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Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

Appraisal Stage | Date Prepared/Updated: 24-Apr-2024 | Report No: PIDISDSA37555



BASIC INFORMATION

A. Basic Project Data

Country Rwanda	Project ID P181669	Project Name Second Additional Financing for the Socio-Economic Inclusion of Refugees and Host Communities in Rwanda	Parent Project ID (if any) P164130
Parent Project Name Socio-economic Inclusion of Refugees & Host Communities in Rwanda Project	Region EASTERN AND SOUTHERN AFRICA	Estimated Appraisal Date 13-May-2024	Estimated Board Date 26-Jun-2024
Practice Area (Lead) Social Sustainability and Inclusion	Financing Instrument Investment Project Financing	Borrower(s) Ministry of Finance and Economic Planning	Implementing Agency Ministry in Charge of Emergency Management, Development Bank of Rwanda, Rwanda Transport Development Agency (RTDA)

Proposed Development Objective(s) Parent

To improve access to basic services and economic opportunities for refugees and host communities, and support environmental management, in the target areas in Rwanda

Components

Access to Basic Services and Socio-economic investments
Economic Opportunity
Environmental Management
Project Management/M&E

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	4.41
Total Financing	4.41
of which IBRD/IDA	0.00



Financing Gap	0.00
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DETAILS

Non-World Bank Group Financing

Trust Funds	4.41
Social Sustainability Initiative for All	4.41

Environmental Assessment Category

B-Partial Assessment

Decision

The review did authorize the team to appraise and negotiate

Other Decision (as needed)

B. Introduction and Context

Country Context

1. **Rwanda has been receiving refugees since the 1990s.** The United Nations High Commissioner for Refugees’ (UNHCR) February 2024 data¹ indicates that the country is currently hosting approximately 135,000 refugees and asylum-seekers, 87.6 percent of whom live in five camps (Mahama, Kiziba, Kigeme, Nyabiheke and Mugombwa), with the remainder living in Kigali and other urban centers. Most of the refugees (62 percent) originate from the Democratic Republic of Congo (DRC) and Burundi (37 percent). Refugee numbers have increased in 2023 due to ongoing instability in eastern DRC.

2. **High levels of inflation slowed down Rwanda’s economy over the past few years.** The high levels of inflation were caused initially by global supply chain challenges linked to COVID-19, later exacerbated by the impacts of the conflict in Ukraine. According to the National Institute of Statistics Rwanda (NISR), inflation in Rwanda was running at 13.9 percent year-on-year in September 2023. In the two years before COVID-19, inflation was 1.4 percent (2018) and 2.4 percent (2019). Inflation spiked in 2022 (13.9 percent) and 2023 (average so far is 14.5 percent) in the post-COVID economy, leading to unanticipated cost increases in all sectors. Analysis shows that the construction sector was among the most heavily affected by COVID-19, increasing the cost of materials, transport and labor.

Sectoral and Institutional Context

3. **The protracted refugee presence has had mixed impacts at the local level.** On one hand, the refugee

¹ UNHCR Operational Data Portal: <https://data.unhcr.org/en/country/rwa>



population can be a burden on a country in which 56 percent of people still live below the international poverty line. The establishment of camps has affected food availability and strained basic services in the districts hosting refugees. Some local school populations have increased by more than 300 percent. Health facilities can be overcrowded. Several camps have been set up in mountainous areas, leading to soil erosion and run-off into agricultural land. Deforestation has also occurred as refugees gather wood and non-timber forest products for cooking fuel and other purposes. Offsetting the negative effects, refugees have contributed to the local economy in the host districts through labor, trade, remittances, and access to humanitarian assistance and, increasingly, development resources. Research suggests that the refugee presence in Rwanda has contributed positively to livelihood and economic development in the host districts.

4. The Government of Rwanda (GoR) is responding progressively to the challenge of forced displacement.

Rwanda signed the 2018 Global Compact on Refugees (GCR). It was an early roll-out country for the Comprehensive Refugee Response Framework (CRRF), a global instrument built around the notion of including refugees in communities from the very beginning of displacement – that they can become self-reliant and active contributors to local economies when they gain access to education and labor markets. The decision to become a CRRF roll-out country flowed naturally from four commitments the GoR made at the 2016 New York Leaders’ Summit, as follows: (i) public launch of a joint government-UNHCR livelihood strategy, with a focus on graduating camp-based refugees out of assistance programs and increasing formal access to work opportunities; (ii) ensure 100 percent of refugees are in possession of valid refugee identity cards; (iii) 100 percent of refugee students in secondary school and 50 percent in primary schools will be integrated into national education systems; and (iv) ensure that 100 percent of urban refugees will have the opportunity to buy into the national health insurance system. In March 2019, the government completed a Strategic Plan for Refugee Inclusion 2019-2024 (SPRI), which spells out how the four commitments will be implemented. Most of the targets in the SPRI have now been met. The GoR remains committed to the socio-economic inclusion of refugees and a long-term development response to forced displacement. In May 2021, the GoR issued a joint Economic Inclusion Strategy with UNHCR. A Graduation Strategy is scheduled for release by mid-2024 to strengthen efforts to help refugees and host communities become less aid dependent and more self-reliant.

5. The World Bank approved the Socio-Economic Inclusion of Refugees and Host Communities in Rwanda Project, known in Kinyarwanda as “Jya Mbere” (P164130) on April 3, 2019, which became effective on August 14, 2019. At approval, the project comprised an International Development Association (IDA) credit of US\$35 million (of which US\$25 million was from the IDA 18 Sub-window for Refugees and Host Communities or RSW) and an IDA grant of US\$25 million from the RSW. An AF of US\$20 million of which US\$18 million from the IDA19 Window for Host Communities and Refugees (WHR) COVID-19 Sub-Window was added to the project and became effective on September 21, 2021. The first AF also included a restructuring and extended the project closing date from October 2024 to October 2026.

C. Proposed Development Objective(s)

Original PDO

To improve access to basic services and economic opportunities for refugees and host communities, and support environmental management, in the target areas in Rwanda

Current PDO



6. The PDO will not change under this Additional Financing.

Key Results

7. The following key indicators will continue to be used to track progress towards the PDO:
- Beneficiaries with improved access to social and economic infrastructure and services;
 - Beneficiaries of economic opportunity activities that report an increase in income;
 - Direct project beneficiaries; and
 - People provided with improved environmental conditions in refugee hosting districts

D. Project Description

8. **The Socioeconomic Inclusion of Refugees and Host Communities in Rwanda Project (“Jya Mbere”)** implements government-led development response to forced displacement in Rwanda. The project is one of the major instruments employed by the government to meet its policy aims for refugee and host community inclusion. Using an area-based development approach, the project’s beneficiaries are the communities in the five target districts, including refugees in the camps and urban locations where refugees reside. The target number of beneficiaries is 456,000, of whom 20 percent are anticipated to be refugees. The project approach is to minimize the negative impact of refugees on access to services and the environment, while maximizing the positive impact on economic opportunity. The project delivers activities through four components as follows:

- Component 1: Access to Basic Services and Socio-economic Investments.* This component includes (i) subprojects to address the strain that refugee populations place on education (including elementary education and technical and vocational education and training, or TVET), health and water services; and (ii) socio-economic investments to upgrade or rehabilitate roads connecting refugees and host communities to economic opportunities and market infrastructure near the camps to promote economic activity and social integration.
- Component 2: Economic Opportunity.* This component aims to contribute to economic inclusion of refugees and host communities and economic growth in the target districts and urban centers by promoting entrepreneurship and wage employment. Consistent with the government’s Economic Inclusion Strategy for Refugees and Host Communities, the component includes: (i) promoting entrepreneurship and employment through access to finance and provision of matching grants, and (ii) improving access to finance through advisory services and capacity-building
- Component 3: Environmental Management.* This component includes subprojects to support the rehabilitation and stabilization of ravines in response to the impact of the establishment of refugee camps in target districts, which has degraded the environment (i.e., causing soil erosion, storm water run-off, landslides and formation of ravines), creating tensions with host communities.
- Component 4: Project Management and M&E.* This component includes project management, implementation and supervision at MINEMA and the districts, including procurement and financial management; M&E and progress reporting; and compliance with safeguards policies. It also covers the operational costs of the Project Steering Committee and technical team.

9. The Additional Financing and restructuring will: (i) provide US\$4.41 million in additional fund to finance upgrade of the Nyarubuye Health Center (KHC) in Kirehe District, which was initially dropped due to a financing gap in the parent project under *Component 1: Access to Basic Services and Socio-economic Investments*; (ii) update the project results framework to reflect the latest project implementation status; and (iii) remove the



safeguards policy, Safety of Dams OP/BP4.37 due to a change in project activities.

E. Implementation

Institutional and Implementation Arrangements

- 10. The proposed AF will follow the institutional arrangements established under the parent project.** As per the parent project, the Ministry in Charge of Emergency Management (MINEMA) Single Project Implementation Unit (SPIU) has the overall responsibility for project implementation, coordination of activities on the ground, and reporting on progress. Component one is implemented by the participating districts, with MINEMA providing technical support. The Rwanda Transport Development Agency (RTDA) is responsible for a road subproject in Karongi district. Component two is implemented by the Development Bank of Rwanda (BRD). Component three is implemented by MINEMA. MINEMA will lead the implementation of the proposed activity financed through the AF to align with the overall implementation arrangement.

F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

The project operates in the districts that host Rwanda's five refugee camps – Kirehe, Gatsibo, Karongi, Nyamagabe and Gisagara. These districts are spread across the country from areas near the border with the Democratic Republic of Congo in the west to those adjacent to Tanzania in the east. The establishment of the camps, several which are located in remote, mountainous areas, has generated environmental impacts, including: (i) deforestation; (ii) erosion and soil run-off into agricultural lands; and (iii) depletion of water tables. The project is expected to mitigate some of these effects through drainage systems, ravine rehabilitation, reservoir construction and the improvement of water systems. The project aims to improve basic services and economic opportunities for refugees and host communities. Under the access to basic services component, the project plans public works such as the construction of schools, health centers, water systems, markets and roads. This component poses risks and has potential negative impacts to the environment. The project also has a component on environmental management where it plans to rehabilitate the natural environment around the camps. The risk of the proposed construction works to the environment is moderate. The potential impacts are confined to the implementation sites and are relatively easy to mitigate. The proposed subprojects could potentially displace some people or require land acquisition, triggering OP 4.12 - Involuntary Resettlement. The project has prepared a Resettlement Policy Framework (RPF), as subprojects are not yet clearly defined. Once subprojects are clear, the client will have to prepare subproject site-specific Resettlement Action Plans (RAPs). Where applicable, Project Affected People (PAPs) will have to be compensated before the start of any civil works. The project is intended to benefit both refugees and host communities. These PAPs and other relevant stakeholders (including local governments, civil society organizations and private sector interests) have been adequately consulted during the preparation. MINEMA has undertaken a stakeholder mapping and consultation exercise and prepared a stakeholder engagement plan to address identified issues during consultations and to ensure



that the concerns of the PAPs and other stakeholders, including host communities, are taken into consideration during project preparation, in line with World Bank safeguards policies.

G. Environmental and Social Safeguards Specialists on the Team

Yacob Wondimkun Endaylalu, Environmental Specialist
Chantal Umulinga K, Social Specialist

SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The project will support construction in and around the refugee camps and host communities that will potentially have an impact on the environment. The civil works will mainly constitute the construction of schools, health centers, water systems, markets, surface water reservoirs, ravine rehabilitation and rural road(s). The identified potential risks and impacts to the environment include soil compaction, dust emissions, vegetation clearing and noise. Although the actual subproject implementation sites are yet to be determined, they constitute the districts hosting refugee camps. An Environmental and Social Management Framework (ESMF), which describes measures proposed to address the potential negative impacts, has been prepared and submitted to the Bank for review and approval. It will be disclosed before appraisal.
Performance Standards for Private Sector Activities OP/BP 4.03	No	
Natural Habitats OP/BP 4.04	No	The proposed construction works under the project are not envisaged to affect natural habitats. However, potentially negative environmental impacts have been assessed during ESMF preparation.
Forests OP/BP 4.36	No	It is not envisaged that the project will require clearing of forested areas or significant extraction of



		forest products to attain the development objectives.
Pest Management OP 4.09	No	The project is not envisaged to procure pesticides or pesticide equipment or lead to substantial increase in pesticide use. The purchase of pesticides is prohibited under the project.
Physical Cultural Resources OP/BP 4.11	Yes	The construction works are expected to be undertaken in the confines of existing settlements. Preparation of the ESMF demonstrated that it is unlikely that Physical Cultural Resources (PCR) will be affected. However, the ESMF provides a management plan including “Chance Finds” procedures.
Indigenous Peoples OP/BP 4.10	No	There are no known indigenous peoples in the project targeted areas. The policy is not triggered.
Involuntary Resettlement OP/BP 4.12	Yes	District governments have advised that public land will be available for all subproject investments. However, construction works could still potentially require land acquisition. As the site-specific subprojects are yet to be defined, a Resettlement Policy Framework as been prepared. Once subprojects and sites are clear, the client will have to prepare subproject site-specific Resettlement Action Plans (RAPs) where necessary.
Safety of Dams OP/BP 4.37	No	The proposed restructuring seeks to remove Safety of Dams/BP 4.37 to reflect the changes in the project activities. This policy was triggered during project preparation in 2019 in alignment with the plan to finance the construction of rehabilitation of reservoirs (classified as small dams) under the project to capture surface water runoff from the refugee camps. A technical feasibility study conducted in 2021 concluded that such activity is technically infeasible. The project is thus dropping this activity.
Projects on International Waterways OP/BP 7.50	No	The project does not negatively affect the use and protection of international waterways. Nor will any of the investments or project financed activities be located on international waterways.
Projects in Disputed Areas OP/BP 7.60	No	None of the investments, project financed activities or operations will be located in disputed areas.



KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

The project is currently implementing works such as road upgrading; market infrastructure; construction, rehabilitation and upgrading of schools, health facilities and water supply systems; ravine rehabilitation and construction of surface water reservoirs. These activities are likely to generate negative environmental and social impacts that will require the preparation and implementation of corresponding management plans. The potential environmental risks and impacts, which are generic to construction works, include soil compaction, dust emissions, vegetation clearing and noise. It is anticipated that construction activities will be implemented through labor intensive public works, with employment to be made available to refugees and host communities. The Project Coordination Unit will ensure that sites meet minimum operational health and safety requirements. No large scale or irreversible impacts are anticipated due to the scope and nature of the project components.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

The project is not anticipated to have indirect or long-term significantly adverse impacts and the project sites are not close to any protected areas.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

As the project is designed to target refugees and host communities, the project has not considered alternatives to avoid or minimize adverse impacts. However implementation will seek to minimize potential adverse environment and social impacts.

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 client has prepared the following instruments in compliance with the triggered safeguards policies: (i) Environmental and Social Management Framework (ESMF); (ii) Stakeholder Engagement Plan (SEP); and (iii) Resettlement Policy Framework (RPF). The ESMF and RPF were consulted upon and disclosed locally and in the Bank's external website on March 25, 2019. The SEP, which is not required for project approval, will be disclosed in April 2019.

The Ministry in charge of Emergency Management (MINEMA) Single Project Implementation Unit (SPIU) is familiar with the World Bank safeguard policies due to its implementation of the parent project. The safeguards team will continue to undertake environmental and social safeguards due diligence of all the subprojects and activities financed under the project, working with district government officials where appropriate. The team will also oversee the implementation of the above instruments as well the subproject Environmental and Social Management Plans (ESMPs) and Resettlement Action Plans (RAPs). World Bank safeguards staff will provide training and mentoring to the SPIU personnel and to staff from project implementation partners, throughout project implementation. The SPIU has allocated sufficient budget to ensure safeguards-related activities are properly implemented and monitored. Rwanda Development Bank (BRD) will implement component 2 of the project. BRD has experience working with the bank and has two safeguards specialists that will support the implementation of component 2 of the project. The project will avoid involuntary land acquisition by using public land where available as the first option and where land acquisition is



unavoidable, a Resettlement Action Plan will be prepared, and full compensation will be done before the start of any civil works

The borrower has established Grievance Redress Committees (GRC) to handle grievances that might arise during project implementation. The GRCs have been trained on how to handle grievances from the community and are expected to continue doing so through the life of the project.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

The key stakeholders for the project include host communities and refugees, government institutions at the national and district level, non-governmental organizations, financial institutions, international and United Nations organizations and the private sector. Consultations on the project design overall, the ESMF, SEP and the RPF were held with these stakeholders in Kigali and each of the six project districts, including the targeted refugee camps.

Minutes of the consultations are annexed to the ESMF and RPF. MINEMA has also prepared a Stakeholder Engagement Plan (SEP), which elaborates in detail a proposed engagement process that would continue for the duration of the project. The ESMF and RPF have been cleared by the Bank and disclosed by the client and the Bank on the following dates:

Instrument	Local Disclosure Date	Bank Disclosure Date
ESMF	March 25, 2019	March 25, 2019
RPF	March 25, 2019	March 25, 2019

The SEP, has been prepared, cleared and disclosed in April 2019.

B. Disclosure Requirements (N.B. The sections below appear only if corresponding safeguard policy is triggered)

Environmental Assessment/Audit/Management Plan/Other

Date of receipt by the Bank	Date of submission for disclosure	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors
27-Feb-2019	22-Mar-2019	

"In country" Disclosure

Rwanda
25-Mar-2019

Comments

Resettlement Action Plan/Framework/Policy Process



Date of receipt by the Bank 27-Feb-2019	Date of submission for disclosure 25-Mar-2019
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"In country" Disclosure

Rwanda
25-Mar-2019

Comments

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 (to be filled in when the ISDS is finalized by the project decision meeting) (N.B. The sections below appear only if corresponding safeguard policy is triggered)

OP/BP/GP 4.01 - Environment Assessment

Does the project require a stand-alone EA (including EMP) report?
No

OP/BP 4.11 - Physical Cultural Resources

Does the EA include adequate measures related to cultural property?
No

Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?
No

OP/BP 4.12 - Involuntary Resettlement

Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?
Yes

If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?
Yes

Is physical displacement/relocation expected?
No

Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods)
No



The World Bank Policy on Disclosure of Information

Have relevant safeguard policies documents been sent to the World Bank for disclosure?

No

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?

No

All Safeguard Policies

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?

Yes

Have costs related to safeguard policy measures been included in the project cost?

No

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?

Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?

Yes

CONTACT POINT

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Borrower/Client/Recipient

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APPROVAL

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Approved By

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Practice Manager/Manager:	David Seth Warren	14-May-2024
Country Director:	Sahr John Kpundeh	14-May-2024



The World Bank

Second Additional Financing for the Socio-Economic Inclusion of Refugees and Host Communities in Rwanda
(P181669)
