

Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 20-Sep-2019 | Report No: ISDSC27691



BASIC INFORMATION

A. Basic Project Data

Country Niger	Project ID P171793	Parent Project ID (if any)	Project Name TRANS SAHARAN CORRIDOR DEVELOPMENT PROJECT (P171793)
Region	Estimated Appraisal Date	Estimated Board Date	Practice Area (Lead)
AFRICA	Oct 15, 2020	Dec 15, 2020	Transport
Financing Instrument	Borrower(s)	Implementing Agency	
Investment Project Financing	Ministry of Plan	Ministry of Equipment	

Proposed Development Objective(s)

Improve road connectivity and safety between Agadez and Zinder to support social and economic development.

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	160.00
Total Financing	160.00
of which IBRD/IDA	155.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	155.00
IDA Credit	155.00
Non-World Bank Group Financing	
Counterpart Funding	5.00
Borrower/Recipient	5.00



Environmental and Social Risk Classification High

Concept Review Decision

Track II-The review did authorize the preparation to continue

Other Decision (as needed)

B. Introduction and Context

Country Context

- 1. Niger is a large, landlocked country in the Sahel region. The country's population is estimated at over 22 million and growing rapidly at about 3.8 percent per year. Almost half of the population is less than 15 years old, and life expectancy is low at 62 years. Four-fifths of the country's adult population remains illiterate. Prevalence of malnutrition is high with some 43 percent of children under five suffering from stunting and wasting. In the 2018 Human Development Index, Niger was ranked last out of 189 countries. The country's economy is predominantly rural and informal: 78 percent of the population resides in rural areas, and 80 percent of the jobs are in the informal sector.
- 2. Niger meets the definition of a country at risk of fragility, conflict, and violence. The country has managed to remain stable within a difficult and insecure regional environment. This is due to a relatively strong social cohesion and a political settlement in which the elites manage to solve their disputes in a regulated manner. However, the country is subject to many Fragility, Conflict and Violence (FCV) risk factors. First, demographic trends with extremely high population growth are not boding well for a country already lacking economic opportunities. Second, institutional deficits remain significant, with Niger ranking 112 out of 180 countries in the 2017 Corruption Perceptions Index. External stresses play a large role in potential instability as there have been an increasing number of attacks on Niger's territory by Boko Haram and other terrorist groups.
- 3. Managing regional relations is an integral part of economic policy making in Niger. Niger's exports are largely dependent on the efficiency of the transport system in neighboring countries with access to the sea, while much of Niger's informal trade in fuel and foodstuffs depends on the economic policies of its neighbors, Algeria and Nigeria in particular. Most of Niger's electricity comes from Nigeria while most of Niger's livestock are exported to Nigeria. Much of Niger's economic future will depend on economic developments in Nigeria. Rapid growth in Nigeria implies opportunities for export and labor migration. Nigeria's economy is facing strong headwinds, with significant and negative repercussions for Niger's economy.
- 4. The trans Saharan corridor, 4600-kilometer-long, is an existing trade route running north-south the Saharan desert from Algiers in Algeria to Lagos in Nigeria and passes through Tamanrasset In Algeria, Agadez and Zinder in Niger, and Kano in Nigeria. This corridor plays a critical role in the trade between Niger's agricultural surplus regions of the South and the deficit regions of the North. The region of Agadez imports agricultural goods coming from Maradi and Zinder through this corridor and most of the imports of Zinder come through this corridor from Kano, Nigeria.
- 5. Counterfactual analyses show that significant gains could be made if inefficiencies in infrastructure were fixed . Niger could grow by as much as 4.5 percentage points per capita if it expands and improves its infrastructure, particularly in the road sector. Improving the condition of paved and unpaved roads would facilitate and increase trade within the



country, boosting economic growth by 1.71 percentage points. Power would contribute around 1.51 percentage points to per capita growth if generation capacity and national access rates—which as of today are among the lowest in the region—were increased. ICT would also make an important contribution to economic prospects (1.31 percentage points), provided the mobile phone and Internet markets continue expanding.

Sectoral and Institutional Context

- 6. Road transport is by far the most dominant transport mode in Niger. The country has a total road network of 20,268 km (2018), of which (a) 10,649 are national roads; (b) 2,075 km are regional roads, and (c) 6,952 km are unclassified. Within the total network, only 4,655 km are paved roads. The two other modes of transport besides roads are the railway and the inland water transport, accounting for less than 5 percent of the market. The national roads which are the primary network are the lifeline of the economy because they connect not only all the secondary cities to the capital but they also provide access to the ports of neighboring countries. Niger's section of the trans-Saharan corridor called National Road No11 is about 975 kilometer long.
- 7. High costs of doing business obstruct Niger's development prospects. Being landlocked and far from the nearest seaport, combined with low levels of human capital, present formidable obstacles to developing a vibrant private sector. These disadvantages are made worse by elevated costs of doing business. Niger's ranking in the logistic performance index dropped from 100th to 157th out of 160 countries between 2016 -2018, below the average logistic performance index of Sub-Saharan Africa. Consequently, transport costs are unnecessarily high because roads are not maintained, roadblocks are common, and competition in the trucking sector is limited. Cross-border trade is expensive and inefficient due to the difficulty of obtaining import and export licenses. Meanwhile, high import tariffs and levels of taxation drive many toward informal trade.
- 8. According to the World Health Organization (WHO), road traffic accidents was the 7th leading cause of death in Niger in 2017 ahead of Malaria (8th) and HIV/AIDS (11th). The road fatality rate in Niger was 26.2 deaths per 100 000 population in 2016. A lead road safety agency (Agence Nigerienne de Securite Routiere ANISER) was created in 2014. However, the agency has not been properly staffed and is confronted with lack of capacity to conduct its mission of coordinating road safety actions among different actors, under-reporting of accident data , ambiguous institutional arrangement with the directorate of road safety and no strategy on road safety with a clear action plan.
- 9. The ME manages the entire road network. Reconstruction and construction of the primary road network is managed by the General Directorate of Major Works (Direction Générale des Grandes Travaux) in the ME. The General Directorate of Rural Roads (Direction Générale des Routes Rurales, DGRR) oversees the construction and rehabilitation of the rural roads network. Finally, the General Directorate of Road Maintenance (Direction Generale de L'Entretien Routier, DGER) oversees the road conditions inventory database, the programming of maintenance works and in charge of contracting with AMODER for the execution of the road maintenance works.
- 10. The Ministry of Transport (Ministère des Transports) is responsible for land (road and railway), air, and inland water transport services. The Directorate of Road Transport (Direction des Transports Routiers) oversees the road transport services, and the Directorate of Maritime and Fluvial Transport (Direction des Transports Maritimes et Fluviaux) oversees inland and maritime water transport. The civil aviation agency oversees the management of airports and air transport. ANISER (referred to above) was created to promote the national road safety agenda.



11. A National Strategy of Transport of Niger (2016-2025) guides all intervention in the road, railway and inland water transport sector. The general objectives of the strategy is to (1) optimize, without overinvesting, the development and the management of transport infrastructure to support the country's socio-economic development and special planning, (2) boost the transport sector by improvement the management capacity of both the public and the private sector through institutional and regulatory reforms, training of staff and the use of new technologies, (3) facilitate transport and transit through major corridors through the development of road and rail infrastructure, as well as by improving the supply chain and simplifying procedures and finally (4) continue to strengthen the societal activities associated with the transport sector: road safety, adaptation to climate change, protection of environment and public health, gender and citizen engagement. The proposed project is aligned with three out of the four objectives of the strategy.

Relationship to CPF

- 12. The proposed Project is well aligned with the Country Partnership Framework (CPF) for FY18-22 (Report No 123736-NE). The CPF's overarching goal is "to help safeguard and accelerate Niger's economic and social development, by tackling growth constraints, unsustainable population growth and other fundamental (and emerging) drivers of fragility". The proposed project supports the CPF's objective to 'Improve Availability of Productive Infrastructure for trade in rural areas'. It would contribute to improve access to markets for the agriculture sector. It would generate employment in general and for women and young people in the project areas. The project also supports the CPF's overarching goal of empowering women to enable development policies to succeed. Finally, the project also contributes to the objectives of the Africa Climate Business Plan (ACBP) through its emphasis on climate adaptation.
- 13. The proposed Project is fully in line with the World Bank's Regional Integration and Cooperation Assistance Strategy (FY18-23), as it supports the Objective 1.1 to "develop regional infrastructure along economically important corridors".
- 14. The proposed Project will also contribute to the achievement of Niger's development priorities as it contributes to the social and economic development plan of Niger (*Plan de Développement Economique et Social* 2017–2021), which lists Program 6.3 "development of rural infrastructure and services" under its 'Acceleration of economic growth' area of focus.
- 15. Finally, the Project will be aligned with the Risk Mitigation Regime (RMR) objectives of the World Bank's support in Niger under the IDA18, namely to mitigate the escalation of existing crises and contribute to the reduction of key fragility and conflict risks. The project will cross through the Zinder and Agadez regions and will have a focus on youth and women in these regions, hence would contribute to the second objective of the Niger RMR strategy: "Increasing opportunities for youth and women in fragile regions and supporting the peaceful management and sharing of agropastoral resources."

C. Proposed Development Objective(s)

16. The Project Development Objective (PDO) is to improve road connectivity and safety between Zinder and Agadez to support social and economic development.



Key Results (From PCN)

17. Progress will be measured against the following PDO-level results indicators:

- *Decrease in commercial traffic travel times* will measure improved road connectivity
- o Reduction in fatal accidents will measure improved road safety and social development
- Increase in selected economic activities on the corridor will measure support to economic development
- *Number of improved/new small businesses for women and youth along the corridor* will measure support to social development

D. Concept Description

- 18. The Trans Saharan Corridor Development Project would link Zinder and Agadez, two important regional capitals. It would be vital not only for trade between the surplus agricultural areas of the south and the north of the country but also as a transit trade route between Algeria and Nigeria. Direct project beneficiaries would be the population living along the section Tanout-Tiguidit, as well as road users both passengers and merchandise traffic who would benefit of improved traffic conditions. Indirect beneficiaries will be the poor rural communities in the regions of Agadez and Zinder, who will benefit from improved access to agriculture sites, basic services, and markets. The achievement of the PDO will be achieved through the following three components:
- 19. Component 1: Corridor and Safety Improvements This component will support the rehabilitation and preservation of the road assets linking Agadez to Zinder, namely through the improvement works of road section Tanout Tiguidit (220 km), by ensuring that the road section is resilient to climate change and by improving road safety. Activities to be financed are but not limited to (i) performance-based¹ rehabilitation (220 km) and maintenance (450 km) contract, (ii) supervision of the road contract, (iii) environmental, social and technical audit of the works, (iv) road safety activities such as construction of a rest area² between Agadez and Zinder and improve post-crash response to save lives.
- 20. The road section linking Agadez and Zinder is a lifeline critical infrastructure for Niger, very crucial for the delivery of services during and after a disaster. The continuous movement of people and goods on the corridor may be impacted by four major climatic hazards: droughts, extreme temperatures (heat and cold waves), high winds and sandstorm. Droughts can impact the available water during construction period. Foods and sand dunes can disrupt the traffic along the corridor. An assessment of the vulnerability of the corridor due to climate will be carried out and mitigation measures will be included in the engineering design.
- 21. Because of limited crash data to identify black spots on the road section, a road safety inspection will be conducted as part of the engineering studies to identify priorities for cost-effective safe system engineering investment³.
- 22. The sustainability of the PDO requires the full operationalization of the road maintenance reforms in order to avoid premature deterioration of the road investment due to lack of adequate and credible road maintenance mechanism. Considering this, the project will include an effectiveness condition related to the reforms of the road maintenance, such as the competitive recruitment of all the key staff including the director of the road maintenance agency; and/or the signature of the multi-year (2020-2022) road maintenance program between the ME and the agency of road

¹ The best option of Output Performance based Road Contract to attract private sector will be identified during the project preparation.

² Driving fatigue is a factor in many commercial vehicle crashes because of the long distances travel that affect sleep.

³ The team will assess the feasibility of using International Road Assessment Programme safety inspection - iRAP



maintenance.

- 23. **Component 2: Support Economic Activities on the Corridor.** This component will maximize the impact of the project by financing income generating activities for the rural population living along the corridor, especially women's groups and other vulnerable groups. The proposed project is expected to benefit women, many of who are involved in small businesses along the Corridor and have much to gain from lower transport cost and better access to primary markets in Zinder and Agadez. An assessment on the livelihood means of the population living along the corridor will be conducted in order to identify economic activities the project can support. Moreover, during preparation stage, the project will coordinate with other WB projects in the region (e.g. in the agriculture sector) to leverage findings from previous assessments on potential economic activities (such as productive activities themselves or the capacity building/training start those activities).
- 24. **Component 3: Operational Support.** This component will finance the operational costs of the PIU, the fiduciary audits, monitoring & evaluation, social and environmental safeguards monitoring, resettlement action plans, citizen engagement activities, smart implementation support and finally activities designed to prevent and mitigate GBV including SEA and violence against children (VAC) risks linked to project civil works sites, as well as their monitoring.

Legal Operational PoliciesTriggered?Projects on International Waterways OP 7.50NoProjects in Disputed Areas OP 7.60No

Summary of Screening of Environmental and Social Risks and Impacts

- 25. Environmental Risk Rating is high. This project will support the rehabilitation, improvement and maintenance of key road assets linking Agadez to Zinder and Tanout to Tiguidit. The road section linking Agadez and Zinder is a crucial lifeline for the delivery of services and continuous movement of people and goods. It is likely to be impacted by the extreme temperatures, droughts, high winds and sandstorms in the region. The project aims to make this road section climate resilient, which will have an overall positive environmental impact. However, the planned civil works are likely to be associated with adverse environmental risks and impacts that will need to be managed to meet the requirements of the Environmental and Social Standards under the ESF. These risks and potential negative impacts are related to: (i) Resource efficiency and pollution prevention and management (sourcing of raw materials for civil works, water and energy use, GHG emissions, dust, noise, potential contamination of water sources due to spills and run-off of petroleum products, infiltration into storage areas and improper disposal of fuels, (ii) Occupational and Community health and safety (potential injuries to workers, spread of diseases from labor camps, GBV); (iii) potential loss of vegetation and biodiversity during civil works and preparation of sites, quarries areas for materials, and higher demand of fuelwood by workers; and (iv) potential impact of civil works and excavations on cultural heritage.
- 26. **Social Risk Rating is high.** RAP for the 220 km Tanout Tiguidit road section will be prepared prior to approval. This will clarify the direct impact of the road rehabilitation on the local population. Land acquisition is expected to be limited given that there is an existing road platform and the plans only include a very limited widening of this platform but it is likely that there will be many PAPs with losses and damage to their personal property. However, other social risks are significant. As indicated above, this section of road is part of a very complicated corridor that benefits from and feeds significant amounts of human, drug and arms trafficking. It is also a major transportation route for long haul trucking that may contribute to an increase in GBV and there are reports of significant criminal activity including



banditry along the road that may increase if the infrastructure improves. These risks may be exacerbated by the implementation of the project and cannot be entirely mitigated. The situation is compounded by the fact that implementation support by the Bank to ensure compliance is likely to be restricted by insecurity along the road.

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