

**COMBINED PROJECT INFORMATION DOCUMENTS / INTEGRATED
SAFEGUARDS DATA SHEET (PID/ISDS)
APPRAISAL STAGE**

Report No.: PIDISDSA20403

Date Prepared/Updated: 27-Oct-2016

I. BASIC INFORMATION

A. Basic Project Data

Country:	Burkina Faso	Project ID:	P156892
		Parent Project ID (if any):	
Project Name:	BF-Transport Sector modernization and trade facilitation Project (P156892)		
Region:	AFRICA		
Estimated Appraisal Date:	11-Oct-2016	Estimated Board Date:	12-Jan-2017
Practice Area (Lead):	Transport & ICT	Lending Instrument:	Investment Project Financing
Borrower(s):	Burkina Faso		
Implementing Agency:	Permanent Secretariat of the Transport Sector Program, Ministry of Transport, Urban Mobility and Road Safety, Ministry of Economy, Finance and Development		
Financing (in USD Million)			
	Financing Source	Amount	
	BORROWER/RECIPIENT	5.00	
	International Development Association (IDA)	20.00	
	Financing Gap	0.00	
	Total Project Cost	25.00	
Environmental Category:	B - Partial Assessment		
Appraisal Review Decision (from Decision Note):			
Other Decision:			
Is this a Repeater project?	No		

B. Introduction and Context

Country Context

Burkina Faso is a landlocked low-income country with a GDP (Atlas method) of US\$12.7 billion and a rapidly (+2.8% per annum) increasing population of 16.9 million inhabitants. Burkina Faso has seen rapid economic growth in recent years, with an average GDP growth of about 5 percent over the last decade. The key drivers of economic growth during this period have been increasing gold production, improved performance of the cotton industry and expansion of the services sector. Burkina Faso also has a good track record in terms of sound macroeconomic management and structural reforms. However, Burkina Faso's economy remains highly vulnerable to exogenous factors, including erratic weather patterns, downward trend in commodity prices, political instability and reductions in FDI/ODA. Furthermore, the country went through major political upheaval since the October 2014 that forced the resignation of the president after 27 years in power. Presidential elections were held in November 2015, which have led to the establishment of a democratically elected government.

Despite the good economic performance of the last decade, Burkina Faso has had limited success to foster broad-based growth, employment creation and poverty reduction, in a context of rapid demographic growth. The poverty headcount has stagnated since 2009, and approximately 46 percent of the population still lives below the poverty line. Furthermore, Burkina Faso ranked only 183 out of 188 in the 2015 UNDP Human Development Index (HDI).

Sectoral and institutional Context

High transport, trade and logistics costs in Burkina Faso have undermine the potential of the economy and its linkages with the global economy which are essential to accelerate structural transformation and reduce poverty.

Transport sector. The transport sector in BF suffers from numerous constraints which hinder economic development, competitiveness of the tradable sectors of the economy, and urban-rural value chains. The state of transport infrastructure is poor, and the provision of transport services remains inefficient. Its asset base consists of: (a) a classified road network of about 15,300 km of which only 20 percent are paved; (b) non classified road network of about 46,000 km of which 12,500 km have been constructed and about 50 percent is impassable during the rainy season; (c) a 500 km functioning rail network connecting the country with Cote d'Ivoire; and (d) two international airports (Ouagadougou and Bobo-Dioulasso) and several secondary airports. The country is landlocked and is about 1,000 km from the nearest seaport.

Abidjan-Cote d'Ivoire Ouagadougou regional road transport corridor (Corridor). The overall length of the Corridor is about 1,189 km of which about 536 km is in Burkina Faso. A meter gauge railway line of about 1,238 km also serves the same Corridor, and the current road/rail modal split is about 75 percent road transport and 25 percent rail transport. In 2013, the Abidjan-Cote d'Ivoire Ouagadougou corridor (road plus rail) had a share of about 35 percent of the overall transit trade for Burkina Faso, ahead of Lomé (about 31 percent), Cotonou and Tema (about 17 percent each). This market share is likely to increase as Cote d'Ivoire regains its dominant transit corridor role for Burkina Faso and to a lesser extent Mali and Niger.

Inefficient transport service provision. With regards to the provision of road transport services, a combination of deficient infrastructure, inadequate regulations, and market distortions have created a large gap between prices and costs in the provision of transport services and an environment not conducive to sectorial investments. Furthermore, the lack of clear criteria for

access to the transport profession and of transparent market mechanisms to match supply and demand for transport services on key corridors like Abidjan - Ouagadougou, has given rise to the emergence of a few dominant operators that capture large rents through the allocation of freight to truckers. The resulting low profitability of the transport service sector creates strong incentives for truckers to resort to short-term profit maximizing behaviors, such as overloading and use of obsolete trucks, which discourage containerization. As a result, the containerization rate on West African transit corridors such as the Corridor is about 20 percent for transit goods moving inland, which is amongst the lowest rate in the world.

Transport sector reform. The Government of Burkina Faso (GoBF) has launched over the last ten years an ambitious and comprehensive program of reforms to modernize road transport and improve the trade environment. This also included professionalizing the trucking industry, reforming the access to the profession, improving the functioning of the transport market, facilitating the fleet renewal of the trucking industry, and streamlining trade and transit procedures. One of the key objectives of this program is to improve the efficiency of transport services on key transport corridors which are key to enhance the tradable sectors access to export markets and reduce the cost of imports. This program was supported by WAEMU's Road Program I (RP-I) on one of the key transit corridors (Tema - Ouagadougou - Bamako road corridor), which was in turn supported by several development partners, including the World Bank Group.

C. Proposed Development Objective(s)

Development Objective(s)

The proposed PDO is to improve the efficiency and safety of transport services on the Burkinabe section of the Abidjan (Ivory Coast) - Ouagadougou (Burkina Faso) road transport corridor.

Key Results

Key result indicators for the project include:

- Average cost of transporting a 40 foot container from Ouagadougou to the border of Cote d'Ivoire (CI) (US\$)
- Average transit time and variability after exiting the Ouagadougou to the border with CI (Hours)
- Number of Casualties on the Burkinabe portion of the Corridor (Number)
- Direct project beneficiaries (Number), of which female (Percentage)
- CO2 emissions reduction per annum by scrapping about 150 trucks and replacing them with an equivalent number of new trucks (tCO2)

D. Project Description

The proposed project is designed to support the GoBF by: (a) providing technical and financial assistance to enable the effective implementation of key reforms identified in the Policy Matrix of the RTFCC DPO (see Annex 3 of PAD); and (b) establishing support mechanisms to help private operators adapt to the new regulatory environment and mitigate the potential negative long term socio-economic impact of these reforms.

The proposed project activities complement the reforms supported by the RTFCC DPO series by: (a) supporting the professionalization and formalization of the trucking industry; (b) improving the competitiveness of the road transport mode; and (c) improving customs clearance transit

procedures, regulations and border crossing procedures. More specifically, the proposed project components directly support the RTFCC DPO series in the following manner: (a) Component 1 supports Pillar A and part of Pillar B; (b) Component 2 supports part of Pillar B; and (c) Component 3 supports Pillar D and part of Pillar E. Component 4 supports road safety measures on the Burkinabe section of the Corridor.

Component Name

Component 1: Institutional strengthening and capacity building support for public and private sector participants in the transport sector

Comments (optional)

- Sub-component 1A (US\$1.20 million): Strengthening the institutional capacity of the Ministry of Transport (MOT) and related agencies
- Sub-Component 1B (US\$1.40 million): Support to transport operators and stakeholders
- Sub-Component 1C (US\$0.30 million): Support to joint initiatives and coordination to facilitate trade on the Corridor

Component Name

Component 2: Development of a heavy cargo truck renewal scheme

Comments (optional)

- Sub-component 2A (US\$0.55 million): Technical assistance for the design and the definition of an operational framework for the truck fleet renewal program as well as for the recovery mechanism, treatment and recycling of decommissioned vehicles, and capacity building.
- Sub-component 2B (US\$15 million ► (IDA US\$10 million and GoBF US\$5 million): Support the establishment of a truck renewal scheme to facilitate the replacement of old unsafe trucks with new ones
- Sub-component 2C (US\$0.45 million): Support operation of technical committees for the implementation of the financial mechanism and for management of old unsafe trucks.

Component Name

Component 3: Support to customs modernization and trade facilitation on the Burkinabe section of the Corridor

Comments (optional)

- Sub-component 3A (US\$0.63 million): Capacity building of Customs (DGD) and its partners
- Sub-component 3B (US\$1.82 million): Interconnection of the customs management system on the Corridor
- Sub-component 3C (US\$0.45 million): Implementation of the status of authorized economic operators
- Sub-component 3D (US\$0.09 million): Identification of measures to accompany the stakeholders affected by the implementation of the interconnection of the customs management system

Component Name

Component 4: Road safety on the Burkinabe section of the Abidjan-Ouagadougou Corridor

Comments (optional)

- Sub-component 4A (US\$0.58 million): Capacity building for ONASER and key stakeholders in road safety

- Sub-component 4B (US\$1.41 million): Awareness and prevention campaigns on the Burkinabe section of the Corridor
- Sub-component 4C (US\$0.09 million): Treatment of accident black spots resulting from road safety audits on the Burkinabe section of the Corridor

Component Name

Component 5: Project management, monitoring, and evaluation

Comments (optional)

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

The Burkina Faso section of the Abidjan ➤(Ouagadougou road transport corridor.

F. Environmental and Social Safeguards Specialists

Abdoul Wahabi Seini (GSU01)

Abdoulaye Gadiere (GEN07)

II. Implementation

Institutional and Implementation Arrangements

The institutional arrangements to effectively prepare and implement the proposed project activities are the following.

Project Steering Committee (PSC). The overall strategic direction for proposed project will be provided by the Project Steering Committee (PSC). The main role of the PSC will be to provide guidance to the project, approve annual work programs and budgets, and coordinate with other sector interventions. The national technical committee already established in the context of the preparation and implementation of the RTFCC would be restructured/strengthened to become the PSC and chaired by the Ministry of Transport, seconded by the Ministry of Finance. The PSC has two sub-committees; one for transport and one for customs. Directors of project executing agencies (EAs), or their representatives, will participate in the PSC.

Project Technical Committee (PTC). Once the proposed project has been approved, the PTC will be responsible for the day-to-day technical oversight and implementation of all project components, sub-components, and activities to ensure that the proposed project meets its objectives, outcomes, and outputs. The PTC will include the coordinator of the PS-PCU and designated focal points from the three IAs.

Implementing Agencies (IAs). The proposed four major project components will be implemented by dedicated IAs. To ensure greater ownership of project activities existing Government structures will be designated as IAs. The proposed IAs consist of the following: (a) DGTMM will take the lead for Components 1 and 2; (b) DGR for Component 3; and (c) ONASER for Component 4.

Permanent Secretariat PCU (PS-PCU). The already existing and fully operational ➤(Permanent Secretariat➤(PCU will be in charge of the overall fiduciary aspects (procurement and financial

management), monitoring and evaluation, coordination and sensitization for the proposed project activities. It will also be responsible for the technical and financial audits. Although the unit has extensive experience in implementing World Bank funded projects, its capacity will be reinforced given the multi-sectoral nature of the project.

III. Safeguard Policies that might apply

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The proposed project is a TA project that will have limited social and environmental adverse impacts. More specifically, the project will not finance any civil works. However, for the truck renewal component, it is anticipated that about 150 old unsafe trucks will be scrapped. That is why the proposed project is classified Category B. However, the scrapping process is expected to occur in only one scrap yard for which the choice of the location rests with the contractor that will be selected for this operation. Therefore, taking into account the likely limited impacts of this activity in a scrap yard location that has not yet been selected, only Terms of Reference (TORs) for a limited Environmental and Social Impact Assessment (ESIA) have been developed, reviewed, consulted upon and disclosed both within Burkina Faso on xxxx, 2016 and at the World Bank Infoshop on xxxx, 2016.
Natural Habitats OP/BP 4.04	No	The policy is not triggered under the proposed project
Forests OP/BP 4.36	No	The project will not expected to have any impact on forest
Pest Management OP 4.09	No	The project does not involve pest management.
Physical Cultural Resources OP/BP 4.11	No	The project activities are not expected to infringe or impact any cultural artifacts in its targeted area
Indigenous Peoples OP/BP 4.10	No	There are no indigenous people in Burkina Faso.
Involuntary Resettlement OP/ BP 4.12	No	No resettlement issues are anticipated under the proposed activities of the project
Safety of Dams OP/BP 4.37	No	The project will not finance any dam construction.
Projects on International Waterways OP/BP 7.50	No	The project will not finance any activities with impacts on international waterways.
Projects in Disputed Areas OP/ BP 7.60	No	The project will not finance any activities in disputed areas.

IV. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify

<p>and describe any potential large scale, significant and/or irreversible impacts:</p>
<p>No significant, long term or irreversible adverse impacts are expected from the implementation of the proposed activities financed under the proposed project. The likely adverse environmental and social impacts associated with the truck scrapping activities will be moderate, small-scale and sitespecific. Consequently, they will be easily manageable. As a result of the truck scrapping scheme that will be supported by the proposed project, it is classified has having an EA category B, and triggers only one safeguards policy namely OP/BP 4.01 on Environment Assessment. To be in compliance with this policy, TORs for a limited Environmental and Social Impact Assessment (ESIA) have been prepared reviewed, consulted upon and disclosed in Burkina Faso on October 28, 2016 and at the World Bank infoshop on November 1, 2016. During the implementation phase and prior to scrapping process commencing on the ground, a limited Environmental and Social Impact Assessment will need to be prepared by the selected contractor as part of the due diligence/selection process. The limited ESIA, will include an Environmental and Social Management Plan (ESMP).</p>
<p>2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:</p>
<p>No long-term adverse impacts due to project activities are foreseen. On the contrary, the proposed project is supporting a truck renewal scheme, which directly supports the reduction of transport greenhouse gases, a key factor in global warming. This is because on average the new trucks that will replace the old trucks emit about 30-35% less greenhouse emissions. In addition, the proposed projects focus truck renewal and road safety should increase the safety of people living in the vicinity of major roads and the Burkinabe section of the Abidjan-Ouagadougou road transport Corridor, by reducing the frequency of accidents due to the circulation of old unsafe trucks. Finally, the proposed project activities will also have a positive impact on road security in general and on health for people particularly living along the Burkinabe section of the Abidjan-Ouagadougou Corridor due to reduced air and noise pollution from trucks.</p>
<p>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</p>
<p>For the truck scrapping scheme that the proposed project is directly supporting, most of the parts of the old trucks that will be scrapped will be salvaged and recycled for export. Only small part of the salvaged materials such as oils, grease and brake pads will need to be managed properly. In addition, taking into account the limited quantities of trucks (about 150) that will be scrapped under the proposed project, only one scrap yard will most likely be required.</p>
<p>4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.</p>
<p>During the project implementation phase, and well before the start of on the ground start of the scrapping process, a limited ESIA will be prepared by the selected contractor as part of his due diligence/selection process. The ESIA, which will include an ESMP, will be reviewed by both the Burkinabe Environmental assessments Agency (Bureau National des Evaluations Environnementales, BUNEE) and the World Bank. This is to ensure that it is in full compliance with OP/BP4.01 related to Environmental Assessment on one hand and with the Government environmental regulatory framework on another hand. This is to ensure that it is in full compliance with the World Bank OP/BP 4.01 and with the Government environmental policies. The mitigation measures proposed in the ESMP will be strictly implemented by the contractor through clear contractual clauses in his contract, so as to mitigate the likely environmental impacts caused by the scrapping process identified in the ESIA. In addition Environmental Audits will be conducted on a regular basis to make sure the ESMP for the truck scrapping facility is being</p>

properly implemented, and any unidentified adverse impacts, are handled in a proper and efficient manner. Each Environment Audit report prepared during the implementation of the proposed project will be reviewed and validated by both the Burkinabe Environmental Agency and the World Bank.
5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.
The preparation phases of the TORs for the ESIA have necessitated extensive consultations with relevant stakeholders such as the Ministry of transport, Ministry of economy and Finance, customs services, transporters, customers, etc. Their viewpoints, comments and recommendations have been reflected in the final versions of the ESIA TORs. In addition, the Government has confirmed that it will regularly consult stakeholders during the preparation of the ESIA as well as the ESMP for the selected scrap yard.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	28-Oct-2016
Date of submission to InfoShop	01-Nov-2016
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
<i>Comments:</i>	
If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.	
If in-country disclosure of any of the above documents is not expected, please explain why:	

C. Compliance Monitoring Indicators at the Corporate Level

OP/BP/GP 4.01 - Environment Assessment	
Does the project require a stand-alone EA (including EMP) report?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
The World Bank Policy on Disclosure of Information	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

All Safeguard Policies	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have costs related to safeguard policy measures been included in the project cost?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

V. Contact point

World Bank

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Title: Sr Transport. Spec.

Borrower/Client/Recipient

Name: Burkina Faso

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Title:

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Implementing Agencies

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VI. For more information contact:

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VII. Approval

Task Team Leader(s):	Name: Fabio Galli, Aguiratou Savadogo-Tinto	
<i>Approved By</i>		
Safeguards Advisor:	Name: Maman-Sani Issa (SA)	Date: 28-Oct-2016
Practice Manager/ Manager:	Name: Nicolas Peltier-Thiberge (PMGR)	Date: 02-Nov-2016
Country Director:	Name: Pierre Frank Laporte (CD)	Date: 11-Nov-2016