

SAHEL URBAN LINK

Leveraging Cities and Towns in Sahel:
Moving from analytics to operations

OVERVIEW

This Note is a component of the Sahel Urban Link ASA and is intended to provide operational guidance on how to leverage secondary cities and towns in the Sahel. The guidance draws on a) the findings of the Sahel Urban Link ASA; b) GEMS mapping of the World Bank Portfolio; c) qualitative desk review of Project Appraisal Documents (PADs), Implementation Completion Reports (ICRs) – in the case of completed projects – and other relevant documents that were accessible through the World Bank Operations Portal; and c) discussions with task team leaders (TTLs) and team members, as well as Country Teams.

This Note is structured in three parts. Part 1 is a background that discusses key findings from the Sahel Urban Link analytics; Part 2 provide broad principles on *how to start* based on the analytical findings; and Part 3 provides suggestions on *how to implement* based on the analytical findings and best practices/lessons learned from TTLs. The annex provides an overview of projects reviewed in the World Bank's URL and other relevant portfolios.

BACKGROUND – KEY FINDINGS

In the Sahel, cities and towns are centers of resilience, with varying economic potential in the face of widespread violence. Cities and towns provide socio-economic resilience - they bring hubs of population and economic density in a sparse region, offering connectivity and services as nodes along transport routes. Within a context of fragility, cities and towns provide a place of refuge for the forcibly displaced across a growing number of very small cities and host an equal share of the population as the larger (primate cities). But their economic potential differs measuring across the countries in the region, with areas of higher-than-average economic potential tending to cluster: Burkina Faso has the greatest share of admin 3 units with higher-than average economic potential, while areas of lowest economic potential are found in the sparsely populated North, particularly in Chad, but also in Mali and Niger. However, high economic potential index (EPI) scores hide low levels of human capital development, which limits both productivity and opportunities. The study found no clear relationship between EPI and violence: violent events occur in areas of both high and low potential.

Cities and towns are linked to their hinterlands economically. Local urban economies are linked to their hinterland, with agriculture playing a key role in each of the case study cities: the agricultural sector is central to Sikasso's economy, while it drives other sectors in Maradi and drives jobs in Kaya. Considering the urban-rural linkage, connectivity is critical to support viable value chains between cities and local production sites and national/sub national markets. The study found that transformation facilities are lacking which could enhance local productivity and add value, as trading still revolves around the export of raw/unfinished products. The cities exhibit low levels of human capital which limit livelihoods and opportunities; persisting gender inequalities are also revealed. Employment is characterized by low productivity jobs in the informal sector or non-tradable services.

Urban areas provide refuge amidst violence, climate change and economic change. Long-standing (and potentially explosive) tensions over agricultural and pastoral land, competition over resources, violence from armed groups – these challenges, exacerbated by climate change, have driven internally displaced persons (IDPs) from rural areas to the refuge of nearby towns. Spatial manifestation of forced displacement differs per city, calling for different solutions: Sikasso is characterized by localized migration as the distinction between economic migrants and IDPs is blurred; Kaya is characterized by widespread displacement being a relatively small administrative town, whose population has doubled in a span of just

two years; and Maradi is categorized as “interdependent,” hosting Nigerian refugees and IDPs in both its hinterland and in the city. Refugees and IDPs have significant ‘social’ linkages to the hinterland, driving ‘multi-locality’ of residence.

Urban growth puts strains on limited infrastructure and services. All of the case study cities are experiencing growth. Together with a lack of investment, unplanned growth places a strain on infrastructure and services. In Sikasso, growth is taking place in three directions, creating a demand to expand existing services that are already challenged by meager capital investments and poor operations, and existing settlements already underserved. Kaya is overwhelmed by the inflow of IDPs, which is putting increased pressure on land and services - in 2019, the local government designated Temporary Hosting Sites (SATs), expanding the city’s built-up footprint by nearly 6% between 2018 and 2020. But the scale and location of growth varies by city: The creation of ‘Opportunity Villages’ in the Maradi area pushes urban growth even further away, creating challenges for provision of new bulk infrastructure; densification (e.g., in Kaya) results in breakdown of existing infrastructure and service delivery system; and although for most cities and towns, urban expansion encroaches on rural lands, urban subsistence farmland and flood plains limits agricultural practices, placing food security and livelihoods at risk.

The social contract is showing cracks, attributed to unplanned urban growth. The degree of social inclusion found in the case study cities may be due to forced displacement being a recent issue, but signs of stigmatization towards specific groups of displaced persons are emerging and there is a general lack of confidence towards government in ensuring security and justice. In Maradi, increasing violence, organized banditry, and proximity to the epicenter of the pastoral crisis threatens social cohesion of citizens, particularly for targeted/marginalized communities. Furthermore, in Maradi, spontaneous IDP settlements reveal existing social disparities – IDP settlements are situated in the city’s oldest, densest, and poorest neighborhoods.

Findings from the Sahel Urban Link analytics point to three sets of priority needs in cities and towns, as follows in Table 1.

Table 1. Priority Needs of Cities and Towns in the Sahel

Policy Goal	Types of Investments
Improve living conditions	<ul style="list-style-type: none"> • Infrastructure and services (water, electricity, ICT, health and education) • Resilient Urban Planning and management • Land regulations to prevent speculation, land disputes and enhance tenure security • Disaster risk reduction, (flood-management) environmental protection
Foster job creation/economic opportunities while also building human capital	<ul style="list-style-type: none"> • Transformative investments that link urban centers and hinterlands: • Value-chains, small-to-mid-size transformation of agricultural products, trade/transportation related services • Roads& local connectivity between urban markets and agricultural production sites • Commercial and industrial spaces (upgrade, extend, build) • Microfinance (including for informal sector) • Focus on education (both formal and vocational), especially in the smaller towns

Strengthen local governance and the local social contract

- Capacity building for financial, technical and institutional needs
- Humanitarian efforts linked at the local level
- Leveraging of inter-regional integration initiatives (e.g., SKBo)
- Improvements in information systems for effective planning, monitoring and evaluation
- Strengthened mechanisms for supporting social contract (formal and informal)

BROAD PRINCIPLES OF INTERVENTION

For interventions (investments) to be effective, implementation will need to be tailored to the diverse country and city contexts in the Sahel region. Four guiding principles, based on global experience, are presented for policy makers’ consideration and adaptation to specific country and city circumstances.

Principle 1: Differentiate interventions based on economic potential and fragility while recognizing the continuum from conflict to prevention

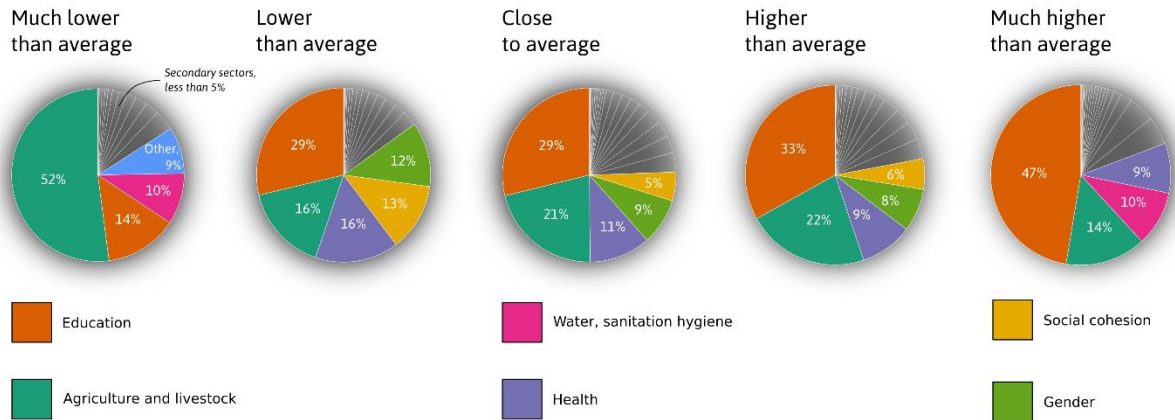
The economic potential and fragility levels of a city would necessitate a differentiated set of interventions, as demonstrated in Table 2.

Table 2. Priority Needs by Economic Potential and Violence Level

Economic Potential	Violence Level		Priority Needs
	Low (Prevention Zone)	High (Conflict Zone)	
Higher than Average EPI	Support local governance approaches that promote a social contract (e.g., tribal, community groups, formal local government)		Local Governance + Social Cohesion <ul style="list-style-type: none"> • Improved living Conditions (infrastructure and basic services) • Economic Opportunities and Jobs (livelihoods) • Local governance + service delivery
	<ul style="list-style-type: none"> • Create local economic development growth poles • Investments in jobs, education, commercial infrastructure, • Invest in service delivery and local government capacity. 	<ul style="list-style-type: none"> • Invest in basic services (including capacity for service delivery) • Support and protect economic activities/ economic spaces, livelihoods and value chains in in key economic sectors. • Use CDD approach (including peace groups) 	
Lower than Average EPI	Support local governance approaches to promote the social contract		<ul style="list-style-type: none"> • Local Governance + Social Cohesion • Improved living Conditions (infrastructure + basic services) • Build Human Capital • Connectivity
	<ul style="list-style-type: none"> • Invest in basic services and service delivery (including preparedness to contain spillover) 	<ul style="list-style-type: none"> • Invest in basic services and service delivery (reinforce zones of refuge) • Use CDD approach, peace groups 	
	<ul style="list-style-type: none"> • Invest in human development through education and health • Sustain local institutions • Invest in connective infrastructure to nearest ‘above average EPI’ area. 	<ul style="list-style-type: none"> • Provide phyco-social support and reinforce social cohesion 	

Principle 1: Bank portfolio investments in the region

Subprojects distribution per EPI level and sector



Across the Sahel region, the World Bank is supporting investments in cities with varying degrees of economic potential and violence. In much lower-than-average EPI areas, the majority of investments support agriculture and livestock. In areas with lower than average to average EPI scores, the Bank is making investments in human capital (education) while supporting social cohesion. In average EPI areas, investments support existing livelihoods (agriculture) and economic development. These areas also have investments in sanitation and gender. In areas with higher-than-average EPI scores, human capital (education) and agriculture are being supported, and in much higher-than-average EPI areas, investments in education lead overwhelmingly, followed by investments in other sectors including agriculture, water/sanitation and health. Most of the Bank's projects in the region are close to violent areas: 75% of project locations are within 30km of a violent event that occurred in 2019 or 2020. Multisectoral projects like PRRE and PROJEC, followed by SWEDD (education and employment) in Mali have the largest share of activities within 30km of recent violent events, predominantly in the Mopti, Gao and Timbuktu regions in Mali.

Box 1. International Case Example – Economic Potential and Fragility: Spatial Development Strategy for Kenya’s North and Northeast Development Initiative (NEDI)



An Oasis of Hope: Water Pans Provide Water to Kenya’s Wajir County

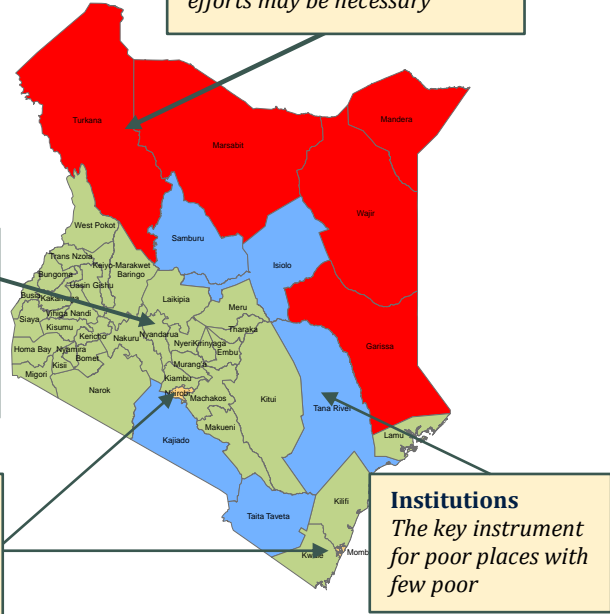
The water pan, an investment under the Kenya Climate Smart Agriculture Project (KCSAP), stores rainwater, improving pastoral livelihoods (July 2020)

North / Northeastern Institutions Interventions
When lagging areas are also violent lands, complementary efforts may be necessary



Northern corridor Institutions, Infrastructure for counties with relatively higher number of poor

Nairobi Mombasa Institutions, Infrastructure, Interventions



Institutions
The key instrument for poor places with few poor

Counties in north and northeastern Kenya (under the NEDI project) are home to only 12% of the population, but 63% of the land, and the average extreme poverty rate is 61% compared to the national average of 37% (at \$1.9 PPP). The region faces significant gaps in service delivery and social cohesion. The World Bank provided support to NEDI counties to draft their socio-economic blueprint and US\$1 billion in investments in transport, water, energy, agriculture, livelihoods, social protection and displacement. The program strengthened local institutions and collaborated with community-based organizations to assure local participation and community-driven mechanisms (e.g., grievance, E&S and GBV risk management, land rights, TPM, etc.).

Principle 2: Design interventions that integrate urban centers and the hinterlands to support regional economic relationships

The following practices could add value to traditional agriculture and rural access projects by focusing on urban-rural linkages:

- Understanding regional economic relationships between hinterland and town and between towns – including their differing economic potential – to help prioritize access-related investments. Sometimes interconnected towns and hinterlands may cross country borders

- Taking an urban food systems approach that integrates ‘food’ into urban planning and subsequent investments with human and financial resource allocation at the local level
- Understanding local value chains – including spaces that host them and their financial and skills need – can assist farmers in the rural hinterland and urban producers
- Examine ‘multi-locality’ drivers and address these to amplify interventions in both rural areas and cities/towns
- Improve local information systems (including hydro-met, just in time pricing information, etc.) for improved linkages between rural farmers and urban markets

Principle 2: Examples from the Bank portfolio

The Bank has had several projects in the Sahel region that focus on integrating urban centers and their hinterlands, clustering investments around key economic centers. Investments in education lead overwhelmingly, followed by agriculture/livestock and water/sanitation. In secondary cities like Maradi, Agadez, Gao and Sikasso, the Bank has clustered investments that involve three to ten sectors. For example, in Sikasso, investments in education lead, followed by social cohesion and transport: the PACUM (multi sectoral), PAAR (transport) and PACAM (agricultural productivity) projects have fostered improved connectivity between Sikasso and its rural hinterland.

Box 2. International Case Example - Integrate Urban Centers and Rural Hinterland: The Decentralization and Productive Intermediary Cities Project in Mauritania

The WB project in Mauritania has three objectives: 1) Boost economic development in cities and rural towns through delivering higher-quality services and infrastructure (including to refugees and host communities) through a concentration of high impact investments in a few dynamic cities (population between 20-50k), and their surrounding rural localities, suffering from an infrastructure deficit; 2) Promote integration of rural settlements into towns, municipal investments cover rural areas where this linkage is strong (specialized economic towns – service towns – last mile towns) with cities acting as centers of resilience; and 3) Provide institutional support to local authorities, bolstering their capacities to deliver services in line with the decentralization agenda.



In larger cities, project investments contribute to the attractiveness of the city for businesses and employees including urban roads, drainage systems, waste management, public spaces. Other investments improve market infrastructure (including storage facilities and sanitation) and provide support for informal sector which employs majority of workers, including prioritizing value chain needs. In cities that have the potential to extend benefits to a larger surrounding population, investments contribute to the social and economic inclusion of refugees (e.g., spatial integration between Mbera camp and town center). Development priorities (via CDPs) are identified locally through participatory

processes. Investments have leveraging potentials (e.g., High economic potential, green investments, etc.) and include subsidized incentives for private sector development through rural electrification.

Ongoing reflections from the operation point to lower capacities at the municipal level which impact decision making in implementation of complex interventions despite ownership of plans. This causes challenges for procurement - small packages may fail to attract quality contractors.

Principle 3: Invest in cities and towns – including in infrastructure and services - but differentiate investments based on urban morphology, fragility and economic potential

Interventions should be differentiated based on the specific needs of a city or town. For example, depending on a city’s urban morphology, investments can ‘expand’ the city (‘new’ greenfield site) or consolidate it (existing settlements) depending on growth patterns. Taking into consideration a town’s economic structure and potential, High EPI border towns, such as Maradi, may require investment in trade and transportation-related sectors, such as banking, communication and hospitality, while High EPI “agro-towns” (e.g., Sikasso) may require investments in specific value chains, particularly those that could benefit women or particular groups. Low EPI towns would require investments to improve quality of life and human capital. Fragility results from different drivers and would necessitate different interventions as well. For example, fragility resulting from refugee/IDP inflows would require different solutions from fragility attributed to youth/gang violence or ethnic violence.

Principle 3: Example from the Bank portfolio

To support economic growth in Maradi, priority investments by the World Bank are based on economic potential. Operations focus mainly on agriculture and livestock-related investments (direct economic and supporting investments) as Maradi is an agriculture (livestock) and trade hub (Kano, Katsina, and Maradi -K2M -corridor). There are 10 WB operations in Maradi led by various GPs: Agriculture and Food (3), Social Protection and Jobs (1), Environment and Natural Resources (1), Financial and Private Sector Development (1), Trade and Competitiveness (1), Human Development (1), Health and Nutrition (1), and Energy and Extractives (1). Three projects have closed while seven are currently active (spanning from 2011-2024).

Box 3. International Case Example - Adapting to Cities in Fragile and Conflict Affected Areas: Inclusive and Resilient Cities Development Project (PDVIR) in Cameroon

For the Bank project in Cameroon, investment priorities were designed for the city of Kumba, in the South-West region of the country, and the cities of Maroua and Kousséri in the Far North region, based on the security context of the respective regions. For Kumba, the crisis in the NW and SW since 2016 has caused violence affecting neighboring regions, generating internal displacement, significant contraction of the regional economy with declining activities and tax revenues, and reduced implementation of public investments - security concerns create challenges with mobilizing construction companies for capital investments. For Maroua and Kousséri, the Boko Haram conflict and counter-insurgency operations in the region have accentuated social fragility, with the Far North region already one of the poorest regions in the country, with the lowest human development indicators and lowest levels of service delivery. The security situation is relatively stable in cities, but less so in rural areas. Investments (\$11M in Kumba and \$9.9M in the Far North region) include building capacity of local authorities to improve urban management, neighborhood upgrading to improve living environment, and support to local community initiatives for the economic inclusion of youth.

Ongoing reflections from project implementation include consideration of approaches towards investments in Kumba that allow for the mobilization of local companies and that are adapted to the specific FCV context. For Maroua and Kousséri, investments are focused on neighborhood-level improvements and support to local community initiatives rather than large infrastructure investments. In Maroua, the project is coordinated with an existing unit for an AFD-financed project, with conflict-sensitive approaches.

Principle 4: Target opportunities for jobs and human capital improvements

In addition to private sector (e.g., training, microfinance, cluster development/value chain support), and education support (primary, secondary, vocational, girl’s education), investments are needed to support job skills and capacity development. Jobs and human capital interventions could include labor intensive/cash for work programs to support private sector construction firms that in turn hire targeted groups. Local Governments can be supported to target beneficiaries for environmental protection/restoration jobs (such as drainage, anti-erosion, street cleaning etc.). Investments could support social enterprises and/or community-based enterprises for the delivery of services such as waste removal, drinking water, public toilets and other off grid infrastructure. And housing programs could be used as an opportunity to support skills development in the sector such as masonry and land surveying, as supported by the North-Eastern Housing Reconstruction Program (NHRP) in Sri Lanka (see Box 4).

Box 4. International Case Example – Training and Skills Development: North-Eastern Housing Reconstruction Program (NHRP) and Puttalam Housing Project (PHP) in Sri Lanka

The NHRP provides support to returnees while the PHP supports IDPs whose houses were destroyed during the civil conflict and have settled in temporary camp housing. The projects finance repair/reconstruction and new construction of private housing on private lands, via cash transfer (bank account set up), fostering home-owner driven construction. The projects support skills training in construction to build capacities for the local labor market and to enhance chances for long-term employment. Host communities benefit from the projects, which foster social cohesion. Interventions increase access to basic infrastructure (e.g., piped water also for host community houses, roads) and create local labor opportunities in construction.



III. HOW TO IMPLEMENT: LEARNING FROM OUR PORTFOLIO

Key lessons from World Bank project experience should be considered in developing an approach towards investments for Sahelian cities and towns. A summary of the 5 key lesson areas and the recommended approaches are presented in Table 3.

Table 3. Summary of Key Lessons from World Bank Portfolio

LESSONS	APPROACH
MULTISECTOR/ SECTORAL PROJECTS	<ul style="list-style-type: none"> • Concentrating investments for economic development reinforces cities as centers of resilience, multisectoral projects combine support for high impact value chains and productive investments. • Security/Disaster risk assessments inform project design and implementation; Combine long-term institutional support to decentralization and LG capacity building. • Participatory processes are embedded in the support for local development plans • Complexity requires coordination with multiple line ministries, specialized agencies or other implementing partners. Where possible, projects reinforce existing implementation arrangements (e.g., PGRC-DU – PIDUREM or PACUM – PRUBA) • Integrate Geo enabling initiatives for monitoring and supervision • Prioritize synergies with complementary sectoral investments (social protection, water, agriculture, education, energy, transport)
INVESTMENT SEQUENCING	<ul style="list-style-type: none"> • Design two tranches prioritizing initial investments on immediate responses to restore access to services, livelihoods and post disaster recovery. • Longer term investments show a strong focus on increasing LG capacity and legitimacy; through participatory planning.
IMPLEMENTING MODALITIES	<ul style="list-style-type: none"> • Assisted implementing arrangements e.g., delegated management contracts with specialized agencies, NGOs can be costly and require increased accountability and coordination. • Decentralized implementation through satellite/regional offices • Promote synergies with key members of the humanitarian, security and development partners (including UNHCR, the United Nations Office for the Coordination of Humanitarian Affairs (OCHA), the World Bank, EU, ECHO, AFD and others)
LOCAL GOVERNMENT CAPACITY	<ul style="list-style-type: none"> • Municipalities have more knowledge of local needs and are the main entry point for institutional support, lower capacities require effective and efficient coordination among all stakeholders (national, regional and LG) • Ownership can be strong but without sufficient technical capacity, implementation by municipalities can be risky - delays and quality • Build capacity in various areas of urban management according to needs and gaps identified and with considerations for resilience to climate and FCV hazards
SOCIAL INCLUSION	<ul style="list-style-type: none"> • Integrate support to refugees and host communities through local governance and participatory planning. • Social inclusion is fostered through a ‘people in place approach’ and engagement in prioritization.

Lesson 1. Multisectoral Territorial Interventions

Multisectoral platforms can provide a more holistic response to the present crisis in Sahel, but current focus is on community development which could be expanded. Two types of multisectoral platforms could be proposed:

- **Multi-sectoral regional community-based projects** - best suited for remote/hard to reach areas, such as PROLAC/MCRP, Gulf of Guinea, Community Based Recovery and Stabilization Project for the Sahel.
- **Border towns/secondary city interventions** - best suited for regions/territories with a number of border towns that require larger investments, but again, engagement is multisectoral response, including governance, social protection, water, transports, ITC, etc., such as the Community Based Recovery and Stabilization Project for Sahel.

Sector specific complementary engagements in targeted regions could be differentiated from the multi-sectoral platforms based on scale (e.g., very large investments) and also scope (e.g., addressing secondary/capital towns, etc.). The investments could be coordinated with complementary projects, for example, the Northern Cote d'Ivoire Sustainable and Inclusive Secondary Cities Project and Niger PIDUREM. The Sustainable and Inclusive Secondary Cities Project (P177062) complements a series of interventions in the region including the Gulf of Guinea Social Cohesion project, which focuses on rural areas, the Northern CIV Electricity and Digital access project and the upcoming rural roads project. The Sustainable and Inclusive Secondary Cities Project focuses on social and medium to large scale economic infrastructure that will contribute to improved living conditions while supporting regional economic development. Notably these investments will complement those planned under other active projects, including the Urban Resilience and Solid Waste Management Project (P168308), Urban Water Supply and Sanitation Project (P170502), Cashew Value Chain Competitiveness Project (P158810), and Productive Social Safety Nets Project (P143332). The project also supports local economic development strategies targeting local food systems in addition to infrastructure investments.

**Box 5. Regional Case Example - Coordinating multisectoral response at the local government level:
Learning from Niger Integrated Urban Development and Multi-sectoral Resilience Project -
PIDUREM (P175857)**

Geographical coverage was determined through an informed selection process in response to the priorities of the Government of Niger (GoN) and based on criteria including flood risk, municipalities capacity level, potential for economic impact, exposure to fragility based on poverty levels, the share of the displaced population due to conflict or flooding, and exposure to insecurity linked to conflict at the municipal level.

14 urban municipalities were identified in Niger's eight regions, including all eight regional capitals. An additional 11 cities, initially pre-identified by the state will receive TA and capacity building.

The project is complementary with existing projects in the area of water control in certain watersheds whose hydrological functioning is at fault in the recurrent flooding of certain cities in Niger, including the Niger Integrated Water Security Platform Project (PISEN-P174414), the FSRP (172769), the Kandadji project (P130174), and the Lake Chad Region Recovery and Development Project (P161706). The project also complements the GOLD project (P164271) in the area of capacity building to municipalities

for improved governance and with the Niger Adaptive Safety Net Project 2 (P166602) for best practices in terms of shock-responsive social protection measures.

Coordination builds on the existing implementation arrangements for Niger Disaster Risk Management and Urban Development Project - PGRC-DU. The project is institutionally anchored at the highest level of administration (managed by the Prime Minister’s office) under the oversight of a multi sectoral steering committee. Line ministries and sector institutions are technical partners and provide technical support and data through their legal and institutional mandate. The project is implemented by one main project implementation unit in Niamey and five regional offices, while municipalities are involved in the identification and monitoring of interventions to be financed in their territory.

Lesson 2. Sequencing Investments

A focus on economic development should be a priority for Bank-financed operations, though economic development interventions are usually complex with long term investments (such as road connectivity, markets and other spaces for economic activity, value chain investments), thus requiring a sequenced approach. The significant needs of Sahelian cities and towns requires ‘quick win’ investments that improve basic services (e.g., small infrastructure such as road paving, drainage, standalone water distribution, etc.) to gain governmental buy-in. Thus, the suggested sequencing approach is to plan for a two phase/two tranche project that supports quick wins while designing longer-term complex economic-focused investments. In tandem, activities focused on improving local government capacity should proceed, which also assist local governments in moving from managing quick wins to managing longer-term investments. Such an approach can also build trust between the government (especially local governments) and the community.

Box 6. Regional Case Example - Two-tranche approach to support ‘quick wins’: Learning from Mali’s Emergency and Resilience Project (PUR)

The Mali Emergency and Resilience Project follows a multi-phased approach. Phase 1 focuses on Emergency response, recovery and trust building; Phase 2 focuses on consolidation, e.g., second chance schooling, cash transfers, rehabilitation/construction of schools, economic and community infrastructure, and skills development; while subsequent phases focus on interventions that require a longer period for maturation and completion. Based upon the experiences of the PRRE, PAAR, and PACUM projects, there is an emphasis on inclusive community participation in design of socio-economic development plans (PDESC).

PUR Example of Intervention Phasing

Engagement	First 6 Months	Months 6 – 12	Months 12 – 18+
Education	Second-chance schooling /skills development		Students return to school using project-supported infrastructure where relevant
Social protection	Emergency cash transfers		Productive/economic inclusion

Socio-economic infrastructure	Quick wins (e.g., streetlights and sports fields) and stakeholder groups (e.g., youth associations) Local labor contracting in civil works for men and women – with mobile daycare	Rehabilitation and construction of small infrastructure, incl. schools and health facilities Local labor contracting in civil works for men and women – with mobile daycare	Operation and maintenance (O&M) of facilities
Health	Community health workers selection/training and APUHC deployment	Preventive and curative nutrition interventions for children and pregnant/lactating women	Increased availability of care through improved facilities and APUHC incentives for their staff
Economic infrastructure	Initially studies and safeguards, later procurement	Rehabilitation or construction of markets, slaughterhouses, cereal storage facilities, etc.	O&M of facilities and continuation of more complex works

Lesson 3: Institutions for Implementation

A simple design is key for low-capacity cities, but implementation modalities can differ depending on such capacity and national circumstances. Some options can include:

- **Implementing with the support of decentralized PIUs.** The PIDUREM as an example, will be implemented by one main PIU in Niamey and 5 regional offices with technical support and data from line ministries and sector institutions. This ensures proximity to beneficiaries, supports local capacity needs and ensures knowledge of the local market as well as security context.
- **National public agencies.** The Mali Reconstruction and Economic Recovery (PRRE) in Mali delegated management responsibilities to AGETIPE (Agence d'exécution des travaux d'intérêt public pour l'emploi) and AGETIER (Agence d'exécution des travaux d'infrastructures et d'équipements ruraux) to implement the community engagement, infrastructure and income-generation activities under the project. These agencies were efficient, albeit with cost and quality risks. Their advantage came from their streamlined procurement process which allowed for accelerated implementation.
- **UN agencies and NGOs.** The Niger Refugees and Host Communities Support (PARCA) partners with UNHCR to implement activities for which they offer unique qualifications in responding to emergency situations.
- **Municipal-Owned Funds.** Within a decentralized, under-resourced context, the Municipal and Development Lending Fund (MDLF) provided donors an opportunity to pool funds for investments linked to performance-based grants. It jointly ensured capital investment funds to LGUs, while also supporting the Palestinian Authority's agenda improving local government financial and accountability performance. Operating through the MDLF also ensured continuity of support, in a fragile environment.

Lesson 4: Building Local Government Capacity

Building local government capacity is key to successful development as local governments play a main role in building the social contract between communities and the national state, even beyond an unfinished decentralization agenda. While national governments set nationwide policies on urban management and rights and protections of the forcibly displaced and can distribute external aid equitably to prevent parallel systems of service delivery, sub-national governments, particularly municipal governments, are best placed to prioritize needs across a city, and to mobilize and coordinate assistance on the frontlines. But local interventions should be coordinated with civil society and communities that can direct interventions to their needs. Active citizen participation in the design and implementation processes can ensure better targeting of investments by helping to identify the most vulnerable and can help hold the government, development partners and private sector accountable for their interventions.

Unclear institutional mandates and weak coordination between national and local governments require a progressive increase in local government capacity and strengthening of urban development and decentralization policy frameworks. ‘Light touch’ interventions could be supporting the LGU in playing its supervisory role in construction works and in ensuring that delegated entities are able to assume the operations and maintenance of provided infrastructure, where required. A more integrated approach would ensure consistency between local government-led financed sub-projects and community-based local development plans, alongside capacity building focused on procurement, financial management, and service provision to ensure that the local government fulfils its vertical and horizontal accountability obligations. Financing only a community driven development (CDD) approach builds support for better services (which is good) but does nothing to ensure that the ‘supply side’ (i.e., the LG) can respond. Support towards the legitimacy of LG authorities should be based on open and participatory decision making and enhance capacities to manage the stakeholders to whom activities are delegated.

Box 7. Regional Case Example - Building Local Government Capacity to Strengthen Legitimacy: Learning from Niger Refugees and Host Communities Support Project (PARCA, P164563)

PARCA focuses on infrastructure investments and institutional capacity building for the GoN and LGs in the Diffa, Tillaberi, Tahoua and Agadez regions. Through recent restructuring in 2022, the project also provides economic opportunity support to 3 additional LGs (Tahoua, Maradi and Agadez). MoUs with national ministries and LGs were developed as a project implementation precondition to ensure that investments are integrated and conform with central/LG sector strategies, design standards, and planning tools, and to identify which entity will be responsible for operation and maintenance (O&M) of investments.

PARCA’s approach is to strengthen LG capacities as the entry point for institutional support to better manage investment decisions in the context of crisis and recovery as well as long to medium term strategic planning via (i) integration of refugees/IDPs needs in the annual municipal investment plans of all beneficiary LGs (PDO indicator); (ii) active participation of LGs in sub-project identification, implementation, and hand-over; and (iii) training in the use of simplified tools to capture partner activities via geo enabled monitoring to support decentralized technical services.

Project implementation partners include local private sector and civil society stakeholders who know the local security context and manage it effectively. The project integrates security costs into tenders/contracts and is supervised through decentralized PIU regional offices. PARCA also involves close collaboration across sectors (water, social protection, agriculture FCV), with UNHCR on the ground

and inter-ministerial government entities, operationalizing the humanitarian development nexus (PARCA indicator).

Beneficiary regional councils and LGs commend the project for its transparency and inclusion of all types of beneficiaries (refugees, IDPs, host communities) and all levels of government (central, regional, local) throughout all sub-project stages (identification, preparation, implementation, M&E, completion), which supports cohesion within communities.

Lesson 5: Supporting Inclusion and the Urban Social Contract

Deteriorating security in Sahel and emergence of violent conflicts is associated with exclusion, perceptions of injustice and marginalization, and deterioration of trust towards institutions (Sahel RRA 2020), having negative consequences on the social contract. In many Sahelian cities, popular dissatisfaction has flared in recent years around a number of issues, including elections, governance, security, infrastructure, energy and cost of living, while risks of social unrest are compounded by rapid and unregulated urban growth. Social cohesion is threatened by the risk of stigmatization and exclusion of minority groups; the exclusion of women and youth is an obstacle to local economic development and fragility can lead to spikes in gender-based violence. Lack of opportunities for youth contributes to urban fragility, with 46% of the unemployed in the region aged 15-24 and 70% are aged 15-34.

To support inclusion and the urban social contract, recommended interventions include:

- Identifying and analyzing patterns of exclusion and grievances towards institutions
- Mapping and understanding institutional (formal and informal) and civil society stakeholders in cities of intervention and applying the “do no harm principle”
- Addressing spatial inequalities through investments in underserved neighborhoods and connectivity
- Supporting institutional capacity and legitimacy through inclusive governance and citizen engagement mechanisms, building on existing structures and initiatives
- Supporting women's access to/autonomy over productive assets and financial support and representation in local governance and in urban planning processes in particular
- Supporting training for income generating skills in high potential sectors highlighted in vocational programs to address disparities and integrate uneducated workforce
- Addressing the impact of conflict on the city through better preparedness and response to forced displacement
- Taking a ‘people in place approach’ in cities and towns that targets the forcibly displaced, their hosts and tries to address the needs of the place within which they are located

Taking a ‘people in place approach’ to include the forcibly displaced

Overlapping layers of urbanization, conflict and displacement, increases pressure on and competition for housing, jobs, access to water and sanitation as well as healthcare and food; this requires a people-in-place approach to effectively address the basic needs of both FD and host communities, while ensuring that cities can perform as centers of resilience. Table 4 presents a comparison of approaches: people-based, place-based and people-in place. Integrating interventions in several

dimensions/approaches supports local government capacity and reduces social tension through inclusive participation in prioritization.

Table 4. Comparison of approaches towards capital investments

	People-Based	Place-Based	People-in-Place
FOCUS	Needs of the 'people' – usually the forcibly displaced	'Place' impacted by forced displacement, including impacts on managing institutions. Leverages existing systems and capacities.	Focus on both the 'people' – i.e., forcibly displaced and hosts - the 'place' where they are located, and institutions managing 'place'
INTERVENTIONS	Depend on the needs and vulnerability of different groups of 'people' including individuals and households e.g.- social safety net, livelihoods support, emergency service provision.	Improving infrastructure, services, land management in 'places' affected by the influx, e.g., urban upgrading, network extensions/expansions. Institutions that manage 'places,' e.g., capacity building, planning, procurement, financial management.	For vulnerable 'people' regardless of status in the 'place' where they are located, e.g., safety nets, livelihoods support, coupled with provision of services in 'places' of the vulnerable, and extension of services across city. Institutions managing 'places,' e.g., capacity, planning, procurement.
SUITABLE CONTEXT	Support for displaced in camps. 'Place' or 'space' blind. Relies on status identification and monitoring. Benefits/interventions move with people.	Support for cities, towns, districts that 'host' the displaced. 'Status blind' - relies on place identification. Benefits/interventions fixed in place.	Support for the displaced, host communities, and institutions in cities/towns. Accepts 'status' but extends benefits to 'vulnerable hosts' and also to 'place.'

**Box 8. Regional Case Example - Social Inclusion:
Learning from Niger Refugees and Host Communities Support Project (PARCA)**

PARCA uses a spatial approach to provide support to all population groups residing in project sites with a focus on enhancing portable skills for current and future opportunities. One of the objectives of the project is to strengthen GoN and LG institutional capacity for social inclusion. Transparency and inclusion of all beneficiary types (refugees, IDPs, host communities) has allowed community ownership of the project. PARCA involved early beneficiary engagement in prioritization of investments with LGs to ensure ownership and sustainability. The project supported local economic development, financial/life skills enhancement, income generating training and cash transfers. Mobile money was used for cash transfers (improving transparency and safety) for targeted beneficiaries in remote and fragile areas. The project included identifying and geolocating alternative intervention sites based on security concerns. GEMS was used as a design, implementation, and an M&E tool. Given PARCA's adaptability to remain operational in fragile areas, GoN called for future geographic extension to new regions (Maradi, Tahoua, Agadez) to improve access to multi-sector services and economic opportunities to refugees/IDPs/hosts and for the immediate extension of cash transfers for income generating activities addressing food insecurity in Maradi and Tahoua regions.

Annex. Portfolio Review: Sampling of Africa URL Portfolio

In the Africa URL portfolio, urban projects support a variety of interventions, including economic development, private sector engagement, people-in-place approach and various infrastructure programs. Projects under these categories are presented in Tables 5 and 6. The Africa URL portfolio is active in conflict areas, including cities in Niger (in the Diffa, Tahoua and Tillaberi regions), Mali (Timbaktou, Gao, Konna and Kidal and Bamako), Mauritania (Hodh), Burkina Faso and Chad. Table 7 presents a summary overview of projects in the Africa URL portfolio. Table 8 presents a summary overview of projects in the Africa SPJ, Social and Governance Portfolios.

Table 5. Sample of Africa URL projects: Economic Development, Private Sector Engagement, People in Place Approach

	Approach
Economic Development	<ul style="list-style-type: none"> • Develop regional economic linkages between urban ‘core’ and ‘periphery’, e.g., Decentralization and Productive Intermediate Cities Support Project (Mauritania, Mali Reconstruction and Economic Recovery –PRRE) • Ensure the city reaches its economic potential while also meeting ‘promise’ of urbanization (e.g., Bamako Urban Resilience Project)
Private Sector Engagement	Through provision of contracts to local firms that use labor based public works, rather than a focus on direct labor. develop economic infrastructure and support informal
People in Place Approach	Focuses interventions both on beneficiary populations and the places which host them (so ‘status’ blind on refugee/host/displaced etc.) (e.g., Niger PARCA)

Table 6. Sample of Africa URL projects: Infrastructure

	Interventions	Approach	Projects
Rehabilitation of basic infrastructure and improved services at community level	<ul style="list-style-type: none"> • WASH, Public schools, Health centers • Community centers, Markets + Storage facilities • Rural roads, small bridges and culverts • Irrigation + water infrastructure • Emergency cash transfers, Agricultural inputs • Urban management 	<ul style="list-style-type: none"> - Spatial approach supporting all population groups residing in project sites irrespective of their status - Demand based investments with strong community participation - Support stabilization through enhanced socio-economic opportunities - Support the integration of crisis and recovery-related priorities in municipal planning. 	PGRC-DU PARCA PRRE PUR
Extending municipal infrastructure (including DRM), and service delivery	<ul style="list-style-type: none"> • local roads, pedestrian paths, small bridges • drainage and irrigation, protective dykes, overflow pools and ponds • WASH, Solid Waste management • Health centers • Urban management • electricity network extensions • Public spaces/parks/community centers 	<ul style="list-style-type: none"> - Strengthen municipal capacities in provision, operation and management of systems (including spatial data infrastructure) - Community driven/participatory approach - Resilient planning of investments along with regional planning - Financial sustainability of IGR systems - Labor intensive works - Leverage complementarity with other sector interventions (agriculture, energy, transport, social protection) 	PACUM Mauritania PRUBA PRRE (AF) PIDUREM
Hydromet and early warning infrastructure	<ul style="list-style-type: none"> • Capacity development for hydromet and climate info services • Food security information services and emergency response • Priority stations, rain gauges, radiosonde systems and automatic hydrometric stations. • open-source integrated platform for data exchange and early warning 	<ul style="list-style-type: none"> - Strengthen institutional setup and building capacity to deliver hydro meteorological, early warning and response services - Physical infrastructure in addition to specialized equipment, efficient data management systems - Accessible early warning services including access to agrometeorological data/technical advice 	HYDROMET PIDUREM

Table 7. Summary Overview of Projects in the Africa URL Portfolio

	Project	Scale (e.g., National, Regional, City)	Target Area (e.g., urban, peri urban, rural)	Type of Intervention (e.g., infra, municipal finance, planning, LG Capacity, HydroMET)	Broader Issue	Implementation Arrangements	Framework for including FDs
BF	Strengthening Climate Resilience in Burkina Faso	National	Urban and peri-urban areas, IPD-refugee hosts/camps	Hydromet and early warning infrastructure, services and economic opportunities, institutional development	Displacement, conflict, climate change shocks, floods	Central PMU	Refugees, IDPs, host communities (place based), improved access to early warning information systems and risk reduction support for selected vulnerable populations.
	Transport and Urban Infrastructure Development (Burkina)	National	Urban and Rural areas with high agricultural productivity	Urban infrastructure, Institutional support and sector governance (infra, transport, urban)	Urban Development, regional connectivity, Intra urban displacement,	Municipalities play a key role in overseeing, planning, and implementing the infrastructure and urban planning initiatives under the project	N/A
NG	Niger Disaster Risk Management and Urban Development Project + AF	National	Targeted high poverty urban and rural areas	Urban infrastructure for flood risk management, institutional support, capacity building for urban development and disaster risk management.	Climate change shocks, insecurity, urban development	Central PCU + Regional PIUs including representatives of PCU in specific regions.	Selected vulnerable communities
	Niger Integrated Urban Development	National	Selected Municipalities	Urban infrastructure and basic services, Institutional support	Climate change shocks, insecurity,	Central PCU + Regional PIUs including	Refugees, IDPs, host communities (place based)

	and Multisectoral Resilience Project			for improved urban management	internal and cross border displacement, rapid urbanization, urban development	representatives of PCU in specific regions.	
	Niger Refugees and Host Communities Support	National	Urban and peri-urban areas, IPD-refugee hosts/camps	Basic community infrastructure, services and economic opportunities, institutional development	Displacement, conflict, climate change shocks - floods	Central PCU + Regional PIUs; Community based organisations/NGOs for mobilisation of communities under project preparation	Refugees, IDPs, host communities (place based) targeting including unified social register.
MT	Decentralization and Productive Intermediate Cities Support Project (Mauritania)	National	Intermediate cities; urban centers and surrounding rural localities	Urban infrastructure, urban + rural electrification, strengthening decentralization and local government capacity	Economic activities, urban development, rural infrastructure	Central PCU + regional branch office supporting beneficiary municipalities Specialized agencies for implementation of specific activities with technical support from PCU	Participatory Urban development: refugee groups included in development of CDPs where applicable.
ML	Mali Fragility Prevention and Emergency	National	Urban and peri-urban areas	Basic infrastructure services, livelihoods and productive activities, social cohesion and state presence	Conflict, urban development, climate change shocks.	PCU + support from specialized agencies and NGOs	City wide and IDPs from rural areas

	Bamako Urban Resilience Project (Mali)	Regional	Urban and peri urban areas within District of Bamako	Urban infrastructure, services (SWM), resilient infrastructure, resilient planning, LG capacity	Conflict, internal displacement, Urban development, climate change shocks	Building on former PACUM PCU expertise + Set of specialized agencies for technical support for the implementation of specific activities	Prioritization of vulnerable neighborhoods for urban upgrading and adaptation to future disasters + expanded basic urban service delivery, creating jobs and raising awareness
	Mali Reconstruction and Economic Recovery	National	Conflict affected villages and cities as well as IDPs' hosts	Basic infrastructure services, productive activities, local governance and community participation	Conflict, insecurity, climate change shocks	Specialized agencies and NGOs (MODs - Delegated Contract Management Agency) for technical support and implementation of specific activities	Community engagement and local governance: Focused community mobilization including vulnerable groups, women, youth, disabled, displaced persons, returnees, and minority ethnic groups

Table 8. Summary Overview of Projects in the Africa SPJ, Social and Governance Portfolios

PROJECT	SCALE (e.g., National, Regional, City)	TARGET AREA (e.g., village, city side, neighborhood)	TARGET BENEFICIARY (e.g., host community, refugee, IDP, community, city wide)	TYPE OF INTERVENTION (e.g., Infrastructure, municipal finance, Planning, LG capacity, HydroMet))	BROADER ISSUE (e.g., conflict, disasters, climate change, urban development, transport etc.)
Chad - Refugees and Host Communities Support Project (P164748)	National	East, South, and Lake regions of Chad	Refugees and host Communities (individuals targeted)	Improving access to basic services and safety nets, improving resilience of households, strengthening country systems to support refugees and host communities	Displacement, conflict, instability, climate change, floods, gender inequality and SGBV
Lake Chad Region Recovery and Development Project (P161706)	Regional	Cameroon (Far North Region) Chad (Lac, Kanem, Hadjer Lamis, and Chari Baguirmi Regions) Niger (Diffa and Zinder Regions)	National and regional institutions, targeted rural communities,	Institutional strengthening and capacity building, rural infrastructure (roads and transportation infrastructure), agricultural livelihoods	Displacement, conflict, violent extremism, regional fragility, climate change, competition for natural resources, population growth, gender inequality and SGBV
Community-based Recovery and Stabilization Project For the Sahel (P173830)	Regional (Burkina Faso, Mali, Niger)	Liptako-Gourma region	Refugees, IDPs, host communities	CDD Approach I Integrated socio-economic services and infrastructure, livelihoods and territorial development, regional data and coordination	Displacement, conflict, instability, structural economic and social vulnerabilities, climate change, floods
Governance of Extractives for Local Development and Covid-19 Response Project (P164271)	National (Niger)	Agadez, Diffa, Tillabery and Zinder regions	Civil servants from targeted ministries and agencies, Local Government staff and elected representatives in targeted regions, targeted rural communities and artisanal miners	Performance-Based Conditions (PBCs) to provide incentives for implementation of policies, laws and regulations related to state deployment, COVID-19 coordination mechanism and extractive sector management; Technical Assistance (TA) to support Government reforms to improve the legal framework, strategies and processes, development of software and training manuals.	Displacement, regional insecurity, climate change, economic downturn, natural resources competition, extractive sector related tensions, youth marginalization and limited service delivery