PROJECT INFORMATION DOCUMENT (PID) CONCEPT STAGE

Report No.: AB2551

| Project Name | Emergency Infrastructure Project Supplemental Component | |
|--------------------------------|--|--|
| | (EIPSC) | |
| Region | AFRICA | |
| Sector | Roads and highways (48%), Sewerage (8%), General Water, | |
| | Sanitation, and Flood Protection (15%), Solid waste (25%), | |
| | Central Government Administration (4%) | |
| Project ID | P103276 (EIP - P100160) | |
| Borrower(s) | THE GOVERNMENT OF LIBERIA | |
| Implementing Agency | UNDP, Ministry of Public Works | |
| Environment Category | [] A [X] B [] C [] FI [] TBD (to be determined) | |
| Date PID Prepared | September 10, 2006 (EIP - March 16, 2006) | |
| Estimated Date of | September 13, 2006 (EIP - March 23, 2006) | |
| Appraisal Authorization | | |
| Estimated Date of Board | October 24, 2006 (EIP - June 15, 2006) | |
| Approval | | |

1. Key development issues and rationale for Bank involvement

Background. During the years of conflict, Liberia's infrastructure base has been nearly completely destroyed and the majority of services ceased being rendered. Following the conflict, the Bank resumed its presence in Liberia and financed the technical assessment and feasibility studies of several infrastructure programs. Bank funding has resumed with the Emergency Infrastructure Project (Pre-arrears grant, US\$ 30.0 million approved on June 22, 2006; expected effectiveness date on November 8, 2006). A second infrastructure project is currently being prepared – the Liberia Infrastructure Rehabilitation Project (LIRP), (TFLIB, US\$ 8.5 million), which is expected to be approved by the Bank in October, 2006.

Technical assessments under TFLIB established that failure to address critical needs in infrastructure would cause serious disruptions in the provision of basic services (water and sanitation, port, airport, roads). Considering the large amount of funding required to address the infrastructure gaps in the country, both projects, the EIP and the LIRP, seek to rehabilitate only most critical priority infrastructure and ensure that some minimum level of operations continue without interruption. In particular, the EIP supports the repair of critical road links along 465 km of primary roads, the construction of 6 major bridges and repair of about 65 bridges, reinstatement of potable water production as well as support to the emergency electricity generation project in Monrovia. The EIP started disbursing in September 2006 (through a Project Preparation Facility). Government progress towards achieving all effectiveness conditions is currently being reviewed and the effectiveness date of November 8, 2006 is expected to be met as planned.

LIRP proposes to invest in critical areas of the port and airport of Monrovia. The project is expected to be effective immediately after Board approval in October 2006 and start disbursing

shortly after that. Implementation of the bulk of activities under both projects will take place during the November 2006 – June 2007 dry season which is the most appropriate period to perform construction works.

Rationale. Three years into the peace process have not provided the tangible benefits that the population was expecting. The devastated infrastructure of the country has not been rehabilitated and provision of public services continues to be erratic. Despite efforts by the Government and its Development Partners, lack of employment, limited economic opportunities and continuous poor living conditions for the majority of the population are fueling the prospects of a looming social and economic crisis. In the absence of large-scale financial flows prior to arrears clearance, the lack of tangible benefits to large sections of the population from peace becomes the greatest threat to stability. The Liberian Government has realized this challenge and has requested Bank's assistance for a quick-impact program that will scale up labor-intensive activities under EIP and LIRP. While full restoration of damaged public assets will take time and will require large amount of funding, quick impact results will secure minimal restoration of public infrastructure and provide immediate benefits to the population.

The Government of Liberia has requested the Bank to provide additional funds to the EIP in order to maximize temporary job creation while also rebuild critical sections of the rural road network, improve connection between the rural areas and the urban centers, and improve selected urban infrastructure. The Government considers the Bank to be a key partner through provision of advice based on its global experience of post-conflict reconstruction, and its ability to provide needed funding to support its infrastructure program which is essential to jump-starting the economy and improve the living conditions of sections of the population. Through its involvement in an array of on-going consultations and projects in Liberia, the Bank has already gained operational experience in developing mechanisms to deliver infrastructure rehabilitation programs, which has been incorporated into the design of this component. Additionally, the Bank has substantial experience of similar emergency reconstruction programs using labor-intensive public works in other post conflict countries (among others, Afghanistan, Sierra Leone, southern Sudan, East Timor, Bosnia- Herzegovina, Burundi, West Bank and Gaza).

Under the proposed component design, available in-country UNMIL equipment and engineering capacity will be used to significantly shorten contractors' mobilization time and allow immediate impact for repairs of the rural roads in upcountry areas. Works will start as early as November 2006 and continue throughout the dry season. Bank funds are expected to catalyze additional donor financing (mainly in the form of UNMIL's equipment and staff) and set the tune for joint works with the UN Mission.

The urban sub-component of the proposed component will build upon TFLIB-financed feasibility studies, designs, and available bidding documents in the areas of sewage/sanitation, drainage, and solid waste management. It will initiate a large scale urban solid waste clean-up program demonstrating clearly visible urban environmental improvements of large sections in the capital city.

Government Strategy

Employment and rehabilitation of the infrastructure were declared a top priority for the Government because of their direct impact on security and long-term peace process. The suggested interventions are congruent with the Government's 150 day action plan advocating job creation and critical infrastructure rehabilitation. The proposed component is also consistent with the Government's draft interim Poverty Reduction Strategy Paper (iPRSP) which emphasizes the rapid restoration of infrastructure and basic services as central to stability and essential to growth.

In particular, by improving road accessibility, the Government aims to encourage and accelerate the process of social and economic rehabilitation of the affected populations and improve field to market access for rural communities. Urban works are essential to improve sanitary conditions through reduced flooding and better collection and removal of solid waste. Both activities are structured in a way to create temporary employment as a priority of the Government.

2. Project Objectives and Proposed Changes to the EIP

The development objective of the EIP is to provide Government with emergency support to restore priority infrastructure. The proposed additional component will not change the objective of the EIP. It will finance the scaling up of critical activities under the original project, enhancing its development impact. The proposed component will include:

Sub-Component A: Basic rehabilitation of selected prioritized sections of the rural road network and selected Monrovia city streets and roads (US\$ 7.08 million). This component will include (a) the rehabilitation of critical rural road sections across the country, involving mainly reinstatement of culverts and bridges which have collapsed or have been seriously damaged and shaping of roads prism; and (b) the resurfacing of the streets pavement, fixing potholes and cleaning and unblocking of affected road drainage along the selected city streets.

Implementation of (a) will carried out by UNDP office in Monrovia through the existing UNMIL engineering equipment and available engineering and managerial capacity based on the experience developed during the ongoing UNMIL/WB pilot road rehabilitation project funded by the Transitional Support Fund (TSF); and could be assisted by private sector (local contractors). Implementation of (b) will be carried out by the Ministry of Public Works.

Sub-Component B: Urban Infrastructure Rehabilitation (US\$ 7.02 million). This component will engage in simple rehabilitation works in urban areas, mainly in Monrovia. The types of works which are envisaged include: (a) rehabilitation of public toilets; (b) repair of selected and limited main and secondary gravity lines in the urban sewer network; (c) cleaning and repair of surface drains and underground pipes of the urban storm drainage system; (d) large-scale collection of accumulated solid waste and associated activities years; (e) small, visible urban works, such as repair of market places and painting of public buildings.

The above activities will be implemented by UNDP and, whenever possible, will be packaged into relatively small contracts (averaging \$100,000) to enable the local contracting industry to participate in and execute most works. Simple tasks which do not require detailed engineering

prior to their execution (e.g., garbage collections and drainage cleaning) will be undertaken immediately utilizing unskilled labor through Community Based Organizations (CBOs) and local private entrepreneurs.

Sub-Component C: Construction Supervision and Project Management (US\$ 2.54 million, US\$ 1.00 of which will be financed by TFLIB). This sub-component includes (a) Periodic technical audits of the construction works to rehabilitate critical rural road sections under implementation of UNDP/UNMIL. The audits will be carried out by MPW through a contract; (b) Supervision of works to rehabilitate critical rural road sections under implementation by MPW. The supervision will be carried out by MPW through a contract; (c) Supervision of works to resurface and fix potholes in Monrovia streets, to be carried out by MPW through a contract; (d) UNDP management fee; and (e) safeguard consultancies to develop Environmental Mitigation Plans and Resettlement Plans, as the case may be. Additional US\$1 million for supervising the urban component will be provided by TFLIB.

Physical contingencies of approximately 5.5 percent are added to the above components.

3. Safeguard policies that might apply

Environmental Assessment (OP/BP 4.01) will apply to all the works planned under this grant. These works comply with the provisions of OP8.50 and are considered emergency. The required environmental assessments would be done during the design stage and disclosed within six months after effectiveness.

4. Tentative financing

| Source: | | (US\$ million) |
|---------------------------------------|-------|----------------|
| BORROWER/RECIPIENT | | 0.00 |
| INTERNATIONAL DEVELOPMENT ASSOCIATION | | 16.50 |
| | Total | 16.50 |

5. Contact point

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