

**COMBINED PROJECT INFORMATION DOCUMENTS / INTEGRATED
SAFEGUARDS DATA SHEET (PID/ISDS)
ADDITIONAL FINANCING**

Report No.: PIDISDSA19973

Date Prepared/Updated: 19-Jan-2017

I. BASIC INFORMATION

A. Basic Project Data

Country:	Congo, Republic of	Project ID:	P160292
		Parent Project ID (if any):	P122398
Project Name:	Central African Backbone SOP3 Republic of Congo Additional Financing (P160292)		
Parent Project Name:	AFCC2/RI-Central African Backbone - APL3 - Republic of Congo (P122398)		
Region:	AFRICA		
Estimated Appraisal Date:	09-Jan-2017	Estimated Board Date:	07-Mar-2017
Practice Area (Lead):	Transport & ICT	Lending Instrument:	Investment Project Financing
Borrower(s):	Ministry of Posts and Telecommunications in Charge of ICT		
Implementing Agency:	CAB Project Implementation Unit		
Financing (in USD Million)			
	Financing Source		Amount
	International Development Association (IDA)		5.00
	Financing Gap		0.00
	Total Project Cost		5.00
Environmental Category:	B - Partial Assessment		
Appraisal Review Decision (from Decision Note):	The review did authorize the team to appraise and negotiate		
Other Decision:			
Is this a Repeater project?	No		

B. Introduction and Context

Country Context

Congo Republic is richly endowed in oil and mining ore (iron, potash and magnesium). However, the country's key social indicators (notably, health and education outcomes, as well as service delivery in these sectors) do not match those in countries with a similar resource endowment, indicating a failure of the country to transform this great potential into opportunities for its citizens. Two key factors contribute to this mystery of missed opportunities: i) the recurrent socio-political instability and civil wars and ii) the severity of economic cycles in Congo which for the most part have been driven mainly by oil price and production dynamics

The Congolese economy is mainly driven by the supply side. Its main drivers are natural resources (oil and forestry). Its main constraints are: i) the volatility of oil prices and production; ii) the weak productivity due to Dutch disease, a weak financial environment, a weak business environment, weak governance and an unstable political system); iii) the waste in using the full potential of human capital (due to low skills and youth unemployment); and iv) the low quality of infrastructure reducing the ability of the country to achieve the full potential of its natural and physical capital.

Sectoral and institutional Context

The proposed additional credit would help finance the costs associated with (i) the completion of connectivity infrastructure in Congo's western region (active equipment) from Pointe Noire to Mbinda along the CFCO railway infrastructure, as well as (ii) the establishment of an ICT incubator and a Digital Development Fund in the Republic of Congo. The construction of this fiber optic infrastructure was included under the CAB3 project's scope as originally defined at appraisal. However, there are insufficient funds under the original IDA Credit to finance some key equipment due to cost overruns incurred in the delivery of the rest of the civil works and of the active equipment (notably termination and shelters equipment). Counterpart funding that was supposed to cover these extra costs has been delayed due to severe budget constraints.

Construction of this fiber optic link and related active equipment at the shelter level continue to be vital to the international connectivity of Congo and its connection to Gabon as originally intended, and it will lead to more fully realizing the benefits of other structures already financed in the sector, most notably the PCN (Projet de Couverture National) and the upcoming infrastructure project funded by the African Development Bank . In addition, the proposed Additional Financing will scale up activities in component 3 by establishing and providing seed money for a new Digital Development Fund (Fonds de Développement du Numérique), aiming at leveraging private investors willing to promote entrepreneurship in the ICT sector in Congo, creation of local content, and create new job opportunities for youth in the country.

C. Proposed Development Objective(s)

Original Project Development Objective(s) - Parent

The development objective of the proposed project is consistent with the PDO for the CAB Program: to contribute to increase geographical reach and usage of regional broadband network services and reduce their prices, in the Republic of Congo.

Key Results

Finalization of the construction of the fiber optic infrastructure between Pointe Noire - Dolisie - Mbinda (furniture and installation of active equipment).

Sustainability of an ICT Incubator in Congo and establishment of a new Digital Development

Fund (Fonds de Développement du Numérique), aiming at leveraging private investors willing to promote entrepreneurship in the ICT sector in Congo.

D. Project Description

The proposed additional credit would help finance the costs associated with (i) the completion of connectivity infrastructure in Congo's western region (active equipment) from Pointe Noire to Mbinda along the CFCO railway infrastructure, as well as (ii) the support to a local ICT incubator such as Yekolab, and the establishment of a Digital Development Fund in the Republic of Congo. The construction of this fiber optic infrastructure was included under the CAB3 project's scope as originally defined at appraisal. However, there are insufficient funds under the original IDA Credit to finance some key equipment due to cost overruns incurred in the delivery of the rest of the civil works and of the active equipment (notably termination and shelters equipment). Counterpart funding that was supposed to cover these extra costs has been delayed due to severe budget constraints. Construction of this fiber optic link and related active equipment at the shelter level continue to be vital to the international connectivity of Congo and its connection to Gabon as originally intended, and it will lead to more fully realizing the benefits of other structures already financed in the sector, most notably the PCN (Projet de Couverture National) and the upcoming infrastructure project funded by the African Development Bank. In addition, the proposed Additional Financing will scale up activities in component 3 by establishing and providing seed money for a new Digital Development Fund (Fonds de Développement du Numérique), aiming at leveraging private investors willing to promote entrepreneurship in the ICT sector in Congo, creation of local content, and create new job opportunities for youth in the country.

Component Name

Component 2 – Connectivity

Comments (optional)

This component will close the financing gap for the delivery of the rest of the active equipment (notably termination and shelters equipment)

Component Name

Component 3 – Promotion of ICT sector

Comments (optional)

This component will fund: (a) light retrofitting of the incubator premises, (b) first two years of operating costs including coaching and support to startups, logistics, (c) technical assistance and support to the incubator: legal and financial advisory services, accounting strategy, marketing and communications costs, (d) equipment, connectivity and logistics (furniture, appliances...). The component will also finance the establishment of the Digital Development Fund. Including: (a) Technical Assistance and Advisory Services to set up the DDF, and (b) Contribution to the fund and organization of a hackathon to select and subsidize the first batch of incubatees.

Component Name

Component 4 – Project Management

Comments (optional)

This component will extent support to the Project Implementation Unit (audit, communications

and fiduciary functions of the project)

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

The project will complement the deployment of the national backbone infrastructure to be developed by the GoC under the NCP (National Coverage Project). It will finance complementary and missing international links developed under the NCP including fiber-optic cables, microwave equipments, terminal equipments, switches, to guarantee the establishment of an open access network (open to all operators), leveraging private sector investment and to ensure the interconnection with neighboring countries: Gabon (link Dolisie - Mbinda), Cameroon (link Oyo - Ouesso), and DRC (link Brazzaville - Kinshasa).

Dolisie - Mbinda link: this segment is 338 km long and will consist of a 12 pair fiber optic cable. The link will be comprised of (i) 2 (two) repeaters and powered by solar solutions, (ii) 2 (two) SDH terminal stations located in Dolisie and Mbinda. The acquisition and installation cost of the cable is estimated to be US\$2.4 million. The SDH and terminal stations cost is estimated to US \$1.6 million. The cost of the 2 (two) repeaters and their respective solar powered stations is estimated around US\$1 million.

Oyo - Ouesso link: this segment is 420 km long and will consist of 6 (six) microwave links. Each link will comprised 1 (one) repeater powered by solar solutions and 1 (one) SDH terminal station. The acquisition and installation cost of the six poles is estimated to be US\$3 million. The SDH and terminal stations cost is estimated to US\$3 million. The cost of the 6 (six) repeaters and their respective solar powered stations is estimated around US\$3 million. The technical and management options identified for this segment are based on the successful experiences carried out in Nigeria and Iran. In these two countries, the Government created an SPV with private operators to ensure infrastructure sharing through collocation of poles and hence reduce the number of poles installed. However, to ensure a minimum bandwidth of 2 Gb/s, the poles cannot be distant of more than 80 k m. The component costing includes the installation of 6 poles between Oyo and Ouesso.

Brazzaville - Kinshasa link: this segment is 10 km long and will consist of 2 (two) microwave links. Each link will comprised 1 (one) repeater powered by solar solutions and 1 (one) SDH terminal station. The acquisition and installation cost of the two poles is estimated to be US \$0.3 million. The SDH and terminal stations cost is estimated to US\$1.7 million.

F. Environmental and Social Safeguards Specialists

Lucienne M. M'Baipor (GSU01)

II. Implementation

Institutional and Implementation Arrangements

There will be no change in institutional and implementation arrangements.

III. Safeguard Policies that might apply

Safeguard Policies	Triggered?	Explanation (Optional)
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Environmental Assessment OP/BP 4.01	Yes	The project under component 2 foresees three Inter-regional links to neighboring countries including fiber optic cables, terminal equipment and switches. These activities are expected to have potential adverse environmental impacts, even if on limited scale. Impacts here will mostly be related to digging along the railways track of the CFCO and across human settlements, forests and other habitats. An Environmental and Social Management Framework (ESMF) has been prepared, reviewed, consulted upon and disclosed within the Republic of Congo and at the Bank Infoshop on April 1, 2011 prior to the appraisal.
Natural Habitats OP/BP 4.04	Yes	The project is not expected to be implemented in natural habitats. But as the Republic of Congo is known of having forest habitats not negligible in that part of the country, particular attention needs to be paid to some fragile ecosystems along the fiber optic cable right of way during the implementation of the project. However, no specific safeguard instrument is required. The ESMF prepared in accordance with OP/PB4.01 has taken into consideration this issue. The ESMF has been prepared, reviewed, consulted upon and disclosed within the Republic of Congo and at the Bank's Infoshop on April 1, 2011 and contains a chapter with guidance to ensure Natural Habitats protection.
Forests OP/BP 4.36	No	The project is not expected to have significant adverse impacts on the forest resources due to the weak influence of the fiber optic cables and other equipment.
Pest Management OP 4.09	No	
Physical Cultural Resources OP/BP 4.11	Yes	The ESMF has been prepared, reviewed, consulted upon and disclosed within the Republic of Congo and at the Infoshop on April 1, 2011 prior to the appraisal. It includes a chapter on managing Physical Cultural Resources matters.
Indigenous Peoples OP/BP 4.10	Yes	Because the project area is populated with indigenous people, an Indigenous Peoples Planning Framework (IPPF) was prepared, reviewed, approved and disclosed in the targeted areas and at the Infoshop on March 1, 2011 before appraisal of the parent project. The IPPF of the Parent project has been re-disclosed in country on January 19th 2017, in all the project areas and local languages , as well as on the Bank's website on January 20th, 2017.
Involuntary Resettlement OP/BP 4.12	Yes	No land acquisition or resettlement is expected in the Additional Financing, as the works were completed in the Parent Project. The ongoing works are a completion of the Parent Project works. Should any land acquisition be required in the AF phase, the RPF of the Parent Project will apply.

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

IV. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

<p>1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:</p> <p>The project prepared a RAP which was not properly implemented due to a design change. In this case, the activities of the project prepared to occur on the right side of the Congo Ocean Railway were implemented on the left side instead; this change resulted in no physical displacement or land acquisition. Since the RAP did not reflect the project activities, a commission was put in place to carry out a census of the PAPs, an assessment of the affected properties and compensation of the PAPs for crop and fruit trees losses.</p> <p>In regards to OP 4.10, the parent project triggered the policy on Indigenous Peoples and prepared an Indigenous Peoples Policy Framework (IPPF). The areas identified in the initial project design were identified as locations with IPs. However, the project at a later stage proposed an alternative with less impact, notably along the national railway (CFCO). As a result, this alternative design posed no risk or impact on IPs as the cables were to be layed along the train tracks without coming in contact with the IP communities. Activities in the projects AF phase will remain on the CFCO path, therefore posing no risk to IPs. However, it is recommended that the project apply the existing IPPF in case the project does impact IPs. The IPPF was already disclosed for the parent project, but will be re-disclosed for the AF.</p> <p>In regards to OP 4.12, the project triggered the policy on involuntary resettlement, and consequently prepared a Resettlement Action Plan (RAP). However, as mentioned above, when the project proposed an alternative design for laying of the cables, the project did not update the RAP to reflect the new alternative. It is worth mentioning that no physical resettlement, only non-land economic displacement (loss of crops and trees) along the train tracks was induced, and that the estimated number of PAPs is well below the estimated 70 in the initial RAP. The project did at a later stage assess the impacts and prepare a budget for compensation of the affected households, this was done with the Governmental Land Commission. The total cost of compensation for the new alternative was estimated to be around US \$50,000 (33,401,563 FCFA). Seeing as the Additional Financing does not finance any new or additional civil works or activities generating safeguard issues, there are no expected cases of further economic displacement.. The project has updated and will re-disclose the existing RAP in case of any remaining cases of involuntary resettlement.</p> <p>The IPPF has been published in country on January 19 and will be published on World Bank website on January 20th 2017 (prior to Appraisal).</p>

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:
During a Bank mission to Pointe Noire, in supervision of the parent project some issues were identified in regards to OP 4.12 and the RAP implementation. The issues were in regards to the non-updated RAP, and consequent lack of consultation and payment of a few PAPs. The parent project RAP has just been revised to incorporate compensation effectively paid but which were not in the initial PAR.
3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.
N/A
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.
The task team has requested the PIU to conduct a social and environmental audit of the activities conducted under the parent project. The audit will provide recommendations for any remaining activities to be completed.
5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.
Given that, the sites for the installation of the cables are already completed and no new or additional civil works will be undertaken. The project's Environmental and Social safeguards team member in charge of supervising environmental and social measures, and who has also followed the parent project, has conducted a number consultations with various stakeholders and affected people in the preparation of the Parent Project RAP. During the disclosure and dissemination of the IPPF and the RAP of the Parent Project, the Client ensured consultation mechanisms for all stakeholder contributions in regards to the project's impact, design, as well as implementation. The IPPF of the Parent project will be redisclosed in country on January 19th 2017, in all the project areas and local languages , as well as on the Bank's Infoshop on January 20th, 2017.

B. Disclosure Requirements

Environmental Assessment/Audit/Management Plan/Other	
Date of receipt by the Bank	28-Feb-2011
Date of submission to InfoShop	05-Apr-2011
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
<i>Comments:</i>	
Resettlement Action Plan/Framework/Policy Process	
Date of receipt by the Bank	28-Feb-2011

Date of submission to InfoShop	05-Apr-2011
"In country" Disclosure	
Congo, Republic of	05-Apr-2011
<i>Comments:</i>	
Indigenous Peoples Development Plan/Framework	
Date of receipt by the Bank	19-Jan-2017
Date of submission to InfoShop	19-Jan-2017
"In country" Disclosure	
Congo, Republic of	19-Jan-2017
<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"/>]
OP/BP 4.04 - Natural Habitats	
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>]
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] NA [<input type="checkbox"/>]
OP/BP 4.11 - Physical Cultural Resources	
Does the EA include adequate measures related to cultural property?	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input checked="" type="checkbox"/>]
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input checked="" type="checkbox"/>]
OP/BP 4.10 - Indigenous Peoples	
Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]

If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit or Practice Manager?	Yes [<input type="checkbox"/>] No [<input type="checkbox"/>] NA [<input checked="" type="checkbox"/>]
OP/BP 4.12 - Involuntary Resettlement	
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>] NA [<input type="checkbox"/>]
Is physical displacement/relocation expected? Provided estimated number of people to be affected	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] TBD [<input type="checkbox"/>]
Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods) Provided estimated number of people to be affected	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] TBD [<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: Senior Regulatory Economist

Contact: Marc Jean Yves Lixi

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Borrower/Client/Recipient

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VI. For more information contact:

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VII. Approval

Task Team Leader(s):	Name: Jerome Bezzina, Marc Jean Yves Lixi	
<i>Approved By</i>		
Safeguards Advisor:	Name: Maman-Sani Issa (SA)	Date: 19-Jan-2017
Practice Manager/ Manager:	Name: Boutheina Guermazi (PMGR)	Date: 20-Jan-2017
Country Director:	Name: Djibrilla Adamou Issa (CD)	Date: 20-Jan-2017