

INTEGRATED SAFEGUARDS DATA SHEET

CONCEPT STAGE

Report No.: ISDSC6013

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I. BASIC INFORMATION

A. Basic Project Data

Country:	Africa	Project ID:	P145566
Project Name:	Southern Africa Trade and Transport Facilitation Program - APL2 (P145566)		
Task Team Leader:	Richard Martin Humphreys		
Estimated Appraisal Date:	17-Feb-2015	Estimated Board Date:	30-Apr-2015
Managing Unit:	GTIDR	Lending Instrument:	Adaptable Program Loan
Sector(s):	Rural and Inter-Urban Roads and Highways (60%), Public administration-Transportation (20%), Public administration- Health (5%), Gen eral industry and trade sector (15%)		
Theme(s):	Trade facilitation and market access (70%), Regional integration (25%), HIV/ AIDS (5%)		
Financing (In USD Million)			
Total Project Cost:	62.00	Total Bank Financing:	62.00
Financing Gap:	0.00		
Financing Source		Amount	
BORROWER/RECIPIENT		0.00	
International Development Association (IDA)		60.00	
IDA Grant		2.00	
Total		62.00	
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

B. Project Objectives

The objective of the SATTFP APL 2 in Malawi is to facilitate the movement of goods and people along the North-South Corridor and at the key border crossings, whilst supporting improvements in the services for Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (HIV/

AIDS) and road safety. This is expected to be realized by the following components:

Component 1: Improving the Road Infrastructure. The first component comprises two sub-components to strengthen asset management and improve the condition of the road network:

a. Component 1(a): The Karonga - Songwe Section of the M1 Corridor. This sub-component will support the improvement of the Karonga-Songwe section of the M1 road. TMSA, through COMESA, are currently funding the design work for this section, with the likely intervention including a mix of periodic maintenance and localized reconstruction to complete rehabilitation. The provisional cost estimate for this component is US\$ 20-25 million;

b. Component 1(b): Accident Blackspot Intervention. This sub-component will support the identification and mitigation of key accident blackspots on the road network. A grant was approved by the Global Road Safety Facility to procure consultants to undertake the assessment, and the selected consultants commenced their assignment in Malawi on November 11, 2013. The provisional cost estimate for these interventions is US\$3 million.

Component 2: Improving the Social Infrastructure. The second component comprises two sub-components to mitigate the social costs associated with increased transport volumes on key regional trading corridors:

a) Component 2 (a): Improving management of road safety. The first sub-component involves supporting the implementation of the recommendations of the recently completed Corridor Road Safety Management Capacity Review. The study called for the identification and establishment of a cross-sectoral Lead Agency for Road Safety in Malawi and a results focused road safety strategy, which is now being established with support from the European Union. The component proposes to provide support to the design and implementation of pilot road safety projects in support of defined targets and the purchase and installation of accident analysis software. The provisional cost estimate for these interventions is US\$2 million.

b) Component 2 (b): Improving health services and emergency response: This sub-component will refurbish and extend priority lower level health centers, both existing ones and establish new ones at the border crossings, and provide, and provide technical assistance to develop the capacity of the staff in the local health centers, in HIV/AIDS awareness, counseling and testing. It will also support the piloting of an emergency response service for road traffic accidents. The provisional cost estimate for these interventions is US\$2 million.

Component 3: Improving Trade Facilitation. The objective of this component is to reduce the cross border transport cost by streamlining, modernizing, simplifying and harmonizing the trade and transit procedures and the policies increasing professionalism of economic operators. This is expected to be realized by the following provisional list of sub-components:

- (i) The migration from Asycuda ++ to Asycuda World;
 - (ii) An assessment of the feasibility and design of a National Single Window;
 - (iii) The installation of a National Single Window facility;
 - (iv) An assessment of development options for the Malawi Bureau of Standards (MBS);
 - (v) An assessment of the feasibility of the upgrading and modernization of border post facilities and traffic control; and
 - (vi) the upgrading and modernization of border post facilities at Songwe. Dedza and Mwanza.
- The provisional cost estimate for these interventions is US\$17.5 million.

Component 4: Institutional Strengthening and Implementation Assistance. The third component will provide necessary project management, implementation assistance and capacity building to the RA, and strengthening of the institutional framework for transport. The following activities will be

included:

- (i) the procurement of consultants to prepare a National Transport Policy and Strategy, including an action plan, to guide the sustainable development of the transport sector to 2030;
 - (ii) the procurement of qualified consulting engineers to assist RA in the preparation of designs and supervision of works to mitigate the accident blackspots;
 - (iii) the procurement of qualified consulting engineers to assist RA in the supervision of the implementation of civil works on the M1;
 - (iv) the procurement of qualified consulting engineers to assist RA and MRA in the preparation of designs and supervision of works at the border crossing interventions;
 - (v) the procurement of consultants to undertake a quality review of the processes of scheme identification, design, implementation, supervision and handover;
 - (vi) the procurement of consultants to operationally establish the road asset management system in the RA;
 - (vii) Support to the RA to assist the PIT in project implementation; and
 - (viii) Capacity building and training in the Ministry of Transport and Public Works.
- The provisional cost estimate for these interventions is US\$7.5 million.

Component 5: Improved corridor management and monitoring (US\$2 million). The IDA regional grant will be used to support the continued strengthening of the DCC and the funding of its operating costs for a finite period, until a sustainable financing proposal has been introduced. The further progression of this component is predicated on the DCC being adjudged to have met the condition outlined in APL-1, that it has developed the fiduciary capacity through support from that operation, to receive this tranche in its own right.

C. Project Description

The North-South Corridor (NSC) enters Malawi at Songwe on the border with Tanzania and provides a strategically important road connection for Malawi to the port of Dar-es-Salaam. In addition to offering an alternative to the ports in Mozambique, the corridor forms a key trading route with Kenya and Tanzania. The corridor runs south through Malawi, serving Lilongwe, the capital, and Blantyre where a large proportion of the country's commercial and industrial capacity is located. The southern section of the NSC extends west from Blantyre to the border with Mozambique at Mwanza and then to Beira, the port that is used for the majority of Malawi's overseas imports and exports, and to South Africa. The Nacala Corridor which connects Zambia and Malawi to the port of Nacala crosses the NSC in Malawi. A further branch of the NSC enters Mozambique at Dedza, providing a more direct route to Beira and South Africa for Lilongwe and the north of Malawi. Customs data from 2010 shows that 38 percent of Malawi's foreign trade passes through Mwanza, 26 percent through Dedza and 22 percent through Songwe.

The pavement condition along the 970 km of the NSC (M1) in Malawi between Songwe, Blantyre, Lilongwe and Mwanza is generally in good to fair condition. Recent visual surveys have identified limited sections displaying signs of pavement failure, with much of the road in need of periodic maintenance in the short term. Edge-break is widespread and there is a lack of paved shoulders, posing a safety hazard at locations where there are significant movements of pedestrians and cyclists. South of Lilongwe, a 159 km section has recently benefitted from periodic maintenance with localized reconstruction, funded by the Government of Malawi (GoM) and the European Union (EU). The Roads Authority (RA) has identified three sections of the M1 road which are in poor condition for consideration for inclusion in the project. In order of decreasing priority, these are: (i) Karonga - Songwe (47km), (ii) Bwengu - Chiweta (60km), and (iii) Lilongwe - Kasungu (150km).

Road transport along the main trading routes corridors has been identified as a major factor in the spread of Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (HIV/AIDS). Transport workers, their spouses, and sexual partners have long been identified as vulnerable groups at high risk of HIV/AIDS. This reflects that: (a) the former are often absent from home for prolonged periods, increasing the likelihood of unsafe sexual activity; (b) there is often a lack of knowledge among long-distance truck drivers in respect of risky and safe behavior; (c) there is often higher than average levels and frequency of alcohol consumption among this group, increasing the incidence of risky behavior; and (d) the increased mobility can itself facilitate HIV transmission from areas of high to low prevalence, nationally, and across borders.

Similarly, fatalities and injuries from road traffic crashes represent a significant and growing economic and social cost in Africa, particularly on the major trade corridors. Africa has one of the highest road traffic death rates in the world, with little difference in rates between those countries categorized as low-income (32.3 deaths per 100,000 head of population per year) and those categorized as middle-income (32.2 deaths per 100,000 head of population per year). In Malawi a study was undertaken by the National Road Safety Council in 2005 to create a baseline for road safety, but there has not been any detailed research since then and significant under-reporting is likely. The study identified the main causes of crashes along with age and type of road user involved. The study found 56 percent of crashes were caused by high speed, 32 percent by negligence, poor driving and fatigue and 12 percent by road, vehicle or weather factors. Pedestrians accounted for 73 percent of fatalities, with 20 percent being vehicle passengers and 7 percent vehicle drivers. One estimate of the overall cost of road traffic crashes to the national economy is that the social and economic costs amount to some Kwacha 12 billion (US\$34 million equivalent) annually, equivalent to 3 percent of GDP. There is currently no results-focused road safety strategy.

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

The resealing/rehabilitation of the Karonga - Songwe road section of the North South Corridor in Malawi, the mitigation of the identified accident blackspots, the improvements at the three border crossings, and refurbishment of 20 health facilities along the corridor are all expected to involve activities either entirely within the current right of way (ROW), or completely within the footprint of the existing facility.

During the Bank's site visit to the road section and the border crossings in November 2013, no significant environmental and social negative impacts expected from the project were observed. The Karonga-Songwe road section doesn't cross any sensitive or critical areas and the interventions do not require any new alignments. The environmental issues if any in the case of the border crossing interventions and refurbishment of health facilities will be confirmed during the preliminary assessment to be prepared as part of the feasibility studies. In this context, according with the Bank's Environmental Assessment Policy the project is classified as Category B.

Site specific Environmental and Social Impact Assessment (ESIA) for the Karonga – Songwe road section will be developed during project preparation. The border crossings interventions will require a preparation of an Environmental and Social Management Plan (ESMP), which should be included as part of the feasibility studies of the border crossing improvements.

OP 4.12 is triggered despite the fact that the interventions are expected to be within the existing ROW for the road infrastructure component and within the footprint of the existing facilities at the border crossings as well as the health facilities for the trade facilitation and social infrastructure

components respectively. At this early stage of the design for the road works it is not clear if land is needed and if so how much. In addition, there are encroachments within the ROW in terms of crops, trees, and limited number of dwelling/buildings. In accordance with Malawian legislation, the road reserve for highways of this nature includes area extending 30m from the middle line to both sides of the road. At the moment there are settlements located within these 30m, and hence there is a need for preparation of a Resettlement Action Plan (RAP). However, since the design of the road rehabilitation works is not ready at this stage, a Resettlement Policy Framework (RPF) has been prepared and is in the process of being finalized based on the comments of the World Bank. The RPF will guide the preparation of RAP and will be disclosed in the country and Infoshop by appraisal. The RAP for the road section will be prepared based on the principles guided by the RPF and disclosed accordingly by appraisal. The RPF will be also guide future RAPs in relations to other works under the project if any additional land take will be required based on the respective designs. All costs associated with expropriation are to be borne by the Government of Malawi.

E. Borrowers Institutional Capacity for Safeguard Policies

The Road Authority (RA) has an Environmental Unit and sufficient capacity to manage the potential environmental and social impacts of the proposed project. To strengthen the institutional capacity of the RA, an Environmental and Social Management Framework (ESMF) has been prepared and is currently being finalized with the support of the Bank's safeguards team. An environmental and social strengthening plan will be prepared based on the ESMF during the project preparation to ensure a good environmental and social management of the project interventions by the RA.

F. Environmental and Social Safeguards Specialists on the Team

Helen Z. Shahriari (GURDR)

Marco Antonio Zambrano Chavez (GEEDR)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	Yes	<p>This policy is triggered due to the potential adverse environmental and social impacts from the civil works activities in Components 1, 2 and 3 (Improvement of the Karonga - Songwe road, improvement of the border post at Songwe, Dedza and Mwanza, the alleviation of accident blackspots, and the improvement of the lower level health facilities along the corridor). Following the Bank's Operational Policy the project is classified as "Category B".</p> <p>An ESMF has been developed in order to strengthen the capacity of the RA and ensure adequate environmental and social management during project implementation. It will be disclosed before appraisal.</p> <p>A site specific ESIA for the Karonga-Songwe road section will be carried out during project</p>

		preparation, and an ESMP will be developed as part of the Feasibility Studies for the border crossing improvements.
Natural Habitats OP/BP 4.04	No	<p>The location of the project interventions is not expected to have any negative impacts on natural habitats, including critical or sensitive areas.</p> <p>The ESMF includes appropriate screening provisions and management measures in case any critical areas are identified during project preparation or implementation.</p>
Forests OP/BP 4.36	No	<p>The location of the project interventions is not expected to have any negative impacts on forest areas.</p> <p>The ESMF includes appropriate screening provisions and management measures in case any forest areas become affected.</p>
Pest Management OP 4.09	No	The project will not finance any agricultural investments that may result in the use of pesticides, nor does it require other pest management procedures.
Physical Cultural Resources OP/ BP 4.11	Yes	This Policy is triggered given Malawi's rich archaeological and cultural resources and the likelihood of the Project to support works requiring excavations. The ESMF includes Chance Find Procedures (CFP) as well as measures to screen for and manage potential impacts on cultural heritage or property that could be affected by neighborhood development plans.
Indigenous Peoples OP/BP 4.10	No	There are no Indigenous Peoples in the project area.
Involuntary Resettlement OP/BP 4.12	Yes	This policy is triggered despite the fact that the interventions are expected to be almost entirely within the existing ROW for the road component and within the footprint of the existing facilities in the border crossing as well as the health facilities for the trade facilitation and social components respectively. However, the design for the road works has not been finalized yet and some of the related infrastructure such as access roads and queries, etc. could potentially require additional land. Moreover, there are encroachments within the

		right of way (ROW) in terms of crops, trees, and a limited number of dwelling/buildings. Finally, there are currently settlements within the road reserve, which includes area extending 30m from the middle to both sides of the road (in line with the Malawian legislation for highways). Hence, a RAP will be prepared as soon as the final design for road works is ready. The preparation of RAP will be guided by the RPF, which is currently being finalized and disclosed in the country and Infoshop by appraisal. The RAP will be disclosed in country and Infoshop as soon as it is finalized during project implementation. All costs associated with expropriation are to be borne by the Government of Malawi.
Safety of Dams OP/BP 4.37	No	The project will not finance the construction or rehabilitation of Dams.
Projects on International Waterways OP/BP 7.50	TBD	Some investments under the project are expected to take place near the international border between Malawi and Tanzania, but no impact on the river is expected. The potential impacts will be confirmed and if any, specific measures will be included.
Projects in Disputed Areas OP/BP 7.60	No	The project will not finance any activities in areas subject to international disputes.

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 30-Jun-2014

B. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing¹ should be specified in the PAD-stage ISDS:

The Environmental and Social Impact Assessment (ESIA) has been launched for the Karonga-Songwe road section. Preparatory activities for the other components have also commenced. The ESMF, ESIA, and RPF will be consulted upon and disclosed before appraisal.

As mentioned before, in accordance with the ESMF, the border crossing improvements will require a preparation of an Environmental and Social Management Plan (ESMP), but the type of environmental and social instruments required will be confirmed after the completion of the final design.

IV. APPROVALS

Task Team Leader:	Name: Richard Martin Humphreys	
Approved By:		
Regional Safeguards Coordinator:	Name: Alexandra C. Bezeredi (RSA)	Date: 15-Jul-2014

¹ Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.

Sector Manager:	Name: Supee Teravaninthorn (SM)	Date: 15-Jul-2014
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