Early Warning System

WB-P515510

SECOND HORN OF AFRICA GATEWAY DEVELOPMENT PROJECT

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Quick Facts

Countries	Kenya
Specific Location	Isiolo-Mandera Regional Road Corridor
Financial Institutions	World Bank (WB)
Status	Approved
Bank Risk Rating	A
Voting Date	2026-03-27
Borrower	Government of Kenya - ICT Authority, and others
Sectors	Infrastructure, Transport
Investment Type(s)	Loan
Investment Amount (USD)	$ 260.00 million
Project Cost (USD)	$ 306.85 million

Project Description

According to the Bank’s website, the Project Development Objectives are to improve: (a) the movement of people and goods, along the targeted sections of the Isiolo-Mandera Regional Road Corridor; (b) digital connectivity; and (c) the capacity of selected transport related institutions in Kenya.

The financing responds to the Borrower's request dated September 30, 2025, supplemented by further information provided in a letter dated January 27, 2026 for the upgrade of two road sections totaling 143 km: Modogashe to Samatar (67 km) in the central corridor, and Rhamu to Mandera (76 km) at the northern end. These segments were initially intended to be funded by the Government of Kenya. This support will ensure that the entire 740 km Isiolo-Mandera corridor is improved, thereby facilitating regional trade and enhancing connectivity and integration among Kenya, Ethiopia, and Somalia.

Early Warning System Project Analysis

The environmental risk rating for HoAGDp-2 is High, because the project will have potentially significant adverse E&S risk and or impacts that are diverse, some irreversible and unprecedented. This Environmental risk rating is consistent with those assessed in respective ESIA reports in 2019 for the two road sections as well as supplementary biodiversity assessment completed for the Modogashe- Samatar section in 2023. While there are no designated conservation areas within the road alignment, the assessments confirmed presence of critical habitats in parts of the two road sections, encompassing wildlife dispersal areas outside protected zones and seasonal swamps inhabited by some species classified as endangered or critically endangered. The road works and operation are likely to impact wildlife and livestock mobility by creating permanent barrier on wildlife corridors and increased risks of collision at established livestock crossing locations, disturb wildlife from increased road traffic noise and associated lighting, and affect natural and modified habitats along the road alignment by permanent fragmentation, including potential road kills affecting both wildlife and livestock, Lorian swamp ecology and associated ecosystem services. Several settlements along the two road sections will be exposed to noise, dust, and air pollution risks. Occupational and community health and safety risks and during construction include plant/equipment accidents, electrocution, falls from height, open and deep excavations, road transport hazards, hot works, confined space entry, manual handling, attack by armed bandits and wild animals, exposure to hazardous chemicals including cement dust, hot bitumen, flying rocks, extremely hot weather among others.

The social risk rating for the project is High. HoAGDP-2 will be implemented in arid and semi-arid areas hosting communities that meet ESS7 criteria and also recognized by the Kenyan constitution as ethnic minorities and marginalized, with lower socioeconomic indicators relative to the national average. The anticipated negative social risks and impacts of the project include: (a) temporary loss of communal land for ancillary activities including borrow pits, quarry sites, camp sites, etc.; (b) influx of workers and newcomers moving into the area in search of employment opportunities; (c) overstretching and sharing the community health facilities; (d) weakening of existing social ties and communal networks which cushion the vulnerable members of the community; (e) conflicts from unrealistic and high expectations of the community from the project due to limited employment opportunities, poor stakeholder engagement and inadequate implementation of project grievance redress mechanisms; (f) labor-related grievances due to potential poor working conditions; (g) temporary economic loss to businesses that will be displaced, as some parts of the corridor traverses urban settings affecting informal roadside traders who have encroached the existing right of way, affecting an estimated total of 720 households as per the RAPs report; (h) potential exacerbation intercommunal/clan conflicts; and (i) community health and safety hazards from civil works and associated traffic, including SEA/SH risks from interactions between workers and community members and presence security personnel inclusive of armed forces.

Investment Description

- World Bank (WB)

A proposed credit in the amount of eur 220.4 million (us$260 million equivalent).
National Government: us$46.85 million
Total Operation Cost: us$306.85 million

Contact Information

CONTACT POINT - World Bank

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ACCESS TO INFORMATION

To submit an information request for project information, you will have to create an account to access the Access to Information request form. You can learn more about this process at: https://www.worldbank.org/en/access-to-information/request-submission

ACCOUNTABILITY MECHANISM OF THE WORLD BANK

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Bank Documents

- Appraisal Environmental and Social Review Summary (ESRS) - Horn of Africa Gateway Development Projec
- Appraisal Project Information Document (PID)
- Climate Finance Assessment (P515510)
- Disclosable Version of the ISR - SECOND HORN OF AFRICA GATEWAY DEVELOPMENT PROJECT - P515510 - Seque
- Environmental and Social Commitment Plan (ESCP) - Horn of Africa Gateway Development Project-2 - P51
- Kenya - EASTERN AND SOUTHERN AFRICA- P515510- SECOND HORN OF AFRICA GATEWAY DEVELOPMENT PROJECT - Pr
- Kenya - EASTERN AND SOUTHERN AFRICA- P515510- SECOND HORN OF AFRICA GATEWAY DEVELOPMENT PROJECT - Pr
- Kenya - EASTERN AND SOUTHERN AFRICA- P515510- SECOND HORN OF AFRICA GATEWAY DEVELOPMENT PROJECT - Pr
- Kenya - EASTERN AND SOUTHERN AFRICA- P515510- SECOND HORN OF AFRICA GATEWAY DEVELOPMENT PROJECT - Pr
- Kenya - Second Horn of Africa Gateway Development Project
- Official Documents- Financing Agreement for Additional Financing for Credit 80060-KE.pdf (English)
- Stakeholder Engagement Plan (SEP) - Horn of Africa Gateway Development Project-2 - P515510