



# Concept Environmental and Social Review Summary

## Concept Stage

### **(ESRS Concept Stage)**

Date Prepared/Updated: 06/06/2021 | Report No: ESRSC01972



**BASIC INFORMATION**

**A. Basic Project Data**

|   |   |                          |                            |
|---|---|--------------------------|----------------------------|
| Country   | Region  | Project ID               | Parent Project ID (if any) |
| Rwanda  | AFRICA EAST                                   | P176477                  |                            |
| Project Name  | Rwanda - Enhancing Country Procurement System |                          |                            |
| Practice Area (Lead)                                  | Financing Instrument                          | Estimated Appraisal Date | Estimated Board Date       |
| Governance  | Investment Project Financing                  |                          | 8/15/2021                  |
| Borrower(s)   | Implementing Agency(ies)                      |                          |                            |
| Ministry of Finance and Economic Planning (MINECOFIN) | Rwanda Public Procurement Authority (RPPA)    |                          |                            |

Proposed Development Objective

The objective is strengthening and modernizing public procurement system of Rwanda by leveraging the use of data from Rwanda e-Procurement system through data collection, analysis and visualization, Adoption of Open Contract Data Standard (OCDS), and E-Procurement System Enhancement.

| Financing (in USD Million) | Amount      |
|----------------------------|-------------|
| <b>Total Project Cost</b>  | <b>0.41</b> |

**B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?**

No

**C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]**

The proposed project will support the Rwanda Public Procurement Authority (RPPA) in the areas of Data analytics, improving the e-GP system by introducing OCDS formats and connecting it with the Bank’s STEP system. Data collection & preparation is undertaken through requesting data and putting together a meaningful clean dataset. The data collection & preparation is followed by data analysis by developing relevant algorithms and use statistical and econometric modelling. Findings will be visualized by developing interactive infographics to reflect findings. These will lead to identifying best actionable recommendations to address identified issues in different reform areas.



The adoption of OCDS and E-Procurement enhancement, executed by the recipient, is implemented by hired experts to help integrated OCDS in the e-GP system help e-GP system enhancement.

#### **D. Environmental and Social Overview**

D.1. Detailed project location(s) and salient physical characteristics relevant to the E&S assessment [geographic, environmental, social]

The Project will be implemented in Rwanda by the Rwanda Public Procurement Authority (RPPA). The activities will involve data collection, analysis, adoption of OCDS, integration of Rwanda e-procurement enhancements.

The Projects components are:

**Data collection & preparation:** Data analytics work on real data. The data will be collected and prepared in specific formats for the use in data analysis tools. After collecting the data, the collected data will be verified and validated, and finally rationalized. This activity ensures the definition and collection of electronic data in required formats.

**Data analysis:** Data analysis will be carried out based on set of indicators, and cases will be modeled by cross manipulating data sets from multiple sources in combination with customized and proven algorithms to measure the performance of public procurement in Rwanda. Indicators will be designed at minimum to understand the performance in terms of transparency, value-for-money, integrity, equal treatment, fit-for-purpose, and other red flags. The suggested data analytics methodology, which was applied in several countries in LCR, ECA and EAP Regions, uses the statistical Software to prepare the algorithms for the data analysis, which is available in the market in open-source code. Alternative Software includes Stata or Python.

**Visualization of findings:** Picture speaks louder than words. The findings of the analysis will be presented in the form of dynamic and interactive infographics through the easily accessible web site, which can better communicate the inherent meaning of the findings. Such infographics also allows to use the filters to model different scenarios of performances and practices. The suggested methodology uses Tableau for the visualization by means of interactive dashboards. Tableau requires the purchase of a license at a reasonable price. Other tools available in the market to visualize the results of the data analytics include Qlik or Sisense.

**Preparation of actionable recommendations:** The findings trigger specific actions to be carried out for fixing the problems or informs to sustain and enhance the current status. Such actionable items identified in the analysis will be summarized as recommendations to the government.

**Presentation & training workshop:** The data analytics methodology shall be well trained to the RPPA technical staff, who will further continue to use and enhance it based on the lessons learned. To this end, at least one workshop is planned to train relevant staff of RPPA and enable them to conduct future analyses on their own based on the algorithms established as part of the initial data analytics by the World Bank.

**Adoption of OCDS:** RPPA will introduce the proof of concept for open contracting data standard as part of their e-Procurement system to ensure sustainable periodical data analytics using standardized datasets.

**Rwanda E-Procurement enhancement:** RPPA will pilot the integration of the Bank's STEP system with the e-GP system to extend the improvement of operational performance to Bank-funded operations.

#### **D. 2. Borrower's Institutional Capacity**

The Project will be implemented by the Rwanda Public Procurement Authority (RPPA). The project will support enhancement of the public e-procurement process in the country. The activities to be financed by the project will be



limited to data collection, analysis and integration of e-procurement enhancements. The project will not finance any civil works. No safeguards instruments are likely to be required.

## II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

### A. Environmental and Social Risk Classification (ESRC)

Low

#### Environmental Risk Rating

Low

The environmental risk is considered low. The project will finance the enhancement of the public e-procurement process in the country. The activities to be financed by the project will be limited to data collection, analysis, and integration of e-procurement enhancements. The project will not finance any civil works. Instead, the project will result in a positive environmental impact by promoting a paperless procurement process which will result in the conservation of trees.

#### Social Risk Rating

Low

The social risk is considered low for this operation. As the project intends to hire required expertise to help in the integration of OCDS in the e-GP system and in the E-procurement enhancement to facilitate the client in the system enhancement under the REFT activities, the ESCP will be appropriate to cover labor-management requirement in the hiring process, and no need for a stand-alone Labor-Management procedure for this operation. There are no other anticipated social risks for this operation at this stage. All actions required to manage issues related to labor, and stakeholders' consultations will be outlined in the ESCP.

### B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered

#### B.1. General Assessment

##### ESS1 Assessment and Management of Environmental and Social Risks and Impacts

##### **Overview of the relevance of the Standard for the Project:**

The Project will not result in negative environmental and social risks and impacts. The Project will result to positive environmental impacts that include the adoption of paperless procurement processes.

As the project activities include recruitment of a few consultants, the borrower will prepare an ESCP that combines the Stakeholder Engagement Plan and Labor Management requirement prior to the appraisal.

##### **Areas where "Use of Borrower Framework" is being considered:**

Borrower framework will not be adopted.

##### ESS10 Stakeholder Engagement and Information Disclosure

ESS10 is relevant, as the project will involve working with different stakeholders. Therefore, the project implementation will engage various stakeholders through inclusive and consultative processes using technical meetings, workshops, and knowledge-sharing forums, among others. The potential stakeholders include government institutions using E-procurement, Ministry of Finance (MINECOFIN), District budget and procurement officers, and



Independent Review Panel (IRP) housed in the RPPA which is its Secretariat, and the National Union of Disability Organization in Rwanda (NUDOR).

A Stakeholder Engagement Plan has been prepared as part of the ESCP, as a participatory and inclusive stakeholder consultation process will be required to be part and parcel of all the project components. RPPA will engage all relevant stakeholders, including vulnerable and disadvantaged people in designing project activities in all components as reflected in the ESCP. The engagement of NUDOR will ensure that people with disability (PWD) also have access to e-procurement. The stakeholder engagement process and related information will be documented in the project deliverables

## **B.2. Specific Risks and Impacts**

**A brief description of the potential environmental and social risks and impacts relevant to the Project.**

### **ESS2 Labor and Working Conditions**

The project will be implemented by the RPPA. The adoption of OCDS and E-Procurement enhancement, executed by the recipient, is implemented by hired experts to help integrated OCDS in the e-GP system help e-GP system enhancement. As such all workers will be classified as Direct Workers. Given the nature of the project, the risk of labor abuses, in-migration, and occupational health and safety risks is considered to below. The Project ESCP will be the appropriate instrument to cover labor-management procedures. As part of the labor-management procedures, RPPA will be required to demonstrate that their staff and consultants are treated in line with national law and the requirements of ESS2. This will include ensuring that all workers have contracts outlining the terms and conditions of their employment including hours of work, wages, overtime, rest periods, compensation, and benefits; workers are subject to non-discrimination and equal opportunities, forced and child labor is prohibited and that workers have access to a Grievance Redress Mechanism. In terms of Occupational Health and Safety (OHS) given the nature of the work, RPPA will need to demonstrate they have appropriate OHS policies in place to maintain a safe working environment, provide the necessary level of training and information, risk assessments are undertaken as required (e.g. for work-related travel and the place of work), the ability to review of OHS performance and that there are accident and incident investigation and reporting requirements in place.

### **ESS3 Resource Efficiency and Pollution Prevention and Management**

Not relevant.

### **ESS4 Community Health and Safety**

Not relevant.

### **ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

Not relevant.



**ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**

Not relevant

**ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities**

Not relevant.

**ESS8 Cultural Heritage**

Not relevant.

**ESS9 Financial Intermediaries**

Not relevant.

**C. Legal Operational Policies that Apply**

**OP 7.50 Projects on International Waterways**

No

**OP 7.60 Projects in Disputed Areas**

No

**III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE**

**A. Is a common approach being considered?**

No

**Financing Partners**

Not applicable

**B. Proposed Measures, Actions and Timing (Borrower’s commitments)**

**Actions to be completed prior to Bank Board Approval:**

The borrower will prepare an ESCP that covers the Stakeholders' Engagement plan and Labor management issues prior to the appraisal.

**Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):**

Labor management and stakeholder engagement issues included in the ESCP

**IV. CONTACT POINTS**

**World Bank**

Public Disclosure



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|---------------|----------------------------|--------|-------------------------------|
| Contact:      | Mulugeta Dinka             | Title: | Senior Procurement Specialist |
| Telephone No: | 5396+3311                  | Email: | mdinka@worldbank.org          |
| <hr/>         |                            |        |                               |
| Contact:      | Knut J. Leipold            | Title: | Lead Procurement Specialist   |
| Telephone No: | +1-202-458-4723            | Email: | kleipold@worldbank.org        |
| <hr/>         |                            |        |                               |
| Contact:      | Pascal Tegwa               | Title: | Senior Procurement Specialist |
| Telephone No: | 5327+6390 / 254-20-2936390 | Email: | ptegwa@worldbank.org          |

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**Borrower/Client/Recipient**

Borrower: Ministry of Finance and Economic Planning (MINECOFIN)

**Implementing Agency(ies)**

Implementing Agency: Rwanda Public Procurement Authority (RPPA)

**V. FOR MORE INFORMATION CONTACT**

The World Bank  
1818 H Street, NW  
Washington, D.C. 20433  
Telephone: (202) 473-1000  
Web: <http://www.worldbank.org/projects>

**VI. APPROVAL**

Task Team Leader(s): Knut J. Leipold, Mulugeta Dinka, Pascal Tegwa

Practice Manager (ENR/Social) Helene Monika Carlsson Rex Recommended on 19-Apr-2021 at 04:08:58 GMT-04:00