP 4.11 in anticipation of potential impacts on physical cultural resources due to the construction; and (c) OP/BP 4.12 to manage potential risks related to resettlement.

3. The AF will include a Level 1 Restructuring to (a) revise the Project Development Objective (PDO); (b) extend the project's current closing date by 22 months to April 2021 to make up for the delay in project implementation due to the delay in effectiveness and the absence of counterpart funding and to allow sufficient time to complete all new and remaining project activities; (c) review existing activities to focus on the most relevant ones and to reallocate funds between and within project components to ensure sufficient funding for the construction of the office building for the INS-CASP; (d) revise the results framework (changes to some of the indicators to better capture project results); (e) revise the total amount of counterpart funding to reflect the one deposit of US\$3.6 million made by the Government (instead of the US\$28.2 million initially programmed) and remove any further counterpart funding; and (f) increase the percentage of expenditures to be financed under the original loan to 100 percent retroactively effective as of January 1, 2018. The proposed changes will improve data quality and will support data production that will help improve the measurement of economic activities as well as households' living and employment conditions.

## II. Background and Rationale for AF

### *Consistency of the proposed AF with the World Bank's Strategy for the Republic of Congo*

4. The proposed AF is aligned with the Systematic Country Diagnostic (SCD) of the Republic of Congo (Report No. 117-CG), which among others, highlights the importance of increasing access to statistics data specifically in the agricultural and financial sectors, and also in other sectors. The SCD shows that one of the fundamental constraints to be addressed for the growth of the agricultural sector (agriculture and food processing) in the Republic of Congo is the lack of statistical data. Therefore, the SCD concluded that improving agricultural services and statistics would be a timely government intervention.

5. In addition, the 2013–2016 Country Partnership Strategy (CPS) (Report No. 71713-CG) gives priority to the production of quality statistics to inform the transformation of the country and support its drive to become an emerging economy. The 2015 Performance and Learning Review (PLR, Report No. 96724-CG), which extended the CPS to the end of FY17, confirms the importance of the project “to modernize government capacity to generate quality data so that interventions can be better targeted,” and the role of statistics is being discussed in the process of developing a new Country Partnership Framework. This operation is therefore fully aligned with the CPS and the Government's priorities.

### *Key information on the original loan*

6. The parent project, PSTAT, is a US\$33 million project, jointly financed by IDA in the amount of SDR 3.1 million (US\$4.8 million equivalent) and the Government in the amount of US\$28.2 million. The project was approved by the World Bank Group on June 9, 2014. The Financing Agreement was signed on July 7, 2014, and the project became effective on April 8, 2015.

7. The PDO is to (a) strengthen the National System of Statistics in the production and, dissemination of timely and robust statistics relevant for policies and decision making, and (b) promote the demand for statistical information. The project has three components: (1) Institutional Development, Human Resources and Organizational Structure, (2) Data Production, Dissemination, and Use of Statistics, and (3) Project Management.

### *Project status update*

8. The project is rated Satisfactory for overall implementation progress and for progress toward its development objective in the February 2018 Implementation Status and Results Report (ISR). To date, the disbursement rate is 96.97 percent. Due to the lack of counterpart funding, activities planned from November 2016 to March 2017 were put on hold. The implementation resumed in early April 2017, based on the approval of the Level 2 restructuring of the project to front load IDA resources (approved on February 3, 2017). The project is now making progress toward the achievement of its development objective. To date, with the support of the project, the INS has started the preparation of key statistical activities to boost data production such as the population census, enterprise census, household budget and consumption survey, and production and geographic extension of the consumer price index (CPI). Owing to the project, after several

years of lack of coordination of statistical activities, collaboration between statistical units from sectorial ministries and the INS resumed with the publication of statistics yearbooks. More details on results achieved so far by components are discussed in the following paragraphs.

### **Component 1. Institutional Development, Human Resources and Organizational Structure (US\$6.6 million equivalent)**

9. Through the activities planned under this component, the project aims at improving the human resources (HR) of the Congolese National Statistical System (NSS). Key activities include (a) the institutional assessment of the NSS; (b) drafting protocols, guidelines, and standard methodologies to enhance quality and efficiency in data production, management, and dissemination; and (c) review of the statistical training curricula of the CASP. Progress on this component is considered Satisfactory. The first two phases of the institutional and functional assessment of the statistics system have been completed. This activity has assessed skills gap and provided the basis for strategic HR planning. In addition, a firm has been hired to assess and enhance data quality (through the assessment of data production methods and drafting of protocols, guidelines, and standard methodologies). This assessment started in October 2017 and is expected to be completed by June 2018. Other activities such as the drafting of a collective labor agreement and the review of the statistical training curricula of the CASP are planned for September 2018.

### **Component 2. Data Production, Dissemination, and Use of Statistics (US\$21.4 million equivalent)**

10. Progress on this component is considered Moderately Satisfactory as key data production activities are still in their preparatory phase. This component has been delayed by the electoral process that was followed by a scarcity of resources (counterpart funding). With the support of the project, the INS has started the preparation of key statistical activities to boost data production such as the population census, enterprise census, household budget and consumption survey, and production and geographic extension of the harmonized CPI. The project hired consultants to support the INS in the production of methodological documents and questionnaires for the implementation of the surveys and censuses. In addition, the pilot enterprise census has been completed and the team is preparing the field work. Regarding the population census, the INS has procured the required equipment and the pilot cartography has started. With support from the project, after several years of lack of coordination in statistical activities, collaboration between statistical units from sectorial ministries and the INS restarted with the joint publication of statistics yearbooks, and the training of managerial staff of sectoral statistical services in data analysis and processing. The INS has also resumed the production of the monthly CPI since February 2016 after six months of interruption due to lack of funding. The CPI, which used to be computed based on data from the two biggest cities, Brazzaville and Pointe-Noire, is now being extended to other cities to achieve national coverage.

### **Component 3. Project Management (US\$5 million equivalent)**

11. The progress under this component remains Satisfactory. The Project Implementation Unit (PIU) has been established and is fully functional with the monitoring and evaluation (M&E) and fiduciary teams comprising international consultants and INS staff. The lack of counterpart financing of the INS staff created a slight setback in project implementation. This was rectified

when IDA funds were allocated to hire the Project Coordinator as a consultant. The Project Coordinator is a seasoned demographer and a former director at the INS who used to coordinate the NSS. A team of three statisticians is monitoring the progress of the project's results framework indicators, the Project Steering Committee (PSC) meets regularly, while the M&E team meets quarterly with all the project beneficiaries to assess progress in the implementation of activities.

#### *Rationale for the AF*

12. Like most projects in the Republic of Congo portfolio, the PSTAT was designed to use a small amount of IDA resources to leverage significant public funds from Government oil revenues. The lack of counterpart funding was identified as a substantial risk during project preparation, and this risk did materialize.

13. Project expenditures were proportionally divided between the counterpart funds (85.5 percent) and IDA resources (14.5 percent). In other words, for every US\$100 spent, US\$85.5 was paid with counterpart funds and US\$14.5 was paid with IDA resources. The first tranche of counterpart funds (US\$3.6 million) was released in 2015. However, since 2015, the Republic of Congo has been facing financial constraints due to the drop-in oil prices. Consequently, the subsequent US\$6 million tranche due in May 2016 was never released.

14. To address the lack of counterpart funding, the Government requested an amendment to the project's Financing Agreement to allow for a front-loading of IDA resources, as an immediate but short-term solution. This request was approved by the World Bank team on February 10, 2017. The Government also requested an AF to compensate for the counterpart funding and to support the implementation of all the activities. To date, two project preparation advances (PPAs) have been requested, totaling US\$6 million, to support continuity of activities under implementation as well as early financing of AF activities. The changes to be made to the current project and the selection of priority activities to be financed by the AF were discussed with the Borrower during the supervision missions of March and May 2017, and further detailed in subsequent missions.

### III. Proposed Changes

Summary of Proposed Changes		
<p>The proposed changes are summarized as follows:</p> <p>The additional loan would finance costs associated with new activities requested by the Government including:</p> <ul style="list-style-type: none"> <li>• The construction of a building for the INS-CASP is included in the activities with related changes to the safeguard category, policies triggered and ensuing safeguards instruments. Thus, for the AF, OP/BP 4.01 is triggered for the construction of this new building as it might have potential negative environmental and social impacts; OP/BP 4.11 is triggered in anticipation of potential impacts on physical cultural resources due to the construction; and OP/BP 4.12 is triggered to manage any potential risks related to resettlement (the site is not yet known).</li> <li>• the implementation of a general enterprise census;</li> <li>• the introduction of performance based payments (PBP) as a means to increase motivation and performance of staff;</li> <li>• technical assistance (TA) to support the macroeconomic framework committee; and</li> <li>• support to the development of a National Development Plan (NDP).</li> </ul> <p>The proposed AF includes the restructuring of the project which includes (a) a slight revision to the PDO and a revision of the results framework (changes to some of the indicators to better capture project results); (b) an extension of the closing date by 22 months from June 30, 2019 to April 30, 2021, to allow sufficient time to complete all remaining project activities; (c) reallocation of funds between and within project components to ensure sufficient funding for the construction of the office building for the INS-CASP; (d) a revision of the total amount of counterpart funding to reflect the deposit of US\$3.6 million made by the Government (instead of the US\$28.2 million initially programmed), and remove any further counterpart funding; and (e) ) increase the percentage of expenditures to be financed under the original loan to 100 percent retroactively effective as of January 1, 2018. Some activities related to administrative data and institutional strengthening are dropped to focus on relevant priority activities (see details in the section “Change to components and Costs”).</p> <p>The requested reallocation would shift the previously overestimated project funds from Component 1 (Institutional development) to the construction of appropriate office space for the INS-CASP.</p> <p>The AF is fully funded by the IBRD, and no counterpart funding is included. Also, as the AF will trigger several safeguard policies, the environmental safeguard category for the AF will be B, whereas the original credit maintains the safeguard category as C.</p>		
Change in Implementing Agency	Yes [ <input type="checkbox"/> ]	No [ <input checked="" type="checkbox"/> ]
Change in Project's Development Objectives	Yes [ <input checked="" type="checkbox"/> ]	No [ <input type="checkbox"/> ]
Change in Results Framework	Yes [ <input checked="" type="checkbox"/> ]	No [ <input type="checkbox"/> ]
Change in Safeguard Policies Triggered	Yes [ <input checked="" type="checkbox"/> ]	No [ <input type="checkbox"/> ]
Change of EA category	Yes [ <input checked="" type="checkbox"/> ]	No [ <input type="checkbox"/> ]
Other Changes to Safeguards	Yes [ <input checked="" type="checkbox"/> ]	No [ <input type="checkbox"/> ]
Change in Legal Covenants	Yes [ <input type="checkbox"/> ]	No [ <input checked="" type="checkbox"/> ]

Change in Loan Closing Date(s)	Yes [ X ]	No [   ]
Cancellations Proposed	Yes [   ]	No [ X ]
Change in Disbursement Arrangements	Yes [ X ]	No [   ]
Reallocation between Disbursement Categories	Yes [ X ]	No [   ]
Change in Disbursement Estimates	Yes [ X ]	No [   ]
Change to Components and Cost	Yes [ X ]	No [   ]
Change in Institutional Arrangements	Yes [   ]	No [ X ]
Change in Financial Management	Yes [   ]	No [ X ]
Change in Procurement	Yes [ X ]	No [   ]
Change in Implementation Schedule	Yes [ X ]	No [   ]
Other Change(s)	Yes [   ]	No [ X ]
<b>Development Objective/Results</b>		
<b>Project's Development Objectives</b>		
Original PDO		
The objectives of the project are to (i) strengthen the National Statistical System in the production and dissemination of timely and robust statistics relevant for policies and decision making, and (ii) promote the demand for statistical information.		
<b>Change in Project's Development Objectives</b>		
Explanation:		
The wording “timely and robust statistics” will be changed to “quality statistics.” The concept of robustness of statistics is not well-defined, while data quality can be more easily assessed in most cases following predefined international standards. Furthermore, the word “timely” will be dropped as the project will finance only one round of data collection, thus building the foundation for continuous, timely data production.		
Proposed New PDO - Additional Financing (AF)		
The objectives of the project are to (i) strengthen the National Statistical System in the production and dissemination of quality statistics relevant for policies and decision making, and (ii) promote the demand for statistical information.		
<b>Changes in Results Framework</b>		
Explanation:		
The results framework has been modified to reflect the revised scope of activities and the extension of the project closing date. The PDO indicators and the intermediate indicators have been revised to more accurately reflect the nature of the activities and the expected timing of delivery of anticipated outputs with the proposed closing date. Annex 1 presents detailed explanations on the changes.		
The key aspects of the PDO are the strengthening of the INS capacity and the production and dissemination of statistical information as follows: Overall <b>statistical capacity</b> is measured by Indicator 1: Statistical Capacity Score		

**Capacity development** will be measured by  
Indicator 2: Number of NSS staffs with formal degree in statistics, informatics or demography

**Quality data production** is measured by  
Indicator 3: Share of statistical products completed and published by the INS following international standards. This will include the (a) census cartography and associated data (inventory of public infrastructure, population size); (b) population census data; (c) master sampling frame from population census; (d) enterprise census data; (e) business registry; (f) agricultural census dataset; (g) agricultural survey dataset; (h) household survey (poverty indicators); (i) National Accounts (NA), including the gross domestic product (GDP), integrated economic accounts, input-output tables, social accounting matrix; (j) Statistical Yearbook; and (k) CPI.

**Dissemination** of statistical information is measured by  
Indicator 4: Share of statistical output available to users through the open data portal

**Use of statistical information** is measured by  
Indicator 5: User Satisfaction Index (citizen engagement indicator)  
Indicator 6: Annual growth rate of the number of hits on INS website.

The proposed statistical production activities have been identified as priority areas by the Government. Thus, it is about producing statistics that are relevant for the Government based on their own prioritization, rather than measuring the relevance of the statistics itself. Therefore, there no specific indicator on relevance.

Targets for these indicators are presented in Annex 1.

## Compliance

### Change in Safeguard Policies Triggered

#### Explanation:

The activities funded by the initial project were limited mainly to data production, dissemination, and use, as well as support to strengthening the NSS institutional framework.

The AF will however fund the construction of a building for the INS-CASP which might have environmental or social impacts. Because of these new activities, the project will trigger (a) OP/BP 4.01 (Environmental Assessment) to ensure all environmental and social impacts are identified and addressed; (b) OP/BP 4.11 (Physical Cultural Resources) in anticipation of the potential impacts on cultural resources; and (c) OP/BP 4.12 (Involuntary Resettlement) in anticipation of any resettlement activities.

Current and Proposed Safeguard Policies Triggered:	Current (from Current Parent ISDS)	Proposed (from AF ISDS)
Environmental Assessment (OP) (BP 4.01)	No	Yes
Natural Habitats (OP) (BP 4.04)	No	No
Forests (OP) (BP 4.36)	No	No
Pest Management (OP 4.09)	No	No
Physical Cultural Resources (OP) (BP 4.11)	No	Yes
Indigenous Peoples (OP) (BP 4.10)	No	No

Involuntary Resettlement (OP) (BP 4.12)	No	Yes				
Safety of Dams (OP) (BP 4.37)	No	No				
Projects on International Waterways (OP) (BP 7.50)	No	No				
Projects in Disputed Areas (OP) (BP 7.60)	No	No				
<b>Change of EA Category</b>						
Original EA Category: Not Required	Current EA Category: Not Required	Proposed EA Category: Partial Assessment				
Explanation: The activities funded by the initial project were limited mainly to data production, dissemination, and use as well as support to strengthen the NSS institutional framework. The AF will fund the construction of a building for the INS-CASP which may have environmental or social impacts.						
<b>Other Changes to Safeguards</b>						
Explanation: As mentioned earlier, because of new activities related to the construction of the INS facilities, the AF will trigger OP/BP 4.01, OP/BP 4.11, and OP/BP 4.12. To ensure that any negative environmental and social impacts caused by the project activities are addressed appropriately, the INS prepared and disclosed (a) an Environmental and Social Management Framework (ESMF) and (b) a Resettlement Policy Framework (RPF). The ESMF was disclosed in-country and on the World Bank external website in December 2017, and the RPF was disclosed in January 2018, also on both the World Bank external website and the website of the Ministry of Planning.  Once the project site is known, a detailed Environmental and Social Management Plan (ESMP) will be prepared. The latter will include specific elements related to OP/BP 4.11 including chance find procedures along with guidance on sensitization. A Resettlement Action Plan (RAP) will be also be prepared to put in place mitigation measures should involuntary resettlement take place. All prepared documents will be made available on the INS website and on the World Bank external website.						
<b>Covenants - Additional Financing (Additional Financing - Republic of Congo - Statistics Capacity Building Project - P162345)</b>						
Source of Funds	Finance Agreement Reference	Description of Covenants	Date Due	Recurrent	Frequency	Action
IBRD	Implementation arrangements for PBP in Schedule 2, Section I, D, 1	The Borrower shall cause the Project Implementing Entity to carry out Part 2(a) of the Project in accordance with the detailed agreements and procedures for PBPs (“PBP Arrangement”), set forth in the Project Operations Manual, including the submission of evidence to the Borrower that Eligible Staff reached the required level of achievement of selected performance indicators included in the Manual.		x	Continuous	New



IBRD	RPF in Schedule 2, Section I, E, 2(b) (i)	In the event that the need for Resettlement arises during Project implementation due to unforeseen circumstances, the Borrower shall cause the Project Implementing Entity to, prior to the carrying out of any given works in which Resettlement is involved: (i) prepare the necessary resettlement action plans in accordance with the RPF, acceptable to the Bank; (ii) publicly disclose these resettlement action plans; (iii) pay Resettlement compensation when and if required under a resettlement action plan; and (iv) thereafter implement such plans in accordance with their terms		x	Continuous	New
IBRD	Resettlement in Schedule 2, Section I, E, 2(b) (ii)	In the event that the need for Resettlement arises during Project implementation due to unforeseen circumstances, the Borrower shall pay from its own resources any Resettlement compensation required under the Project, including any costs associated with land acquisition and Resettlement required under the Project.		x	Continuous	New

#### Conditions

Source of Fund	Name	Type	
IBRD	Execution of Subsidiary Agreement, Article V, 5.01(a).	Effectiveness	
<b>Description of Condition</b>			
The Subsidiary Agreement has been executed on behalf of the Borrower and the Project Implementation Unit (PIU) in a manner satisfactory to the World Bank.			
Source of Fund	Name	Type	
IBRD	Ratification of the Subsidiary Agreement. Article V, 5.02.	Effectiveness	
<b>Description of Condition</b>			
The Subsidiary Agreement has been duly authorized or ratified by the Borrower and the Project Implementing Entity and is legally binding upon the Borrower and the Project Implementing Entity in accordance with its terms.			
Source of Fund	Name	Type	
IBRD	Adoption of Operations Manual, Article V, 5.01(b).	Effectiveness	
<b>Description of Condition</b>			
The Borrower has adopted the Operations Manual in accordance with the provisions of Section I.B.1 of Schedule 2 to the Financing Agreement			

Source of Fund		Name		Type		
IBRD		Category 2 (PBP) withdrawals, Schedule 2, Section III, B, 1(b)(i)		Disbursement		
Description of Condition						
No withdrawal shall be made for payments under Category 2, unless the Recipient has included the PBP Arrangement in the Operations Manual, in a manner and with content satisfactory to the World Bank						
Source of Fund		Name		Type		
IBRD		Hiring of an Independent Verification Entity. Schedule 2, Section III, B,1(b)(ii)		Disbursement		
Description of Condition						
No withdrawal shall be made for payments under Category 2, unless the Recipient has selected and hired an Independent Verification Entity in accordance with Section I.D.2 of this Schedule 2.						
Risk						
Risk Category				Rating (H, S, M, L)		
1. Political and Governance				Moderate		
2. Macroeconomic				High		
3. Sector Strategies and Policies				Moderate		
4. Technical Design of Project or Program				Substantial		
5. Institutional Capacity for Implementation and Sustainability				Moderate		
6. Fiduciary				Moderate		
7. Environment and Social				Moderate		
8. Stakeholders				Substantial		
9. Other (HR capacity)				Moderate		
OVERALL				Substantial		
Finance						
Loan Closing Date - Additional Financing (Additional Financing - Republic of Congo - Statistics Capacity Building Project - P162345)						
Source of Funds			Proposed Additional Financing Loan Closing Date			
International Bank for Reconstruction and Development			30-Apr-2021			
Loan Closing Date(s) - Parent (CG-Statistics Capacity Building Project - P133731)						
Explanation:						
An extension of the closing date of the parent project for 22 months is requested to make up for the delay in effectiveness, the slowdown of the activities due the lack of counterpart funding and addition of the construction of a building for the INS.						
Ln/Cr/TF	Status	Original Closing Date	Current Closing Date	Proposed Closing Date	Previous Closing Date(s)	
IDA-55000	Effective	15-Jun-2019	15-Jun-2019	30-Apr-2021		

Change in Disbursement Arrangements										
Explanation:										
Under this AF the Mandatory Direct Payment pilot will be applicable. The provisions will be included in the Disbursement Letter.										
Change in Disbursement Estimates				(including all sources of financing)						
Explanation:										
Annual disbursement estimates have been adjusted to reflect the delay in effectiveness, the current disbursement status, and the proposed extension of the closing date.										
Expected Disbursements (in US\$, millions) (including all sources of financing)										
Fiscal Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Annual	336,983.99	326,750.47	1,144,630.36	3,500,000.00	14,500,000.00	9,436,363.64	4,191,635.18	0.00	0.00	0.00
Cumulative	336,983.99	663,734.46	1,808,364.82	5,308,364.82	19,808,364.82	29,244,728.46	33,436,363.64	0.00	0.00	0.00
Allocations - Additional Financing (Additional Financing - Republic of Congo - Statistics Capacity Building Project - P162345)										
Source of Fund	Currency	Category of Expenditure	Allocation		Disbursement % (Type Total)					
			Proposed		Proposed					
IBRD	US\$	(1) Goods, works, non-consulting services, consulting services, Training, Operating Costs and Scholarships under the Project except Part 2(c)	18,243,470		100%					
IBRD	US\$	(2) PBPs under Part 2(c) of the Project	599,503		100%					
IBRD	US\$	(3) Refund of the Preparation Advance	6,094,527		Amount payable pursuant to Section 2.07 (a) of the General Conditions					
IBRD	US\$	(4) Front-end Fee	62,500		Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions					
		Total:	25,000,000							
Reallocation between Disbursement Categories										
Explanation:										
The percentage of expenditures to be financed under the original loan will be increased to 100 percent, retroactively effective as of January 1, 2018.										

Ln/Cr/TF	Currency	Current Category of Expenditure	Allocation		Disbursement % (Type Total)	
			Current	Proposed	Current	Proposed
IDA-55000	SDR	GDS WRK NON-CON CON TRN OP & SCHLSP	3,100,000.00	3,100,000.00	14.50	100.00
IDA-55000		Designated Account	0.00	0.00	0.00	0.00
IDA-55000		UN Commitments	0.00	0.00	0.00	0.00
IDA-55000		UN Advances	0.00	0.00	0.00	0.00
		<b>Total:</b>	3,100,000.00	3,100,000.00		
<b>Components</b>						
<b>Change to Components and Cost</b>						
Explanation:						
<p>The proposed reallocation would decrease the project funds allocated for data production (Component 2) by US\$2.1 million by dropping activities related to the production of education and health statistics that are financed by the Education Sector Support Project (P152910) and the Health Sector Project (P143849). Similarly, some activities related to HR development (for example, technical mentorship) have been dropped to focus on the most relevant activities. Finally, the design and implementation of an Information System Strategic Plan and the constitution of an Information Systems Advisory Group (ISAG) have been dropped. Thus, a total of US\$6 million has been reallocated to finance the construction of the INS-CASP building. The Subcomponent 2.2 related to data use is now reduced to the following three TA activities: (a) support to the Poverty Observatory; (b) elaboration of the NDP; and (c) support to the Macroeconomic Framework Committee.</p> <p>Note that in the table below, “current cost” refers to the original full cost, including US\$28.2 million counterpart funding. The IDA funding under the parent project corresponds to about 14.5 percent of the “current cost,” approximately US\$960,000 for Component 1; US\$3.11 million for Component 2; and US\$730,000 for Component 3. In the “proposed cost” only the initial tranche of released counterpart funding is included (US\$3.6 million), the rest (US\$29.8 million) is financed by the loan including US\$25 million for the AF, and US\$4.8 million from the initial project. In the arrangements for disbursements, one category will be added to reflect the two PPAs (for US\$3,834,104 and US\$2,165,896, totaling US\$6 million) that the Government has requested; and one category for the PBPs (US\$600,000) for selected activities under Component 2.</p>						

<b>Current Component Name</b>	<b>Proposed Component Name</b>	<b>Current Cost (US\$, millions)</b>	<b>Proposed Cost (US\$, millions)</b>	<b>Action</b>
Component 1: Institutional Development, Human Resources and Organizational Structure	Component 1: Improving the Institutional and Organizational Framework of the NSS	6.60	8.90	Revised
Component 2: Data Production, Dissemination, and Use of Statistics	Component 2: Improving the Production, Dissemination, and Use of Statistics	21.40	19.50	Revised
Component 3: Project Management	Component 3: Project Management	5.00	5.00	Revised
	<b>Total:</b>	33.00	33.40	
<b>Other Change(s)</b>				
<b>Change in Procurement</b>				
<p>Explanation:</p> <p>The new procurement framework (“World Bank Procurement Regulations for Investment Project Financing (IPF) Borrowers”, dated July 2016, revised November 2017) is to be used under the AF. The original loan will continue to use the old framework (Consultants Guidelines and Procurement Guidelines).</p>				
<b>Change in Implementation Schedule</b>				
<p>Explanation:</p> <p>The proposed extension of the closing date of the parent project for 22 months is to make up for the delay in effectiveness, the slowdown of the activities due the lack of counterpart funding, and addition of the construction of a building for the INS-CASP. The lack of counterpart funding has delayed the implementation of the population census, enterprise census, and subsequent surveys. With the AF to replace the counterpart funding, the original implementation schedule is revised so that all proposed activities can be completed by April 30, 2021.</p>				

## IV. Appraisal Summary

Appraisal Summary
<p><b>Economic and Financial Analysis</b></p> <p>Explanation:</p> <p>Statistical activities supported in this project involve the generation and provision of products that are public in nature. In the current environment, they offer limited opportunities for revenue-generation, because they are financed by public funds and official development assistance.</p> <p>Training statisticians has a direct benefit for the NSS. There are important returns to investing in staff training and hiring trained statisticians, rather than relying on local and international consultants to carry out routine work. For example, the cost of training a statistician and economist engineer (<i>Ingénieur Statisticien Economiste</i>) can be recuperated by savings provided, relative to two months of an international consultant's time.</p> <p>Developing proper office space is essential for the production of high-quality statistics; the construction of a new office facility coupled with other institutional development efforts will enable the INS and the CASP to provide improved and new institutional services, including technological services and programs (for example, rooms for conducting training, mini-data centers, and information technology (IT) kiosks for storage of statistical information). This physical upgrade will also attract, encourage, and retain a new generation of statisticians by helping them improve their working conditions and productivity. These are all crucial building blocks in generating and disseminating statistical information.</p>
<p><b>Technical Analysis</b></p> <p>Explanation:</p> <p>The design of the project is based on detailed analysis of the Congolese NSS, including initial findings from the institutional assessments of line ministries statistical units (<i>Direction des Etudes et de Planification</i>, DEPs) carried out in the past year. The proposed activities—related to HR, institutional arrangements, and statistical infrastructure and operations—and the choice of technology are appropriate to NSS needs and in line with good international practices.</p> <p>The Government of the Republic of Congo requested that the project finance the construction of a new building for the INS-CASP to support the modernization of INS's physical infrastructure as a means to increase the institute's budget efficiency and work productivity. The rationale behind this builds on the following:</p> <ul style="list-style-type: none"> <li>(a) Renting office space is generally expensive and not sustainable in the long run. It is difficult to invest in these spaces (for example installing IT equipment and furniture) as rent could increase and the contract could terminate any time. Currently the INS is working in rented facilities, distributed in different parts of Brazzaville as there is no single facility that can accommodate INS staff and its functions. Moreover, these spaces are not suitable for offices as some are housed in residential neighborhoods or apartments.</li> <li>(b) At this point, the project is paying for the rent of these (distributed) office spaces. If nothing changes before the end of the project, the Government has to find other means of support to pay for the INS rent. However, with the ongoing institutional reforms and the strengthening of the legal status of the INS, if they were to own their building, it is more likely that maintenance costs will be covered by INS' operating budget.</li> </ul>

- (c) The estimated cost of US\$6 million includes the design, construction and supervision of the building (including the hiring of environmental and social safeguards specialists and a building engineer). Depending on the site, the Government will provide for the INS-CASP building, the total final cost will vary. During supervision, the team will discuss potential adjustments needed to stay within the allocated budget.

Regarding the identification of the site, the Government identified three different potential sites that the World Bank team visited in November 2017 for a preliminary assessment of the suitability of each of them. The Government will select one of the sites and prepare the official documents required to set up for the transfer of the land title to the INS.

## **Social Analysis**

### **Explanation:**

As the construction site for the INS-CASP building remains unknown, the project triggers OP/BP 4.12. An RPF has been prepared to manage any risks and impacts related to any land acquisition and/or potential resettlement once the construction site has been identified. The RPF has been disclosed in-country and on the World Bank's external website (January 23, 2018).

Crosscutting themes of governance, citizen engagement, and gender equity are reflected in the project design through closing critical data gaps and improving access and dissemination of statistics. The availability of updated data on issues related to poverty, complemented by better macroeconomic and sector statistics, are key for the Government and different stakeholders to design and monitor effective development policies and programs. By strengthening the capacity to produce better statistics and open data, the proposed project will help improve evidence-based decision making and foster good governance, which will in turn improve development outcomes. Data collection supported by the project will be disaggregated by sex, which will be useful to better understand and address gender-specific development challenges in the country. Moreover, the results framework of the AF has been updated to include indicators related to gender equality and citizen engagement, such as gender considerations for the activities related to training and institutional strengthening.

## **Environmental Analysis**

### **Explanation:**

The environmental impacts are expected to be limited. However, an ESMF has been prepared, which provides an overall assessment of risks related to the project and potential environmental and social impacts of the project in the city of Brazzaville. The ESMF provides an overview of the various issues and proposes measures to avoid and mitigate negative impacts. An architectural evaluation will be undertaken with project funds to define the scope of work, which is expected to cost about US\$6,000,000. The ESMF was disclosed in-country and on the World Bank external website on December 20, 2017.

The project will not finance (a) land acquisition; (b) involuntary resettlement; or (c) restriction of access to resources or livelihoods and will provide no financing for any activity that would result in (a) land acquisition; (b) involuntary resettlement; or (c) restriction of access to resources or livelihoods. The planned works will be carried out on a site owned by the Government with no claims or encroachments on the land. Activities under the RPF budget include preparation of a possible RAP which will determine the compensation costs after surveys and socioeconomic studies. The RPF budget also includes public awareness, consultation, as well as M&E directly related to resettlement. However, all potential expenses related to direct resettlement will be funded by the Borrower.

<b>Risk</b>
<b>Explanation:</b>
<p>The macroeconomic risk is rated high. The economic crisis continues despite the implementation of some measures of monetary policy by the regional central bank (the Central Bank of the Central African Countries - BEAC) and fiscal policy by the country. The country's financial situation deteriorated and foreign exchange reserves covered less than one month of imports in 2017. The country is in debt distress and arrears have increased substantially. The economic crisis deepened as GDP continued to contract by -4.6 percent in 2017 from -2.8 percent in 2016. Though oil production increased in 2017 with a new field (Moho Nord) coming on stream and oil prices start recovering, the increase in oil GDP did not off-set the contraction of non-oil activities. The latter sharply decreased by 9.2 percent in 2017 as a tight financial situation linked to the accumulation of government arrears forced many companies to reduce activities and staff. Non-oil sector was mostly affected by reduced activities in Telecommunications, Transport and Construction.</p> <p>This context has led to a lack of an operating budget for the INS, an important risk factor for the successful implementation of the project. The INS has not had an operating budget for the past three years. This makes it difficult to pay for routine activities including the payment of premium for staff working on specific projects other than the routine INS work. This situation demotivates INS staff, particularly those who work with international consultants hired by the project to support them in the implementation of the activities. The lack of operating budget is not specific to the INS; it is common to several institutions of the public administration. This issue was discussed during appraisal for the AF to identify a practical solution to facilitate the collaboration of the INS staff. To this end, the design of a performance-based mechanism (PBPs) that could increase staff motivation and productivity is proposed. However, if it is not well-defined and implemented, the PBP can be a risk for project implementation and the functioning of the INS. It is important that the PBP does not become an activity-based payment system. To avoid that at the end of the project, beneficiaries of this system condition the performance of their usual tasks based on expectations of being paid premiums. To increase the likelihood that the PBP mechanism is successful, clear principles have been set out and eligibility and criteria will be fully detailed in the Operations Manual. Furthermore, an independent verification entity will be hired to assess performance against the defined criteria and manage the payments.</p> <p>In terms of sustainability, the project is designed based on the premise that by strengthening the legal and institutional framework, the INS will become an independent entity with its own operating budget. While the Republic of Congo is facing an issue of fiscal deficit, there are several elements that have changed since the parent project was approved. The Government of the Republic of Congo has demonstrated its commitment to supporting statistics through (i) the prioritization of statistical support from the World Bank culminating in the approval of the on-going Statistics Capacity Building Project (PSTAT), and a follow-on request for AF for the PSTAT to further enhance the support and to construct a new building for the National Institute of Statistics; (ii) the creation of a Ministry of Planning, Statistics and Regional Integration; (iii) the approval of a decree authorizing the organization of the Population and Housing Census; and (iv) the approval by the Council of Ministers of a decree creating the National Institute of Statistics and a new Statistics Law. Moreover, the Government is currently negotiating their participation in an IMF program to face their fiscal deficit. The IMF program includes statistical information as a priority.</p> <p>The technical design risk is rated substantial. In 2019, several large statistical operations will have to be in the field. This includes the population census, the agricultural and household surveys and the enterprise census. To mitigate any risks related to delays and quality, the project will put an emphasis on decentralized supervision and management of the logistics for the fieldwork. A team of international and</p>



national consultants will be hired to support INS in this process. Furthermore, the INS will coordinate with the relevant line ministries and provincial statistical offices, as well as with specialized UN agencies such as UNFPA and FAO, to receive technical support.

The stakeholder risk is rated substantial. The key stakeholders include the NSS and the wider government users of statistics for decision-making, as well as the education system, in particular the CASP and regional statistics schools. There is a lack of trained statisticians to feed the NSS and implement high quality statistical operations and analysis. While this broader issue is not totally under the scope of this project, failure to address it might affect the possibility of achieving the PDO. The project will mitigate this risk through supporting the reform of the CASP, training of young Congolese in statistics (through the regional schools), and by constructing a joint INS-CASP building which will facilitate collaboration and provide a space to strengthen the NSS coordination and capacity.

The safeguard risk is rated moderate in relation to the construction of facilities for the INS-CASP. Mitigation measures have been put in place and the Client has developed and publicly disclosed an ESMF and a RPF. The Government will mitigate any risks related to excavation of physical cultural resources by triggering OP/BP 4.11 and ensuring provision of managing 'chance finds' in the detailed ESMP. To support the PIU staff, a construction engineer will also be recruited by the Client to help them follow up on building progress and quality.

## **V. World Bank Grievance Redress**

15. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org).

## Annex 1: Revised Results Framework and Monitoring Indicators

Project Development Objectives							
Original Project Development Objective - Parent:							
The objectives of the project are to (i) strengthen the National Statistical System in the production and, dissemination of timely and robust statistics relevant for policies and decision making, and (ii) promote the demand for statistical information.							
Proposed Project Development Objective - AF:							
The objectives of the project are to (i) strengthen the NSS in the production and dissemination of quality statistics relevant for policies and decision making, and (ii) promote the demand for statistical information.							
Results							
Core sector indicators are considered: Yes					Results reporting level: Project Level		
Project Development Objective Indicators							
Status	Indicator Name	Corporate	Unit of Measure		Baseline	Actual(Current)	End Target
Revised	Statistical Capacity Score <sup>1</sup>	<input type="checkbox"/>	Percentage	Value	47.80	48.89	60.00
				Date	31-Dec-2014	22-Jan-2018	30-Apr-2021
				Comment			Target reduced from 70 to 60 to be more realistic. End target date extended to match with the new closing date.
New	Number of NSS staff with formal degree in statistics, informatics or demography	<input type="checkbox"/>	Number	Value	40.00	40.00	60.00
				Date	22-Jan-2018	22-Jan-2018	30-Apr-2021
				Comment			

<sup>1</sup> The Statistical Capacity Score is calculated on an annual; basis by the World Bank. The indicator is based on a framework which uses information generally publicly available for most countries to assess three aspects of statistical capacity (statistical practices, collection activities and data availability) against appropriate benchmarks. A score for each aspect is derived, and an overall score is calculated by combining the scores for the three aspects, giving equal weight to each. The score is scaled to provide a value between 0 and 100; a score of 100 indicates that the country meets all the benchmark in all three aspects of statistical capacity. More information can be found at <http://datatopics.worldbank.org/statisticalcapacity/SCIdashboard.aspx>.

Revised	Share of statistical products completed and published by the INS following international standards	<input type="checkbox"/>	Percentage	Value	25.00	25.00	70.00
				Date	01-Oct-2014	22-Jan-2018	30-Apr-2021
				Comment			End target date extended to match new closing date.
Revised	Share of statistical output available to users through the open data portal	<input type="checkbox"/>	Percentage	Value	0.00	0.00	60.00
				Date	01-Sep-2014	22-Jan-2018	30-Apr-2021
				Comment			End target date extended to match new closing date.
Marked for Deletion	Indicator 4: Number of quote of statistics in the media	<input type="checkbox"/>	Number	Value	5.00	5.00	25.00
				Date	01-Sep-2014	14-Jan-2016	15-Jun-2019
				Comment			
Revised	User Satisfaction Index <sup>2</sup>	<input type="checkbox"/>	Number	Value	n/a	0.00	75.00
				Date	01-Sep-2014	22-Jan-2018	30-Apr-2021
				Comment			End target date extended to match new closing date.
New	Annual growth rate of the number of hits on INS website	<input type="checkbox"/>	Percentage	Value	0.00	0.00	8.00
				Date	22-Jan-2018	22-Jan-2018	30-Apr-2021
				Comment			

<sup>2</sup> The User Satisfaction Index is calculated by combining users' perception of coverage, reliability, published statistical analysis and periodicity. The source is a beneficiary perception survey. The baseline survey is under preparation and the results should be available by July 2018.

Intermediate Results Indicators							
Status	Indicator Name	Corporate	Unit of Measure		Baseline	Actual (Current)	End Target
Revised	Institutional capacity assessment is completed for INS staff and 14 identified DEPs	<input type="checkbox"/>	Yes/No	Value	No	No	Yes
				Date	01-Sep-2014	22-Jan-2018	31-Dec-2018
				Comment			The revised indicator includes specific number of assessments
Revised	Share of sectorial statistical agencies that produce statistical information endorsed as official statistics by the INS	<input type="checkbox"/>	Percentage	Value	30.00	30.00	80.00
				Date	01-Sep-2014	22-Jan-2018	30-Apr-2021
				Comment			Indicator updated to reflect INS' role to endorse official statistics, rather than just collaboration. End target date extended to match new closing date.
Revised	African chart of statistics and code of conduct are disseminated widely to the public	<input type="checkbox"/>	Yes/No	Value	No	No	Yes
				Date	01-Sep-2014	22-Jan-2018	30-Apr-2021
				Comment			End target date extended to match new closing date.
Revised	Execution rate of the activities under the responsibility of the project in the strategic HR plan	<input type="checkbox"/>	Percentage	Value	0.00	0.00	100.00
				Date	01-Sep-2014	22-Jan-2018	30-Apr-2021
				Comment			Indicator (and target) updated to reflect the activities that the project will be directly responsible for.
Marked for Deletion	Percentage of staff with competencies in core areas of statistics	<input type="checkbox"/>	Percentage	Value	45.00	45.00	80.00
				Date	01-Sep-2014	14-Jan-2016	15-Jun-2019
				Comment			

New	The INS-CASP complex is built and operational <sup>3</sup>	<input type="checkbox"/>	Yes/No	Value	No	No	Yes
				Date	22-Jan-2018	22-Jan-2018	31-Dec-2019
				Comment			
Revised	The new INS-CASP complex is furnished, has a data center, computers and operational Internet links	<input type="checkbox"/>	Yes/No	Value	No	No	Yes
				Date	01-Sep-2014	22-Jan-2018	31-Mar-2020
				Comment			This indicator is updated to reflect that the new building will be furnished
Revised	A functional web-based data portal enabling access to the NSS data is developed and deployed	<input type="checkbox"/>	Yes/No	Value	No	No	Yes
				Date	01-Sep-2014	22-Jan-2018	31-Dec-2018
				Comment			This indicator is revised to reflect the development of the portal
Revised	Number of outreach thematic activities to key stakeholders such as media, politicians, policy makers, and academia	<input type="checkbox"/>	Number	Value	2.00	2.00	10.00
				Date	01-Sep-2014	22-Jan-2018	30-Apr-2021
				Comment			End target was increased from 3 to 10; End target date extended to match new closing date.
Marked for Deletion	Execution rate of the Information System Strategic Plan	<input type="checkbox"/>	Percentage	Value	0.00	0.00	55.00
				Date	01-Sep-2014	14-Jan-2016	15-Jun-2019
				Comment			
Revised	Number of knowledge products on economic development issues produced with NSS data and disseminated to large audiences	<input type="checkbox"/>	Number	Value	2.00	2.00	10.00
				Date	01-Sep-2014	22-Jan-2018	30-Apr-2021
				Comment			End target date extended to match new closing date.

<sup>3</sup> Operational implies that the basic infrastructure is in place: water, sewage, electricity.

Marked for Deletion	A continuous survey program is designed and implemented	<input type="checkbox"/>	Yes/No	Value	No	No	Yes
				Date	01-Sep-2014	14-Jan-2016	15-Jun-2019
				Comment			
Marked for Deletion	Proportion of beneficiaries who implement at least 60% of their annual release calendar activities	<input type="checkbox"/>	Percentage	Value	0.00	0.00	80.00
				Date	01-Sep-2014	14-Jan-2016	15-Jun-2019
				Comment			
New	Number of trained students that pass the exam to get into regional statistics schools, with at least 10% women	<input type="checkbox"/>	Number	Value	0.00	0.00	15.00
				Date	22-Jan-2018	22-Jan-2018	30-Apr-2021
				Comment			To be sex-disaggregated
Marked for Deletion	NIS has in place a functional communication team	<input type="checkbox"/>	Yes/No	Value	No	No	Yes
				Date	01-Sep-2014	14-Jan-2016	15-Jun-2019
				Comment			
Revised	The PIU makes biannual progress reports available to the Project Steering Committee	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date	01-Sep-2014	22-Jan-2018	30-Apr-2021
				Comment			End target date extended to match new closing date.
Revised	The Project Steering Committee meets semi-annually to assess project performance, intermediate results, and outcomes	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date	01-Sep-2014	22-Jan-2018	30-Apr-2021
				Comment			End target date extended to match new closing date.
Revised	Annual budgeted work plan of the PIU is reviewed by the Steering Committee and submitted to the World Bank for no objection	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date	01-Sep-2014	22-Jan-2018	30-Apr-2021
				Comment			End target date extended to match new closing date.

Marked for Deletion	Code of conduct based on NSS core values is developed and disseminated	<input type="checkbox"/>	Yes/No	Value	No	No	Yes
				Date	01-Sep-2014	14-Jan-2016	15-Jun-2019
				Comment			
Revised	The results-based monitoring framework of the project is defined, updated, and validated by the Project Steering Committee	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date	01-Sep-2014	22-Jan-2018	30-Apr-2021
				Comment			End target date extended to match new closing date.
Marked for Deletion	The three best performing project beneficiaries are nominated and rewarded in each category of the Data Quality Assessment Framework (DQAF)	<input type="checkbox"/>	Yes/No	Value	No	No	Yes
				Date	01-Sep-2014	14-Jan-2016	15-Jun-2019
				Comment			
Revised	Operational M&E workshops with INS and all beneficiaries of the project are organized 3 times a year to assess the progress of planned activities	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date	01-Sep-2014	22-Jan-2018	30-Jun-2021
				Comment			Frequency of workshops is included; End target date extended to match new closing date.
New	Number of annual reports on the implementation of the ESMF and the RPF produced and discussed in the Project Steering Committee	<input type="checkbox"/>	Number	Value	0.00	0.00	6.00
				Date	22-Jan-2018	22-Jan-2018	30-Apr-2021
				Comment			

## **Annex 2: Detailed Description of Modified or New Project Activities**

### **A. Project Components**

1. The project has three components:

#### **COMPONENT 1. IMPROVING THE INSTITUTIONAL AND ORGANIZATIONAL FRAMEWORK OF THE NSS (US\$8.9 MILLION EQUIVALENT)**

2. The project will work to ensure that quality and timely statistics are delivered sustainably by building HR capacity, improving the capacity of the NSS to attract and retain qualified and motivated staff, streamlining its institutional organization, and building up adequate infrastructure, especially information and communication technology (ICT) solutions to produce and disseminate statistical information.

##### ***Subcomponent 1.1: Improving the organization (US\$800,000)***

3. Under the AF, this component will continue to (a) support improvement of the organizational structure of the NSS; and (b) carry out a program of activities to strengthen the capacity of the NSS to attract and retain qualified staff. The project will support activities designed to support the improvement of legal and institutional frameworks as well as the improvement of data quality and coordination of the NSS. Specific activities include (a) assessing the current NSS framework; (b) reviewing protocols standards operating procedures for data production and dissemination; (c) reviewing the institutional framework and organization charts and resources availability and needs (human and material resources); and (d) drafting protocols, guidelines, and standard methodologies to enhance quality and efficiency in the management of data production and dissemination.

##### ***Subcomponent 1.2: Human resources development (US\$1.3 million)***

4. Activities to be financed under this subcomponent are similar to those described in the parent project. As a solution to the lack of qualified statisticians, the project will support preservice training programs in local and regional statistics schools as well as other training programs relevant to statistical activities such as cartography, IT, and data management. In addition to preservice trainings, the project will support on-the-job trainings of the current INS staff. Specific activities include the following:

- (a) Support to the drafting of a strategic HR plan and the design of staffing and HR policies and guidelines. This includes a revised collective labor agreement, defining competitive salaries to attract and retain skilled employees, and other relevant activities. As a public autonomous institution, the INS must have its own staff rules and policies pertaining to career management. In this context, staff from the National Center for Statistics and Economic Studies (*Centre National de la Statistique et des Etudes Economiques*), selected to work for the INS, will have to be seconded by the civil service to be integrated as INS staff. They will therefore abide by the INS Collective Agreement during their secondment period.



- (b) Support the development and strengthening of local capacities in statistics, mainly through the statistics school, CASP, specifically to harmonize the curriculum to make it compatible with the standards for regional statistics schools, create the mechanisms and implement training of trainers. Furthermore, through the CASP, Congolese students (from the CASP and other academic institutions) will be prepared for competitive exams that allow successful candidates to be enrolled in regional statistical training programs provided by statistical schools in the Ivory Coast, Senegal, Cameroun and Morocco. Scholarship (including stipends) will be provided to a limited number of Congolese students admitted to these regional statistical schools or equivalent schools. The Operations Manual will identify criteria and selection process for scholarships.
- (c) Creation of an internship program for Congolese graduate students from regional or local statistics schools to accelerate the availability of technical skills, particularly in response to the needs of decentralized departments. Strengthening the NSS' human capital through training is crucial for sustainability and creating ownership among staff working on statistical projects in the country. Currently, students face a significant risk of not being included in the INS' activities upon return from training. The INS with the support of the project will define a one-year internship program that enrolls students (who graduated from statistics and assimilated schools) in the NSS' activities inside the INS. The INS will first identify its qualification needs in the different directorates, and the project could offer a monthly internship premium to the interns to cover at least transportation and communications cost. Based on their training profile, the program will enable interns to rotate in key services of the INS.

***Subcomponent 1.3: Construction of INS office facilities for the INS and the CASP and office rent (US\$6 million)***

***Subcomponent 1.3.1: Construction of INS and CASP facilities (US\$5.5 million)***

5. In response to the Government's request, the proposed AF will support the construction of an office building for the INS and the CASP. The INS has never owned its own building. Its offices used to be housed inside the old premises of the Ministry of Planning and since 2015, the institute has been evicted at least three times from their rented location. The different departments of the institute are currently dispersed throughout the city of Brazzaville due to the lack of a consolidated office space. This creates lower efficiency and increased running cost. The CASP is housed in an old and dilapidated location and the space does not meet the standard of public institutions.

6. Once the office spaces are finalized, there will be a space move plan, and all the INS and CASP staff will move to the newly built facilities. The timeline for the construction activities will be as follows: (a) During the first year of the project, the construction site will be identified, building design and detailed drawings will be finalized, bidding documents for the construction will be published, and construction will be started. (b) Once the building is constructed, there will be a space move plan and the staff from all INS offices in Brazzaville will move to the new space. (c) The INS and CASP facilities will be fully furnished and equipped with state of the art ICT technology. An Operations Manual for the management and sustainability will be prepared for the future management of the facilities.

7. It should be noted that the location of the construction site has not yet been identified. The project will finance the construction of office space facilities, only when they receive a title deed assigned officially to the INS. This subcomponent will finance architectural studies and necessary preliminary studies before the construction of building.

*Subcomponent 1.3.2: Rental of offices (US\$500,000)*

8. During the construction of the new facilities, the project will continue to fund rental of temporary office facilities for the INS to ensure the continuity of statistical operations. Office space will be rented till the new construction is finalized, but no longer than April 2020.

***Subcomponent 1.4: Upgrading systems and equipment (US\$800,000)***

9. Through this AF, the World Bank will build up the INS statistical, IT infrastructure, and data management systems. Activities to be financed include work to undertake procurement of office furniture and enhancement of the electrical and IT systems. Moreover, the project will support acquisition and maintenance of computer hardware, data management systems, and other equipment needed to collect, analyze, and disseminate data. Equipment for data collection, data processing, analysis, and storage (servers, computers, and laptops) as well as equipment for data dissemination (web server, printing, and scanning equipment) will also be procured to enable data collection, production, and dissemination activities.

**COMPONENT 2. IMPROVING THE PRODUCTION, DISSEMINATION, AND USE OF STATISTICS (US\$19.5 MILLION EQUIVALENT)**

10. This component will finance the implementation of a program of activities designed to improve the statistical infrastructure, and the quality and timeliness of priority demographic and social sector statistics, as well as economic and sector statistics produced by the NSS. The component will also support the dissemination and use of statistical information. More specifically, this component of the project will support: (a) the population census, (b) the implementation of a system of household surveys to monitor poverty and standard socioeconomic indicators, (c) an enterprise census and annual enterprise survey, (d) an agricultural census and annual agricultural production survey, (e) methodological improvements in key data sources of NA and price statistics, and (d) data dissemination and use. Subcomponent 2.1 is partly executed as PBPs whereby, efficiency gains in data production and reporting will be used to finance salary top-ups.

***Subcomponent 2.1: Data production and management (US\$17 million)***

***Subcomponent 2.1.1: Population census (US\$7.4 million, including approximately US\$470,000 from parent project)***

11. The Republic of Congo has conducted population censuses in 1974, 1984, 1996, and 2007. Even though the 1996 Census cartography has been invalidated, because of the quality of produced information for the household survey until the sample frame from 2007 was available. In line with

the decadal period of the censuses, the next population and housing census is planned for the year 2018.

12. The population and housing census aims to (a) produce data about the overall Congolese population, the country's socio-demographic and economic characteristics and the demographic changes in the country, (b) update knowledge on habitat features and characteristics, (c) produce data to update the master sample frames for household and agricultural surveys, and (d) produce the country's cartography for current basic infrastructures.

13. National and international needs for reliable statistical data have increased. At the national level, there is a need for reference indicators for the ongoing preparation of the NDP 2018–2022 and indicators to monitor and evaluate sector policies including population, health, education, housing, water and sanitation, and regional planning. At the international level, data needs include indicators to monitor and evaluate: the implementation of the new objectives of the Agenda 2030, Agenda 2063 of the African Union, and the Sustainable Development Goals (SDGs) launched in December 2016.

14. The PSTAT has financed the preparation of the fifth census since 2015. The project also supported the evaluation of the 2007 census where the lessons learned from the evaluation helped prepare the fifth census project document. The project supported logistical capacity including vehicles, other motorized products, office supplies, and equipment. In addition to the permanent technical advisor for the census office, the quality assurance agreement between the United Nations Population Fund (UNFPA) and the PSTAT has helped provide TA by hiring consultants. They have developed technical tools including questionnaires, cartographic data collection sheets, and communication strategy in accordance to international standards. Consequently, pilot cartography has been conducted in October 2017 and mapping data collection has been tested.

15. Based on the implementation status of already achieved census activities, the pilot mapping is the only activity achieved in the year 2017. The project will support (a) census cartography that will provide information on the whole Congolese territory including thematic maps and departmental monographs, (b) pilot census on the selected pilot mapping sites (if the activity has not yet been finalized during the first phase of the project), (c) population and housing enumeration, (d) post-censal survey which will be used to assess data coverage and quality from the enumeration activities, and (e) analysis and dissemination of results.

#### *Subcomponent 2.1.2: Vital statistics (US\$200,000)*

16. The Republic of Congo committed to reform its civil registration system in the 1980s. A project titled 'Improvement of Registration and Vital Statistics' led to a modernization of the system through many important actions. Consequently, the Republic of Congo, with the support of development partners, has undertaken several initiatives to improve the civil registration system. These include (a) the computerization of registration and civil registration procedures in Brazzaville and Pointe-Noire, with the support of the *Association Internationale des Maires Francophones* (AIMF – an international organization of mayors of French-speaking cities) based in Paris, France; (b) the development of a National Action Plan for birth registration in Congo (2009–2013) in collaboration with United Nations Children's Fund (UNICEF) and the European Union in July 2009; and (c) the development of modernization plan of civil registration to

perpetuate the experience of the AIMF in Congo. These actions led to an improved coverage of birth registration across the country by almost 97 percent.

17. The Government of Republic of Congo is committed to improve the system of civil registration and vital statistics in the country. It is supported by the African Development Bank (AfDB) and UNFPA and is based on the guidelines of the resolutions of the Conference of African Ministers in charge of civil status and statistics of 2015.

18. Vital statistics relate to births, marriages, deaths, immigration, and emigration. If they are well recorded, the data is used for projecting population and updating the sample frame for surveys.

19. In collaboration with UNFPA and the AfDB, the project will support (a) the improvement of the registration system using modern technology through the review of the quality and relevance of the tools/registration forms and the evaluation of the completeness of the collected information, (b) the centralization of vital data, and (c) strengthening of the INS' capacity of compiling and disseminating such statistical information.

#### *Subcomponent 2.1.3: Household surveys (US\$3.65 million)*

##### 1-2-3 survey (US\$1.5 million)

20. The Republic of Congo needs reliable, up-to-date, and diversified statistics, particularly on employment and poverty to assess the impact of the policies, programs, and implemented projects. The INS has conducted two National Household Budget Consumption Surveys (ECOM 2005 and ECOM 2011), with the assistance of the Economic and Statistical Observatory of Sub-Saharan Africa (*Observatoire Economique et Statistique d'Afrique Subsharienne*, AFRISTAT). These surveys were used to establish poverty profiles without thorough analysis of the data.

21. The 1-2-3 survey is a modular three-phase survey. The first phase consists of collecting data on households' socio-demographic and employment characteristics. The second phase is a survey of non-agricultural informal units identified during the first phase. The third phase is a household consumption survey, more commonly known as household living conditions survey.

22. The first phase of the 1-2-3 survey provides a wealth of information for labor market analysis. The second phase collects information on informal urban households' enterprises including information on the type of activities, production and sales, their costs and benefits, sources of financing, as well as constraints and opportunities. This information helps to assess the size of the informal economy and its contribution to the national production. Data from the consumption phase help to analyze households' welfare, their consumption patterns, and the national poverty profile. They provide also information for updating or the consumption baskets used for the national and departmental consumer price indices. In short, the 1-2-3 survey produces relevant information to monitor and evaluate the development impact policies, programs, and projects. It also provides household-level data for poverty analyses that can inform the design and monitoring of poverty reduction programs.

23. Poverty indicators need to be updated six years after the last survey. Since 2016, the PSTAT has supported the INS through TA for the development of methodological tools for the survey and purchase of computers. The AF will support a pilot survey as its first activity. The

purpose of this pilot is to test the entire data collection procedure, including the stability of the Computer-Assisted Personal Interview (CAPI) data collection application. Due to the obsolescence of the invalidated 2007 census sampling frame, the pilot will be implemented using the new pilot census sample frames. At the end of the pilot phase, all data collection tools will be updated. The second activity of the project will be to collect the data and harness it. After harnessing the collected data, the project will finance data analysis and dissemination of the main survey report and other thematic reports.

#### Demographics and Health Survey (DHS) (US\$350,000)

24. The DHS survey's objectives are in line with the demographic and health information needs of the Republic of Congo. It provides policy makers, planners, and development partners with a set of statistical data which guide the design and implementation of programs for sustainable economic and social development of the country.

25. The INS conducted the first and second DHS in 2005 and 2011–2012 with the support of development partners UNFPA, UNICEF, World Bank, and the World Health Organization. The first HIV/AIDS Indicators Survey was implemented in 2009. Survey results have helped develop the 2007–2011 National Health Development Plan and served as a reference for human development indicators of the 2011–2016 NDP. In addition, the information collected have informed the Millennium Development Goals. In this perspective, the data collected will provide information on several SDG indicators.

26. The first editions of the DHS covered fertility, mortality, maternal and child health and nutritional status, family planning, knowledge of HIV/AIDS, obstetric fistula, and situation of children.

27. To update the health indicators of the Congolese population, the INS plans to simultaneously implement the third DHS, the HIV/AIDS indicators survey, and the Malaria survey (DHS-3) in 2018. Specific HIV/AIDS and malaria indicators as well as their prevalence rates will be produced.

28. The PSTAT funded TA for ICF International, a global consulting and technology services company which helps implement the DHS. Through the funds, the first ICF International mission defined the survey's methodology, schedule, and detailed budget.

29. As part of the AF, the project will support all future ICF International TA missions. These will range from design of technical tools to the implementation of the main data collection. Due to the need to calculate prevalence rates for HIV/AIDS and malaria, the project will finance procurement of medical equipment. The project will support the completion of (a) the pilot survey that will test the entire survey design; (b) the main data collection; and (c) analysis and dissemination of data collected.

#### Program of continuous household surveys (US\$1.8 million)

30. The Republic of Congo is developing its second NDP for the next five years. In addition to all the international commitments made by the Government, the implementation of the NDP will require annual reviews for which a set of information must be available.

31. To effectively monitor the implementation of the NDP, SDGs, and other sectoral development policies, it is essential to have a permanent household survey system. This system will enable the NSS to perform annual collection operations while optimizing statistical production and minimizing duplication in the various data collections.

32. The project will support the development of the permanent household survey system. This system will regularly collect consumption and welfare data. It will adopt a practice of rotating modules to collect different types of data on the specific needs at any given time. In a high urbanization context, with an urban population of nearly 62 percent according to the 2007 census, reliable statistics on employment and migration are important. Due to low agricultural productivities, more and more people are moving to cities or abroad, where income opportunities are better. These population dynamics bear enormous economic implications ranging from agricultural production to labor market outcomes, urbanization, welfare, and others. In this context, in addition to collecting consumption data, information on employment and migration will also be prioritized.

33. This will specifically involve (a) reducing the medium- and long-term financial and material costs for implementing household surveys; (b) annually providing necessary indicators of the NDP and SDGs, (c) promoting annual data collection of household consumption and economic activities; (d) optimizing the implementation of household data collection activities through harmonization and federation of existing activities; (e) having a panel sample (enumeration area or households) on which studies of dynamic analysis of the consumption structure and poverty can be carried out; and (f) setting up a network of permanent field agents responsible for data collection.

#### *Subcomponent 2.1.4: Economic and sector statistics (US\$5.75 million)*

##### Business/enterprise census (US\$2 million)

34. Production and management of enterprise statistics has long been a weak link in the statistical output of the Congolese NSS. The Republic of Congo has a database of newly registered enterprises from the Business Formality Center but does not have an Integrated Enterprise Statistics System (*Système Intégré des Statistiques d'Entreprise*, SISE). In August 2010, an AFRISTAT support mission trained national staff on creating and managing an Enterprise Register for statistical purposes. This activity is in line with the regulation the enterprise statistics production and management is fundamental to have a structured business information system and to monitor the modern sector of the economy. National and international needs in enterprises statistics are many, including (a) the need for structural and cyclical indicators (index of industrial production, service and trade turnover index, price index for business services, index of production of the buildings and public works sector, and so on); (b) the use of the data by tax administrators and social organizations that determine the levels of taxes and social contributions to which economic units are subject; and (c) the use of data by NA that determine macroeconomic magnitudes: GDP, national income, gross savings, gross fixed capital formation, and capacity or need for financing. The quality of NA information depends on the quality of the information provided by the enterprises accounting system.

35. The PSTAT has funded (a) TA to finalize the technical documents, (b) mapping of the six communes of the country, and (c) the pilot census whose activities helped update the methodological documents and technical tools of the census.

36. To build on previous achievements, the project will support the collection phase of the enterprise census. The first activity will be to develop the CAPI application for data collection because of the methodological choice to use computer-assisted collection. The map and enumeration data collection questionnaires will be transcribed into a specific software for survey implementation (CSPPro) and installed on the tablets. Cartography, identification of the enterprises in the field, and general enumeration will then be implemented. The NSS will have a SISE for sample surveys of enterprises. The project will also finance the development and partial implementation of a system for continuous cyclical and structural surveys of enterprises.

#### National Accounts (US\$1 million)

37. The NA describe the economic activity, measurable in monetary terms, of each unit of the national economy. The System of National Accounting (SNA) 93 was effectively started in 2004 at the General Directorate of Economy (*Direction Général de l'Economie*) with the support of the International Monetary Fund (IMF). The SNA for year 2005 and 2007 has been completed but not published.

38. In December 2015, the process to modernize Congo's NA has been completed. The process has enabled to change the base year and develop NA for the period 2000–2014. Currently, with TA from the IMF, the Republic of Congo has a new series of more than 10 years of NA consistent with SNA 93 to be published.

39. However, there are methodological problems related to estimates of production volume and values, taxes, margins by item, insurance sector data, and mining and oil investment and production costs and outputs.

40. The project will support the adoption and implementation of the 2008 SNA through TA. This will help the Republic of Congo comply with international requirements and for comparability with AFRISTAT member countries. The TA will also support the NA unit staff to continue producing NA, diagnose data sources used in the preparation of NA, and develop and implement an action plan. The project will also support the rebasing of NA using ECOM 2011 and later 2018 (based on 1-2-3 survey), the implementation of the action plan for the adoption of the 2008 SNA, and the publication and dissemination of the 2015–2017 NA series.

#### Price statistics (US\$650,000)

41. The CPI is considered as one of the most important economic and social indicators established by National Statistical Offices around the world. This index is widely used as a macroeconomic indicator of inflation, an instrument for targeting inflation and monitoring price stability by governments and central banks and as a deflator in the NA. National governments, central banks, and international organizations attach great importance to the quality, accuracy, and comparability of national CPIs because of trade, production globalization, and market liberalization.

42. The main price statistics are the CPI, Producer Price Index (PPI), Import Price Index (IPI), Export Price Index (EPI), and Wholesale Price Index (WPI). Among these, the INS produces only monthly CPIs, and only covers data in Brazzaville and Pointe-Noire. Until July 2010, the CPI was computed using 1977 as the base year for Brazzaville and 1996 for Pointe-Noire. Since August 2010, the INS has begun producing the index exclusively based on 2005 for both cities. The harmonized CPI is published using the food basket and weights from the 2005 household survey (ECOM).

43. The PSTAT helped lay the foundation for producing price statistics that meet international quality standards. The INS benefited from TA that developed an action plan to extend the price index to all major cities of the country. All necessary technical tools were developed for the construction of a harmonized national index. Price statistics in Brazzaville and Pointe-Noire was also continued.

44. The project will consolidate previous achievements and will support the extension of the CPI. The activity will consist of progressively extending the price collection to three additional locations including Dolisie, Ouessou, and Owando, in addition to Brazzaville and Pointe-Noire. The collected prices will be used to calculate average prices and the Harmonized Index of Consumer Prices (HICP) of the five departments that will be used to calculate the National Harmonized Index of Consumer Prices (NHICP). This activity is part of (a) strengthening the NSS in the production and dissemination of timely, reliable, and useful statistics for policy and decision making; (b) the multilateral surveillance framework for the convergence of the economies of the Central African Economic and Monetary Community (*Communauté Economique et Monétaire de l'Afrique Centrale*) countries; (c) the monitoring of inflation at the national level, the production of regional HICPs allowing the integration of national markets; and (d) the monitoring of the purchasing power of the population and the use of the NHICP as a GDP deflator. The project will additionally support the production of business cycle indices, including the PPI, IPI, EPI, and WPI and update the food basket, weights, and the CPI base year using the 2011 household budget consumption survey (ECOM 2011).

#### External trade statistics (US\$400,000)

45. International trade contributes to development through its impact on the structuring of the productive apparatus and the determination of national production structures. External trade indices are essential for assessing the quality of a country's trade. They are used as deflators of the trade balance and allow to estimate the evolution of the prices of imported or exported goods, analyze the evolution of the terms of trade, analyze the competitiveness and productivity of the economy, measure inflation, and prevent price trends.

46. In the Republic of Congo, international trade statistics are not reliable. The INS only produces merchandise trade statistics. The indices of international trade of services and informal foreign trade are not captured. When producing indices of external trade of goods, the INS relies exclusively on poor-quality data collected by the Directorate General of Customs and Indirect Taxation (*Direction Générale des Douanes et des Droits Indirects*). These data diverge considerably from the export data collected from other sources. Thus, it is essential to collect and harmonize data from different sources.



47. Through the PSTAT, the INS benefited from financing of the validation workshop of the methodological document for the compilation of external trade statistics of goods and of training in the first level of Eurotrace software.

48. The AF will support (a) the development of a diagnostic study to assess data sources, which will evaluate the quality of the baseline data used by the INS in producing the indices; (b) the design and implementation of a plan to improve external trade statistics—this plan will integrate the problem of cross-border trade to identify pockets of entry and exit of goods outside customs control and assess the weight of cross-border informal exchanges; and (c) the production of foreign trade statistics for goods, services, and the informal sector (TA from the development of technical tools for each index group to the production of statistics).

#### Agriculture statistics (US\$1 million)

49. The Republic of Congo conducted its first agricultural census in 1986. In 2015, the United Nations Food and Agriculture Organization supported the Republic of Congo's second agricultural census. The 2015 census provided statistics on the number of farms, agricultural areas used, productions, surfaces concerned, and sample frame for agricultural surveys.

50. Following the census, agricultural surveys should be conducted to provide a complete and detailed portrait of the agricultural sector in the country. Agricultural surveys provide information on, for example, areas of crops and number of animals raised at all geographical levels. They help measure the impact of agricultural policies including the Common Agricultural Policy on agricultural practices and environmental issues. These surveys help achieve the Government's main strategies of economic diversification and the global strategy for the improvement of agricultural and rural statistics and provides data to inform some of the SDGs.

51. Two years after the completion of the agricultural census, agricultural surveys have not yet been conducted. In this context, the project will support (a) the evaluation and/or update of the sample frame of the agricultural census to produce a sample design which allows the calculation of the weights of active agricultural population, farm households, total number of fields, cultivated area, total production, and total livestock population; (b) the design of the data collection application; (c) the finalization and validation of technical documents; (d) the pilot survey by testing the entire data collection process and data collection tools; (e) the collection, processing, and data analysis; and (f) the drafting of an action plan to improve production of agricultural statistics in line with international standards.

#### Forestry statistics (US\$100,000)

52. The availability of comprehensive and reliable forest statistics helps improve the design and implementation of forest policies and programs. Strengthening data collection and analysis helps improve the formulation and planning of these policies at both the national and subregional levels.

53. Following the reorganization of the forestry administration in 1985, a Statistical Department was created within the Directorate of Studies and Planning (*Direction des Etudes et Planification*, DEP). At the national level, the DEP is responsible for activities related to the processing, analysis, publication, and dissemination of forest statistics. In 1996, to improve the

management of forest statistics, the Republic of Congo submitted a project proposal to the International Tropical Timber Organization for the creation of a national system for collecting, processing, and disseminating forestry statistics. Although approved, the project was not implemented due to lack of funding.

54. In forestry statistics, data are first collected at the local level by regional departments of the Ministry of Forest Economy. The most recent forestry statistics have been published in the 2011 (Statistical Yearbook). Informal activities are partially covered.

55. The project will support a diagnostic study to assess the quality of data sources for silvicultural production, timber harvesting and processing, marketing, wildlife harvesting, and forest revenue. The project will also finance the drafting, implementation of a national plan for the development of forest statistics, and the dissemination of forestry statistics.

#### Mining, gas, and oil statistics (US\$100,000)

56. The economy of the Republic of Congo is described as a “rent economy” because it heavily depends on extractive resources. At the national level, mining and oil sector statistics are virtually nonexistent and the few statistics available are disparate and come from various sources.

57. This project will fill the severe lack of reliable statistics in these productive sectors of the economy. The project will finance a diagnostic study on the state of the mining and oil sector statistics and an action plan will be developed to promote and disseminate reliable statistical information on mines, gas, and oil in the Republic of Congo.

#### Macroeconomic Framework Committee (US\$500,000)

58. In 2016, the Government of the Republic of Congo requested project support for strengthening the capacity of the Fiscal and Macroeconomic Framework Standing Committee (*Comité Permanent de Cadrage Macroéconomique et Budgétaire*, CPCMB). In response, the PSTAT acquired equipment and financed training in macroeconomic analysis for members of the CPCMB.

59. It should be noted that the request for capacity building addressed to the project consists of a series of training courses on modeling and macroeconomic framework tools, but remains silent on the purpose of these trainings. As a result, the project will initially finance a series of activities to improve data production by the committee and a diagnostic study to better specify the expected deliverables of the project support. To this end, an evaluation of the relevance of reinforcing existing framework instruments or building new ones. The project will use the services of a consultant who will (a) discuss with the stakeholders the draft of the capacity-building program, strengthen it and roll it out into a detailed and costed action program for the next three years (2018–2021); (b) work with the stakeholders to propose an Annual Work Program (AWP); and (c) prepare the documents (terms of reference, budget, and so on) for the mobilization of the necessary expertise to the implementation of TA and AWP.

60. Subsequently, the project will finance TA, which will first involve identifying a core group among the members of the CPCMB that will benefit from capacity building. This group will be trained as trainers. This core group of trainers will help to (a) build capacity in the construction of

macroeconomic framework models, central budget allocation, and sectoral programming, (b) provide training on economic forecasting techniques, cyclical analysis, economic and financial programming, and economic policy impact analysis; (c) provide training on computable general equilibrium modeling techniques and the construction of this type of model for the Republic of Congo.

***Subcomponent 2.2: Dissemination and use of statistical information (US\$1.9 million)***

***Subcomponent 2.2.1: Data dissemination (US\$500,000)***

61. African countries like the Republic of Congo have substantially increased their data collection efforts in recent years. On the other hand, the timely dissemination of data to guide the decision making of all potential users remains weak.

62. The Republic of Congo is one of the first African countries to ratify the African Charter on Statistics. This charter supports the accessibility of data produced by NSS to potential users as a strong measure of information in the African Union member countries.

63. The project will support the updating of archival systems, implementation of data dissemination platforms to facilitate open access to microdata and macro data for all users to reduce delay of dissemination and to comply with the prerogatives on the African Charter on Statistics. The implementation of the platforms will be done in collaboration with the World Bank and the AfDB's team in charge of the African Information Highway Initiative. This will be part of an information, education and communications strategy on statistical products and services, and accompanied by activities to support the developing and implementing of an appropriate access to information and microdata policy.

64. In addition, the project will support the production of the Congo Statistical Yearbook, which is the most widely used document of statistical production in the Republic of Congo. Finally, will support statistical information dissemination activities including: (a) disseminating statistics through the design and implementation of a web-based open data portal including a platform for provision of feedback by users; and (vii) conducting and coordinating conferences, seminars, workshops and exchange programs to share knowledge, and stimulate open discussions/debates.

***Subcomponent 2.2.2: Use of data (US\$1.4 million)***

65. The project will support activities to promote the use of data through knowledge products. Considering all the data that will be produced during the process, the project will support the INS-led Poverty Observatory and economic monitoring activities by publishing collaborative analytical works on many themes for greater public scrutiny. The project will support technical discussions, forums, and workshops which will stimulate debate on development issues.

66. Moreover, the project will link statistical outputs to the 2018–2022 NDP. In response to the Government request, the project will support the development of the 2018–2022 NDP and its M&E system, and provide baseline data for the plan during its development. As an input to this process, the project will review relevant policy instruments with a view to identifying gaps and making recommendations for improvement. The results framework of the NDP will be examined

carefully to identify monitoring needs and the statistics needed for the annual reviews. This information will help to define the specific modules of the permanent household survey system.

### ***Subcomponent 2.3: Performance-based payment (PBP) (US\$600,000)***

67. The INS will adopt PBPs as part of the AF of the PSTAT. The PBPs will be made based on the implementation of activities under Component 2.1, such as censuses, surveys, NA, price statistics, and statistical yearbooks production (by provincial statistical agencies). Staff of the INS and the statistics unit of the Ministry of Agriculture that are members of the agricultural survey team may receive these payments, contingent upon presenting and obtaining World Bank approval of relevant, detailed work plans, and achieving the performance indicators detailed in the Project Operations Manual. These work plans should be endorsed by the INS.

68. The activities under the PBP are those covered by the AF.

#### ***Key stakeholders***

69. The PSTAT supports the INS in its role as coordinator of the NSS, by connecting key members around overall capacity-building activities as well as for specific project activities. For the AF, only the Ministry of Agriculture will actively participate.

70. Furthermore, to ensure smooth execution of project activities, three committees have been created under the parent project and will continue to function in the proposed AF. These committees have specific objectives and tasks. Eligibility for payment to all project stakeholders will be based on the project's results. Below is the description for the two committees that will be eligible for PBPs. The third committee, the M&E Committee, is described under the Project Management Component (Component 3).

- **PSC:** This committee supervises the overall project activities and is headed by a representative of the Ministry of Planning, which is ultimately responsible for statistics. Other key sector ministries and parties relevant to the project participate, including Ministry of Agriculture and Ministry of Finance.
- **Directors' Committee (DC):** It is composed of the INS General Director and other strategic members including directors and heads of departments of the INS. This committee ensures technical coordination across units involved in these activities to facilitate the implementation of project activities based on the work plan.

#### ***PBP principles***

71. The payments will be indexed to a predetermined lump sum and not to monthly salaries. The PBPs scheme will be terminated when the new collective salary agreement is in effect.

72. Project teams will be set up in an inclusive manner to ensure conducive interdepartmental participation. The Operation Manual will detail the conditions and requirements for payment, based on the following principles:

- Members of the PSC will receive a quarterly attendance fee during the extraordinary sessions for evaluating and/or validating project work programs and implementation reports, based on the reception of the minutes and attendance list of the sessions.
- Members of the DC, including the General Director, will receive a quarterly performance payment, based on the team's performance assessed against the activities in the monthly work plan submitted by each director. The members will receive a payment which totals a maximum fixed amount. The formula to calculate the quarterly amount to be received will depend on the quantity, quality, and timeliness of the deliverables.
- Every INS staff directly involved in the PSTAT project activities, including its heads of departments, will receive an individual performance payment. This payment will be paid once the individual's performance is assessed according to his/her tasks directly related to activities financed by the project. Although payments are not cumulative when staff contribute to more than one activity at time; the head of the department will be assessed based on the overall department performance.
- Based on performance, general INS staff will receive 80 percent of their payment, and the heads of departments will receive 90 percent of payment based on a predetermined lump sum not related to their monthly salaries. The same principle applies to sector ministerial staff directly related to the project activities.

73. Further, at the end of each quarter, the INS will earn a recurrent premium to improve working conditions of the institute. The Operations Manual will clearly identify the eligible expenditures for this premium and set out the performance criteria and verification mechanism.

*Independent quality assessment and verification mechanism*

74. Performance verification and payment will be done by an independent third party (the independent verification entity) with qualifications and experience acceptable to the World Bank, which will be hired by the INS. Additionally, the INS will cause the independent verification entity to carry out a periodical technical verification of the level of achievement of the performance indicators set forth in the PBP Arrangement section of the Operations Manual and prepare quarterly reports covering the scope and details set forth in the manual, which will be furnished to the World Bank no later than 30 days after the end of each calendar quarter. The independent verification entity will use a scoring method and payment will be proportional to the realized scores. The evaluation methodology will be fully explained in the Operations Manual. The realized scores range from 0 to 1. The Operations Manual will also clearly define eligibility criteria roles, performance indicators, detailed timetable, and report structure under the PBP Arrangement section, linked to the work plan schedules of the project activities (with detailed yearly updates).

75. The content of the reports will include, among others, recommendations for improvements to be implemented at the next data collection exercise. These reports will be shared not only with the data producer, but also with the PSC.

### *Adjustments to payments*

76. In case of delays, for each specific activity, payments are decreased based on the following table. Furthermore, the deliverables for a specific activity can only be delayed for a maximum of four weeks, once the four weeks are surpassed, the head of units and staff's payments for the subsequent activities decrease by 25 percent.

**Table 2.1 Adjustments to Payments**

<b>Length of Delay</b>	<b>Timely submission</b>	<b>Up to 1 week late submission</b>	<b>8 days to 3 weeks late submission</b>	<b>3 to 4 weeks late submission</b>	<b>Over 4 weeks late submission</b>
Percentage of payment achieved	100%	-15%	-45%	-60%	-85%

77. In case of delays, a weekly reduction of 10 percent per week delayed, will be applied to the payments given for the members of the DC.

### *Selection of product lines for PBP*

78. Surveys will be conducted using PBP principles and all activities related to the survey will be carried out by INS staff. Previous methods of hiring groups of technical teams to conduct specific surveys will no longer be applicable.

79. Surveys will primarily be included in the work plan of the INS and will be directed to a department in the DC. Activities including data collection, processing, and analysis will then be divided into different working plans for the different INS departments. For example, the design of a data entry or data collection application will be given to the IT department of the INS. Depending on the HR needs and capacity for the preparation of the survey, the project management team or department can decide to hire a consultant who will be paid through performance contract. This will not include field positions such as enumerators and supervisors for which INS will have to recruit in collaboration with the project.

### **Component 3. Project Management (US\$5.0 million)**

80. This component will support the project operating costs to ensure that the INS PIU implements the project effectively. The INS, the main executing agency of the National Strategy for the Development of Statistics and the Project Implementing Entity of the existing project, is responsible for coordination. The PIU will continue to handle the day-to-day management of the project. It will (a) prepare AWP and budgets; (b) carry out all disbursements and any financial management (FM) and procurement-related activities in accordance with World Bank approved procedures; (c) prepare and consolidate periodic progress reports; (d) monitor and evaluate project activities; (e) coordinate with other stakeholders on project-related issues; and (f) provide administrative support to beneficiary institutions, in accordance with the Project Operations Manual.

81. The PIU will report directly to the INS General Director. It consists of a PIU coordinator, an IT specialist, an HR specialist, a Statistician, an M&E specialist, a procurement specialist, and an FM specialist. For this second part of the project, an infrastructure specialist, an environmental

specialist and a social safeguards specialist will be added to the team to guide and oversee the construction work and activities related to the safeguards instruments. The PIU will ensure that progress is reported quarterly to the PSC and the High Commission of Statistics, the World Bank, and other relevant parties. The current monitoring system of the parent project through the M&E Committee will provide continuous primary quality assessment for all project activities. The project's M&E system focuses on accountability for results and flexible M&E to encourage better performance and greater ownership. It moves beyond the usual tracking of inputs and outputs to emphasize intermediate outcomes and processes. The coordinator is responsible for signing contracts and managing all aspects of the project. This component will finance (a) project equipment and operating costs; (b) M&E activities and PIU consultants; (c) TA and training (including training for the PIU Consultant); (d) research studies; and (f) external audit.

### Annex 3: Revised Estimate of Project Costs

1. The parent project, the PSTAT is in the amount of US\$33 million project, jointly financed by IDA (US\$4.8 million) and the Government (US\$28.2 million). Like most projects in the Republic of Congo portfolio, the project was designed to use a small amount of IDA resources to leverage significant public funds from Government oil revenues. The lack of counterpart funding was identified as a substantial risk during project preparation. This risk has now materialized.
2. The project expenditures were proportionally divided between the counterpart funds (85.5 percent) and IDA resources (14.5 percent). In other words, for every US\$100 spent, US\$85.5 was funded with the counterpart funds and US\$14.5 was paid with IDA resources. The first tranche of counterpart funds (US\$3.6 million) was released in 2015. However, since 2015, the Republic of Congo has been facing financial constraints due to the drop in oil prices. Accordingly, the subsequent US\$6 million tranche due in May 2016 was never released. The AF is designed to finance this gap created by the lack of counterpart funding.
3. Note that in table 3.1, ‘original cost’ refers to the original full cost, including US\$28.2 million counterpart funding. In the ‘revised cost’ column only the initial tranche of released counterpart funding is included (US\$3.6 million), the rest (US\$29.8 million) is financed by the loan including US\$25 million for the AF and US\$4.8 million from the initial project.

**Table 3.1. Project Costs**

<b>Project Components</b>	<b>Original Cost (US\$ million)</b>	<b>Revised Cost (US\$ million)</b>
<b>Component 1:</b> Improving the Institutional and Organizational Framework of the NSS	6.6	8.9
<b>Component 2:</b> Improving the Production, Dissemination, and Use of Statistics	21.4	19.5
<b>Component 3:</b> Project Management	5.0	5.0
<b>Total</b>	33.0	33.4



## **Annex 4: Revised Implementation Arrangements and Support (this includes any changes to the procurement, FM, safeguards, and so on)**

### **Procurement**

1. Procurement for goods, works, non-consulting, and consulting services for the project will be carried out in accordance with the procedures specified in the 'World Bank Procurement Regulations for IPF Borrowers' dated July 2016 and revised in November 2017 (Procurement Regulations) and the World Bank's 'Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants' (revised as of July 1, 2016), as well as the provisions stipulated in the Financing Agreement.

2. The parent project's PIU will be responsible for carrying out procurement activities under this project. This additional loan will be implemented under the World Bank New Procurement Framework. The staff of the PSTAT's PIU are the first in the Republic of Congo to use the World Bank's new procurement framework. The Procurement Specialist of the PSTAT has been trained on the new procurement framework and over the last eight months, the quality of his procurement reporting has considerably improved. There have not been any major concerns regarding procurement activities. In addition, the project was the first in the country to switch to the new procurement tracking system (Systematic Tracking of Exchanges, STEP) and they did so without any difficulty. The procurement assessment of the PSTAT was upgraded from Moderately Satisfactory to Satisfactory in the September 2017 ISR. The rating remains the same in the February 2018 ISR.

3. A Project Procurement Strategy for Development (PPSD) has been prepared with the World Bank support, which aims to ensure that procurement activities are packaged and prepared in such a way that they expedite implementation, taking into account (a) the market analysis and the related procurement trends; and (b) the procurement risk analysis. The PPCSD includes the recommended procurement approaches for the project that have been reflected in the approved Procurement Plan, covering the first 18 months of the project implementation.

### **Financial Management**

4. FM arrangements remain the same as the parent project, the PSTAT. Drawing from lessons learned from the implementation of the PSTAT, a PBPs approach is introduced for the additional loan as a management system is designed to increase the likelihood of achieving the PDOs.

5. A World Bank FM review mission was carried out for the PSTAT from September 18–22, 2017. The objectives of the mission were to evaluate the project in the areas of FM performance. It was specifically to (a) ensure that the project's FM arrangements are functioning properly; (b) follow up on the progress of actions taken to implement FM actions recommended on the last supervision and in-depth review mission of the project; (c) review internal control procedures; (d) review fund flows from the World Bank and the Government of the Republic of Congo (who is the counterpart funder of the project); (e) review the financial monitoring reports; (f) review external audit aspects; and (g) review the financial transactions from June 1, 2017 to August 31, 2017.

6. The FM system was rated Moderately Satisfactory: (a) The project's 2017 AWP and budget was approved by the PSC and approved by the World Bank; (b) The project has delivered financial reports on time, and the Interim Financial Reports for the first two quarters of 2017 have been deemed Satisfactory by the World Bank; (c) The project's overall disbursement rate has increased from 8.58 percent in March 2016 to 96.97 percent (US\$4.2 million) in March 2018; (d) Accounting records and budget reconciliations have been regular; and (e) Previously recommended steps to strengthen FM have been implemented.

7. The World Bank team suggested the total FM risk rating to be maintained at **Moderate level**.

**Environmental and Social (including Safeguards)**

8. The construction of a building for the INS is included in the AF activities with related changes to safeguard and environmental category and ensuing safeguards instruments' preparation. The proposed AF includes the triggering of OP/BP 4.01 as the construction might have potential negative environmental and social impacts, OP/BP 4.11 in anticipation of potential impacts on physical cultural resources due to the demolition/construction, and OP/BP 4.12 to manage potential risks related to resettlement of populations. To ensure that any negative environmental and social impacts caused by project activities are addressed appropriately, the INS has prepared (a) an ESMF and (b) an RPF.

9. Both the ESMF and the RPF have been disclosed in-country, on the website of the Ministry of Planning as well as on the World Bank external website.

10. Once the project site location is known, a detailed ESMP will be prepared. The latter will include specific elements related to OP/BP 4.11, including chance find procedures along with guidance on sensitization. An RAP will also be prepared to put in place mitigation measures should involuntary resettlement take place.

11. All prepared documents will be made available in-country and on the World Bank external website.

12. The Borrower's safeguards management capacity is limited and has previously relied on the World Bank's expertise to address potential safeguards issues. However, it's capacity is being strengthened over time with support from the Water Electricity and Urban Development Project (*Projet Eau Electricite Et Developpement Urbain*, P106975) as well the World Bank environmental and social safeguards team in Brazzaville building capacity of the PIU.

13. To mitigate its limited safeguards management capacity, the Borrower will hire an Environment Specialist and a Social Specialist as part of its PIU. The specialists will work closely with the World Bank to support the implementation of the ESMF and the RPF. The new environment and social specialists will also coordinate and liaise with other relevant ministries and agencies, organize various capacity building initiatives for the Government and municipal staff, and facilitate regulatory and statutory clearances as required. The framework documents further indicate a series of trainings on related issues to build capacity of the Borrower, project team, and other relevant stakeholders to understand and address environmental and social issues related to the construction.