### Early Warning System

WB-P124720

Dem Rep Congo - Western Growth Poles



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#### **Quick Facts**

Countries Congo, Democratic Republic of

Specific Location Kinshasa, Inkisi, Mbanza-Ngungu, Kimpese, Tshela, Lukula, Boma

Financial Institutions World Bank (WB)

Status Active Bank Risk Rating A

**Voting Date** 2013-06-11

Borrower MINISTRY OF FINANCE

Sectors Agriculture and Forestry, Communications, Construction, Industry and Trade, Law and Government, Transport

Potential Rights Impacts Cultural Rights, Healthy Environment, Housing & Property, Right to Food, Right to Water

Investment Type(s) Loan

Investment Amount (USD) \$ 110.00 million Project Cost (USD) \$ 114.70 million



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#### **Project Description**

This World Bank investment will assist the government of the Democratic Republic of Congo (DRC) in implementing its 2012-2016 Action Plan to kick start economic development, particularly in agricultural production and agro-processing, by concentrating public resources and reforms along specially identified "growth poles" in the Bas Congo-Kinshasa corridor, including a Special Economic Zone in Maluku, about 70km from the center of Kinshasa. The program will initially focus on cassava, rice, and palm oil in Boma, Lukula, Tshela, Kimpese, Mbanza-Ngungu and Inkisi, and on facilitating access to industrial land and infrastructure in Maluku. Public resources will be directed at improving the entire value chain in these areas, with the potential to scale up the program in the future.



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#### **Early Warning System Project Analysis**

#### **RISK CATEGORIZATION:**

The World Bank has classified this project as Category A, because it will invest in new physical infrastructure with significant environmental impacts. Financing will support basic physical infrastructure in the target area, including establishment of the Maluku industrial zone, new markets in the Kinshasa periphery, depot points and wholesale markets, and improvement of feeder roads and energy supply. Additionally, the project will involve assistance to promote the establishment of fruit/vegetable/fish processing units, packaging and manufacturing industries, and improvement of commercial agriculture.

#### **APPLICABLE SOCIAL AND ENVIRONMENTAL STANDARDS:**

- Environmental Assessment OP/BP 4.01
- Natural Habitats OP/BP 4.04
- Forests OP/BP 4.36
- Pest Management OP 4.09
- Physical Cultural Resources OP/BP 4.11
- Involuntary Resettlement OP/BP 4.12
- Projects on International Waterways OP/BP 7.50

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#### **People Affected By This Project**

#### **ENVIRONMENTAL AND HUMAN RIGHTS ASSESSMENT**

#### **Right to Culture**

The World Bank highlighted potential cultural impacts in its safeguards assessment based on the DRC as a country having a rich cultural heritage. It urged prudence in the implementation of this program such that cultural resources are not damaged.

Some questions community members and local NGOs should consider asking:

- Do you have reasons to believe the planned investment projects could affect the cultural resources of your community?
- Do you have reasons to believe that your ability to participate in cultural life could change as a result of the planned investment projects?
- Does the government have a chance-finds procedure in case cultural artifacts are encountered during operations?

#### Right to Food

The World Bank noted that the program will involve land acquisition, likely entailing loss of farm land and structures for local communities, which are presently sources of food and livelihoods. It highlighted the potential loss of cattle and cattle grazing land, urging irrigation zoning in particular to take account of cattle farmers' needs.

Some questions community members and local NGOs should consider asking:

- Have you been informed of any potential changes that could affect your access to food?
- Do you have reasons to believe that your access to the land where you grow food, hunt for food or fish could change once the investment project begins?
- Are there mechanisms through which you can file a complaint and/or obtain a remedy when your right to food has been affected?

#### **Right to Housing and Property**

The World Bank noted that program investments will involve land acquisition and thus likely loss of farm land and structures for local communities. It recognized that this would consequently mean the loss of sources of livelihood and shelter. The DRC has prepared a resettlement plan that includes compensation for lost trees, facilities, and income up to one year, as well as construction of a school and health center in the resettlement area and access to drinking water and electricity.

Some questions community members and local NGOs should consider asking:

- Have you been informed of any potential changes that could affect your access to adequate housing?
- Do you have reasons to believe that your access to adequate housing could change once the investment project begins?
- Are there mechanisms through which you can file a complaint and/or obtain a remedy when your right to adequate housing has been affected?
- Will the resettlement area provide access to similar sources of livelihood as previously?
- How will appropriate compensation for lost trees and facilities be determined?

#### **Right to Water**

The World Bank does not expect project activities to affect the quality or quantity of water flows on the Congo River. However, it does expect pollution and degradation of the rivers due to use of pesticides and manures, as well as the installation of platforms, production tracks, river ports, and other physical investments. Development of the industrial zone and related industrial infrastructure in Maluku may also have impacts on the river and other water sources, particularly by way of waste discharge. Furthermore, agricultural activities are likely to involve forest clearing, which can cause erosion into rivers, and, as



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#### **Investment Description**

• World Bank (WB)

The total cost for implementing the 2012-2016 Action Plan is estimated at US\$114.7 million, of which US\$110 million will be financed through a World Bank Specific Investment Loan (SIL). Most of the World Bank financing will be allocated as follows: US\$48 million for agriculture value chain development in Bas-Congo; US\$27 million for the Special Economic Zone in Maluku, primarily for physical infrastructure; US\$10 million for investment promotion, including targeted regulatory reforms; and US\$8 million for coordination, monitoring, and impact assessments.

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#### **Private Actors Description**

#### **PAST WORLD BANK FUNDING:**

In the last five years alone, the DRC has received or been approved for over US\$1.3 billion in World Bank financing. This money has been targeted at such initiatives as urban development, primary healthcare, public management, transportation, water supplies, and agricultural rehabilitation.

In 2005 a complaint was submitted to the World Bank Inspection Panel, alleging that implementation of a new commercial forest concession system and preparation of a forest zoning plan in the DRC was going to cause irreversible harm to the Pygmies who had lived in the implicated forests for generations, and who had been neither consulted nor considered. The Panel found that the Bank had failed to identify between 250,000 and 600,000 indigenous people in the project-affected area, that the forest concessions should have been blocked by the 2002 moratorium, and that logging activities would have significant environmental and social impacts. An Action Plan to mitigate and avoid these problems was approved by the Panel, which monitored its implementation through 2012.

In 2009 a complaint was submitted to the World Bank Inspection Panel, alleging that a private sector competitiveness project in the DRC had resulted in the dismissal of about 10,655 Gcamines workers, and that adequate severance payments and social reintegration programs as required under the Bank policy did not materialize. The Panel's involvement in the case is ongoing.



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#### **Contact Information**

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#### **CONSULTATION PROCESS:**

The World Bank reports that a broad-based and in-depth consultation approach was taken in connection to this program, including interviews with relevant stakeholder groups in the public and private sectors as well as civil society. These included producers' organizations, key ministries and government agencies, pesticide wholesalers and retailers, and public consultations in the target areas.

#### **ACCOUNTABILITY MECHANISM OF WORLD BANK**

The World Bank Inspection Panel is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by a World Bank-financed project. If you submit a complaint to the Inspection Panel, they may investigate to assess whether the World Bank is following its own policies and procedures for preventing harm to people or the environment. You can contact the Inspection Panel or submit a complaint by emailing ipanel@worldbank.org. You can learn more about the Inspection Panel and how to file a complaint at:

http://ewebapps.worldbank.org/apps/ip/Pages/Home.aspx.



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#### **Bank Documents**

- Congo, Democratic Republic of Dem Rep Congo Western Growth Poles : P124720 Implementation Stat [Original Source]
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- Congo, Democratic Republic of Western growth poles and additional financing to the Multi-modal Tra [Original Source
- Congo, Democratic Republic of Western Growth Poles Project (English) [Original Source]
- Integrated Safeguards Data Sheet (Appraisal Stage) Dem Rep Congo Western Growth Poles P124720 [Original Source]
- Integrated Safeguards Data Sheet (Concept Stage) Dem Rep Congo Growth Poles P124720 (English) [Original Source]
- Official Documents- Agreement for Advance Q805-ZR (English) [Original Source]
- Official Documents- Agreement for Advance Q918-ZR (English) [Original Source]
- Official Documents- Amendment to the Financing Agreement for Grant H860-ZR (English) [Original Source]
- Official Documents- Disbursement Letter for Advance Q918-ZR (English) [Original Source]
- Official Documents- Disbursements Letter for Advance Q805-ZR (English) [Original Source]
- Project Information Document (Appraisal Stage) Dem Rep Congo Western Growth Poles P124720 (Eng Source]