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Project Information Document/ Integrated Safeguards Data Sheet (PID/ISDS)

Concept Stage | Date Prepared/Updated: 04-Dec-2018 | Report No: PIDISDSC25580



BASIC INFORMATION

A. Basic Project Data

Country Kenya	Project ID P167814	Parent Project ID (if any)	Project Name Kenya Informal Settlements Improvement Project 2 (P167814)
Region AFRICA	Estimated Appraisal Date May 17, 2019	Estimated Board Date Dec 04, 2019	Practice Area (Lead) Social, Urban, Rural and Resilience Global Practice
Financing Instrument Investment Project Financing	Borrower(s) Republic of Kenya	Implementing Agency State Department of Housing and Urban Development	

Proposed Development Objective(s)

To improve access to basic services and enhance tenure security in urban informal settlements in Kenya

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	165.00
Total Financing	165.00
of which IBRD/IDA	150.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	150.00
IDA Credit	150.00

Non-World Bank Group Financing

Counterpart Funding	15.00
Borrower	15.00



Environmental Assessment Category

B - Partial Assessment

Concept Review Decision

Track II-The review did authorize the preparation to continue

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Other Decision (as needed)

B. Introduction and Context

Country Context

- 1. Kenya's economic growth is on a rebound in 2018.** After growing at an average of 6.0 percent over the period 2010–2016, the economy decelerated to a growth of 4.9 percent in 2017 due to drought, a slowdown in credit growth to the private sector, and political uncertainties. Despite the slowdown, real GDP growth was well above Kenya's population growth rate, translating into an expansion in Kenya's gross national income per capita from US\$ 1,380 in 2016 to US\$1,440 in 2017- positioning the country within the lower middle-income countries¹. In 2018, real GDP growth is projected at 5.7 percent before peaking gradually to 5.8 and 6.0 percent, respectively for 2019 and 2020 when output gaps in the economy are expected to close. The rebound in growth for 2018 is supported by recovery in agriculture owing to favorable rains and stronger domestic demand, particularly from the recovery in private consumption. However, partially mitigating the strength of the rebound will be the drag from fiscal consolidation, the recent uptick in oil prices and sub-optimal private sector credit growth (even if better than in previous years).
- 2. The macroeconomic environment remains broadly stable with low inflation and a favorable external payments position.** With inflation averaging 4.2 percent in H1 of 2018, inflationary pressures remain broadly muted and within the government's target band of 5±2.5 percent. However, Kenya's inflation is gradually increasing due to the phasing out of food subsidies, removal of exemptions of value-added tax on petroleum products, and increases in international oil prices. Nonetheless, core inflation, which excludes food and energy prices, has remained below 5 percent, reflecting an economy where underlying demand pressures are still benign. This continues to provide policy space for a more accommodative monetary policy stance to support growth. However, with interest caps still in place and tied to the policy rate, the effectiveness of the monetary policy in doing this remains weak and its influence on credit growth to the private sector curtailed. Notwithstanding rising oil prices, the current account deficit has narrowed from 6.7 percent of GDP in December 2017 to 5.3 percent of GDP in July 2018 due to stronger diaspora remittance inflows and a recovery in tourism-related receipts. The current account deficit was financed by the surplus in the

¹ World Bank, World Development Indicators.



financial account, resulting in a positive overall balance of payments position and accumulation of official reserves.

3. **Robust growth translated into a reduction in the poverty incidence rate, whether measured by the national or international poverty line.**² The proportion of the population living beneath the national poverty line fell from 46.8 percent in 2005/06 to 36.1 percent in 2015/16, showing a modest improvement in the living standards of Kenyans. Similarly, poverty under the international poverty line of US\$1.90 a day declined from 43.6 percent in 2005/06 to 35.6 percent in 2015/16. At this level, poverty in Kenya is below the average in sub-Saharan Africa and is amongst the lowest in the East African Community. However, when considering Kenya's lower middle-income class status, poverty is relatively high, approximately twice as high than the average for this group. In addition, the country's elasticity of poverty reduction to economic growth is low at 0.57, below that of Tanzania, Ghana and Uganda. Thus, the translation of economic growth into poverty reduction is weak.

Sectoral and Institutional Context

4. **Kenya is rapidly urbanizing, with the urban population growing at about 4.3 percent a year.** In 2016, about 25–27 percent of Kenyans lived in urban areas. Kenya's five largest urban areas (Nairobi, Mombasa, Kisumu, Nakuru, and Eldoret) account for approximately 34 percent of the urban population. By 2050, about half of the population will be living in cities. Urbanization will strongly drive economic growth if urban firms have a better business environment, are able to create more jobs, and can benefit from a sufficiently large pool of better-educated people who can migrate from rural areas to take these jobs. But growth will be weaker if uneducated migrants are forced to leave rural areas for the city by a combination of rapidly growing population density and scarcity of agricultural land.

5. **As Kenya urbanizes an increasing share of Kenya's poor live in urban areas, up from 14 percent in 2005/06 to 23 percent in 2015/16.**³ Moreover, the proportion of the urban population living in poverty with inadequate living conditions has remained unchanged over the past decade. While the proportion of people living in urban centers with access to improved sanitation facilities and electricity increased in all parts of the country during the past decade, the share of those with improved access to water dropped in some places, indicating that urbanization outpaced infrastructure provision there. Moreover, the gap in access to basic services between the poor and non-poor remains wide. High food and housing costs in urban areas squeeze the budgets of the poor. The poor spend over 50 percent of their budgets on food, leaving little for all other needs, including housing, education, transportation, and health care. Unemployment rates dramatically dropped in urban areas, in tandem with increasing labor force participation rates. However, a large fraction of the urban poor, women, and the youth are unemployed, or working in informal jobs with no security. In Nairobi, for example, more than 20 percent of the poor are unemployed. Poverty—both in monetary and non-monetary dimensions—is still concentrated in informal settlements. Nairobi is home to more than 60 percent of Kenyans living in informal settlements.⁴ Nearly a third of them are poor, while only 9 percent of people living in formal settlements are. They suffer from over-crowding, poor quality of dwelling, sporadic access to services, and environmental degradation. Many residents of informal settlements also live far from jobs, which limits their opportunities for employment.

6. **Urban Kenya is unequal, and the expanding urban population is being absorbed in informal settlements with squalid living conditions, poor infrastructure, and high poverty rates.** Rapid urbanization, poor management, and absence of planning has left Kenya's urban areas with huge backlogs in critical infrastructure. Roughly 60 percent of

² Kenya National Bureau of Statistics, 2018. "Basic Report on Well-being in Kenya." The report is based on data from the Kenya Integrated Household Budget Survey, completed in 2017.

³ World Bank, 2018. "Kenya Poverty and Gender Assessment." Forthcoming.

⁴ Nairobi is home to 20 percent of the urban poor, according to the forthcoming "Kenya Poverty and Gender Assessment."



Kenya's urban households live in housing that would be defined as a slum under the Millennium Development Goals. Because formal housing supply is not keeping pace with the growing urban population, informal housing has become the only housing choice for most urban Kenyans. Not only is the full potential of productive and inclusive cities not being realized, the glaring inequality causes its own problems and tensions, one manifestation of which is urban violence and insecurity.

7. **Kenya's urbanization is taking place within a major shift toward political, fiscal, and administrative devolution.** The 2010 constitution provides for two autonomous but interdependent levels of government: national and 47 county governments with mainly elected assemblies, elected governors, and governor-appointed cabinet members ratified by the assembly. The constitution eliminated the previous third tier of government, the urban and rural local authorities, and transferred their revenues and functions to the county governments. With a guaranteed unconditional transfer of national revenue, called the 'equitable share,' the county governments are expected to address local needs for devolved services, including urban infrastructure and services. The institutional arrangements in the context of devolution are still evolving, including intergovernmental structures and mechanisms for intergovernmental cooperation and transfer of resources to deliver on policy priorities.

8. **The 2010 constitution changed the mandates of the national government in relation to subnational governments.** The national government is now expected to focus on national issues such as foreign affairs, national public works, policy-making (such as housing policy), development of national-level strategies, and guidance and capacity support of subnational governments. Counties are now responsible for investment in urban infrastructure and services, housing, public parks, and the like.

9. **All urban centers are now under the management of county governments.** Two of these—Nairobi City County and Mombasa County—manage jurisdictions identical to those of the former local authorities. However, country administrations with varying capacity now manage Kenya's other urban areas. These county administrations need to be strengthened with capacity building support.

10. **KISIP 2 will support the government's draft Slum Upgrading Policy and its initiatives to upgrade informal settlements.** Acknowledging the need to directly tackle the problem of poor living conditions in slums, the government started working on a national slum upgrading program in 2005, the Kenya Slum Upgrading Program. This included participatory planning and development, strengthening of tenure security for residents, and provision of housing and infrastructure services. KISIP 1 built on this program, scaling up its most-successful interventions. KISIP 2 will continue the work of KISIP 1 to reach more settlements. KISIP 2 will also help the government to develop a long-term slum upgrading program, aimed at improving living conditions in most informal settlements in Kenya by 2025. It will support activities to strengthen the ministry's slum upgrading department, which will lead in developing and implementing the program.

11. **KISIP 2 will support the government's housing agenda, one of top four priorities under the current administration.** Cross-country experience shows that strengthening security of tenure and investing in infrastructure in informal settlements induces significant private investment in housing and businesses. Indeed, many of the informal settlements that have benefited from upgrading under KISIP 1, have experienced an investment boom, with new multi-story buildings replacing poorly constructed informal housing units.

Relationship to CPF

12. **The proposed operation will support the objectives of two of three priority areas of the Bank's Country**



Partnership Strategy (CPS) (2014–20). The CPS for Kenya has three strategic results areas: (a) competitiveness and sustainability—growth to eradicate poverty, (b) protection and potential—delivering shared prosperity, and (c) consistency and equity—delivering a devolution dividend. The proposed operation supports the first two strategic results areas. It contributes to priority area 1 by supporting participatory planning of informal settlements, and financing settlement infrastructure and services. It assists priority 2 by assisting people, especially women gain access to water and sanitation services, by helping at-risk youth gain access to skills and job opportunities, and by strengthening residents access ties Kenya’s social safety net resources for vulnerable and poor people. The proposed operation will also contribute to the CPS goals related to climate change, disaster risk management, and sustainability by supporting construction and maintenance of drainage systems and other urban infrastructure.

13. **KISIP 2 contributes to the Bank’s twin goals of ending extreme poverty and boosting shared prosperity, by helping to improve living conditions and strengthen security of tenure and in informal urban settlements.** The proposed project will directly improve living conditions in informal settlements, which will improve the mobility and access to jobs and urban services of the residents. The support of the project to help at-risk youth improve their skills and find jobs or start businesses will also help in reducing poverty. In addition, improving living conditions will contribute to better public health, which in turn will improve productivity and thus incomes of residents. KISIP 2 will also directly reduce poverty by providing land titles to settlement residents—valuable assets—and by linking poor and vulnerable people to the government’s safety net program. These interventions will also directly reduce the gap between rich and poor. The extent to which well-functioning and productive urban centers will boost national, as opposed to only urban income, shared prosperity will depend on whether fast-growing urban centers can pull in surrounding rural areas through strengthened rural-urban linkages and increased labor mobility.

C. Proposed Development Objective(s)

14. The preliminary⁵ project objective is to enhance access to basic services and improve tenure security in urban informal settlements in Kenya. This will be achieved by investing in infrastructure based on plans developed in consultation with the community, by supporting planning, surveying and issuance of land documents for residents of informal settlements, and by strengthening capacity of county administrations to deliver on their mandates.

Key Results (From PCN)

15. The preliminary⁶ proposed key performance indicators are:

- Direct project beneficiaries (number), of which female (percent).
- People in informal settlements provided with access to improved drainage under KISIP (number).
- People in informal settlements provided with access to improved roads under KISIP (number).
- People in informal settlements benefitting from tenure regularization.

D. Concept Description

1. Description

Project components

⁵ This will be updated during project preparation.

⁶ These will be updated during project preparation.



16. The proposed project will comprise the following four components⁷.

- Urban infrastructure upgrading
- Integrated settlement planning for tenure regularization and infrastructure
- Institutional strengthening
- Project management and national capacity building .

Project Financing

17. **The lending instrument for the proposed project is Investment Project Financing (IPF).** IPF is the appropriate instrument for KISIP 2 because it will support activities that require intensive design and implementation support of technical, financial, economic, environmental, and institutional issues. The support offered by the World Bank under the IPF will also help to ensure that the all activities are implemented in accordance with the Bank’s safeguard and fiduciary policies.

Activities

18. **The Second Kenya Informal Settlements Project (KISIP 2) will build on the lessons learned from KISIP1, but also introduce new interventions to deepen its overall impact.** The proposed project will support the interventions that have been successful under KISIP: tenure regularization, infrastructure upgrading, and institutional strengthening. Unlike KISIP1, however, the proposed project will include new approaches and new activities to strengthen its impact on the participating communities. A new approach is to support tenure regularization and infrastructure upgrading in the same communities. The planning for tenure regularization and for infrastructure will be collapsed into one integrated planning approach, aimed at saving both money and time and ensuring better coordination between the two interventions. In addition, the project will include activities to link vulnerable people (elderly, orphans, disabled, and others) of informal settlements to government programs aimed at reducing poverty and vulnerability, and to link at-risk youth to programs focused on building skills and creating opportunities for employment and self-employment. Finally, KISIP 2 will include activities to prevent crime and violence. Thus, participating settlements will benefit from tenure regularization, investment in infrastructure and services, and activities to promote social development and prevent crime and violence. Details are below.

Tenure Regularization

19. **KISIP 2 will support the chain of activities required to regularize tenure for people living on uncontested public lands.** The regularization process involves: (a) development of a local physical plan for the settlement which lays out infrastructure (roads, drainage, walkways and the like), and private plots; (b) surveying with physical placement of beacons to demarcate the plots as per the plan; (c) preparation and issuance of letters of allotment based on the survey plan; and finally (d) issuance of titles. Under KISIP1, 86 settlements are undergoing tenure regularization, and it is expected that approximately 200,000 persons will benefit from this intervention by project closing.

20. **KISIP 2 will follow the experience of KISIP1 to minimize displacement of residents.** The government is now following an ‘adoptive’ planning approach to minimize displacement of residents in informal settlements. Adoptive planning is an approach that lays out infrastructure and plots in close alignment with the existing layout of the

⁷ These will be updated during project preparation.



settlement. For example, adoptive planning permits roads that are four meters wide, rather than the standard nine meters. These one-way roads allow access to emergency and other vehicles, while also minimizing the displacement that would occur if roads of the standard width were constructed. Under KISIP1, adoptive planning has reduced displacement by up to 85 percent in some settlements, compared with what would have occurred had the normal standards been applied. It is expected that use of the adoptive approach in KISIP 2 will result in minimal displacement and costs of compensation.

Infrastructure upgrading

21. **KISIP 2 will support implementation of settlement upgrading plans.** KISIP1 supported an integrated package of investments to comprehensively upgrade settlements, covering 36 informal settlements in 11 urban centers. investment in roads, drainage, walkways, high-mast security lights, water and sanitation systems, and other infrastructure in. KISIP 2 will support the same types of investments in an estimated 50–56 settlements. The investment menu will remain the same and include: roads, bicycle paths, pedestrian walkways, street and security lighting, vending platforms, solid waste collection and settlement sorting, stormwater drainage, water and sanitation systems, public parks, and green spaces. The menu will also include investments related to prevention of crime and violence, including but not limited to youth and community centers.

Community-level/socio-economic development activities

22. **KISIP 2 will continue the highly participatory approach to prioritization of investments followed under KISIP1.** Under KISIP1, the Settlement Executive Committees (SECs) provide a highly-effective means through which different interest groups within the settlements are represented. A beneficiary assessment of KISIP1 completed in June 2018 found that community involvement in decision-making was much more effective than in many government-led projects and that residents were satisfied with their involvement. Moreover, residents generally agreed that activity identification was very inclusive, and involved the entire community. In addition, residents of the settlements undergoing tenure regularization were satisfied with the visioning process undertaken in developing their local physical development plans and the resultant maps.

23. **KISIP 2 will expand on KISIP1 by including activities to link poor and vulnerable people to existing government programs aimed at increasing employment and reducing poverty.** The World Bank is supporting two ongoing projects that target these groups: (1) the Youth Employment and Opportunities Project, and (2) the National Safety Nets Program for Results. A follow-on to the National Safety Nets Program is currently under preparation and is expected to become effective in March 2019. The proposed operation will support activities aimed at ensuring eligible residents of settlements benefiting from KISIP 2 learn about and are enrolled in these programs. Activities may include establishing satellite offices of the relevant ministries in the settlements, and building capacity of key staff, such as youth, community, gender development officers, and the like. The Bank's and government's KISIP team will identify specific activities and expected outcomes during preparation.

24. **KISIP 2 will include activities to prevent crime and violence in informal settlements.** These activities will include (a) participatory crime and violence mapping to identify hotspots; (b) investment in infrastructure to make hotspots safer (such as in lights, gates, rehabilitation of public spaces, and others following the principals of crime prevention through environmental design (CPTED); and (c) investment in facilities such as community centers, where programs for youth skills development and conflict mediation could take place. Work on participatory violence mapping piloted under KISIP1 provides a robust methodology to CPTED into planning and design of infrastructure



projects. Technical assistance to counties to integrate violence prevention in urban development plans and strengthen local coordination on the provision of services for violence prevention will also be considered.

25. **KISIP 2 will deepen the efforts made under KISIP1 to ensure that women benefit fully from the project.** The SECs must comprise at least one-third female representatives. This ensures that women can benefit from the tenure regularization (females who are heads of households are entitled to an individual household title or, in the case of a community title, be formally recognized as a member of the community). It also ensures that women can influence the choice and location of infrastructure investments. Women are expected to benefit disproportionately from some of the investments, such as in water and sanitation facilities. To further promote women's access to resources, the Project Coordination Teams (PCTs) at both national and county levels will encourage married couples to include the names of both spouses on ownership documents. This will also help to implement the constitution, which explicitly states that a principle of the land policy is the elimination of gender discrimination in law, customs, and practices related to land and property in land. Activities to link settlement residents with government initiatives to reduce poverty and vulnerability and to increase employment of youth will include measures to ensure that women benefit fully from them. Women are the primary beneficiaries of the ongoing National Safety Nets Program, because they are the main caretakers of orphans and disabled people. Measures to prevent crime and violence will also provide significant benefits to women, who are often victims of crime. In addition, women often change their mode of transport and routes, when they perceive that certain modes and routes are not safe. These alternatives are generally more expensive and take more time, restricting women's mobility and thus their access to jobs and services. Improvements in safety will help to change this.

Institutional Strengthening

26. **KISIP 2 will support institutional and policy development at national and county levels.** Capacity building plans for each level of government will be developed during project preparation. Eligible areas include, among others:

- Planning in informal settlements, including adoptive planning.
- Development of strategies, such as city/county-wide slum upgrading strategies, planning for urban growth, and social housing strategies.
- Crime and violence prevention strategies.
- Social protection strategies.
- Fiduciary and contract management capacity building/support.

Geographical Scope

27. **KISIP 2 will support investments in infrastructure and services in about 50–56 settlements in urban areas.** KISIP1 has financed the preparation of detailed designs and bidding documents for upgrading plans for 39 settlements in six counties (Nairobi, Kilifi, Kakamega, Kisumu, Nakuru, Mombasa). Implementation of the plans will ensure that KISIP 2 is able to provide relatively quick and high-impact results. In addition to implementation of these plans, KISIP 2 is envisaged to cover an additional 17–20 settlements in other counties. However, not all counties will be able to access the funds, and clear criteria will need to be developed during preparation that allow selection to be made on technical grounds. Alternatively, the funds can be allocated for integrated settlement planning for tenure regularization and infrastructure, allowing the development of a pipeline for future investment. The Bank and government teams will reach agreement on the best approach during project preparation.



28. **All counties will be eligible for support for integrated settlement planning for tenure regularization and infrastructure.** KISIP 2 is expected to support about 74 settlements from KISIP1 (which have benefited from tenure regularization) with detailed designs and bidding documents for settlement upgrading plans. It will support an additional 75 settlements with integrated planning for both tenure regularization and infrastructure. All counties will be eligible for support under this component. However, detailed eligibility criteria will be established to ensure that the work has a high impact. Such criteria could include, overall population of the settlement, density of the settlement, and assurance that settlement is on government land, which the government is willing to release for tenure regularization.

2. Overall Risk and Explanation

29. **The project risk is rating is Substantial.** Governance and country-wide political risks are substantial. Newly elected county governors and assembly members will need time to familiarize themselves with county systems and the project. Fiduciary risk is rated as substantial, largely due to the inexperience of county administrations with implementation of Bank-supported projects. Experience demonstrates that many counties will initially need technical assistance to implement projects efficiently and in compliance with Bank policies. Environmental and social risks are assessed as Substantial. Capacity deficits in safeguards that led to delays in project implementation in KISIP 1 will be avoided by a task mapping and capacity assessment of those responsible for implementation of different safeguards tasks including community engagements. As a valuable lesson from KISIP 1, only projects with minimal displacements through adoptive planning will be undertaken. Efforts to engage the affected communities on prioritization of project benefits will be enhanced in KISIP II. As such, the project will prepare a Stakeholder Engagement Plan (SEP) before appraisal to improve community ownership of project components and activities. Although the investments that will be funded by KISIP 2 are unlikely to have adverse environmental impacts, the risks of displacement in densely-populated informal settlements is high and must be closely monitored to ensure all project induced negative impacts are avoided, mitigated and off-set. Technical risk is rated as Moderate, because KISIP 2 is building on approaches that have been successful under KISIP1. The project design includes measures to mitigate many of these risks.

30. **The impact of labor influx and risks of gender-based violence (GBV) including sexual exploitation and abuse (SEA) is assessed as low to medium, based on the predominantly urban sites, proposed scope of works, and relatively high absorption capacity.** Whereas the GBV Guidance Note risk rating tool identified the risk of SEA for the project as 'low risk', the risk of SEA being aggravated by higher expandable incomes in informal settlements cannot be ignored. Activities to mitigate these risks include (a) contractor's contractual obligations to prepare and enforce code of conduct for workers addressing their conduct in the workplace and vis-a-vis the community; (b) strengthening two separate Grievance Redress Mechanisms to effectively handle SEA and SH complaints respectively, (c) capacity building of KISIP PCT on SEA; and (d) an enhanced monitoring mechanism.

31. **Other risks: Climate change is rated moderate risk.** A climate risk screening has been carried out and the risk is rated as moderate (the climate risk screening report is in the project file). To mitigate the climate risk, KISIP 2 includes infrastructure—such as improved drainage systems—to reduce the risk of flooding. In addition, the terms of reference for the preparation of detailed designs of the infrastructure will require that the designs include measures to improve resilience. A climate co-benefits assessment will be carried out during project preparation.

SAFEGUARDS



A. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

KISIP2 will support investments in infrastructure and services in urban informal settlements. Proposed project activities are consistent with activities implemented under KISIP 1, comprising of subprojects that have potentially moderate environmental and social risks. Investments will be bound by each settlement footprint and settlements not conforming to adoptive planning to minimize displacement will not be selected.

Potential impacts are expected to be site-specific, largely reversible, and readily addressed through mitigation measures. KISIP1 has financed the preparation of detailed designs and bidding documents for upgrading plans for 39 settlements. Resettlement Actions Plans (RAPs) and Environmental and Social Impact Assessments (ESIAs) for the 39 settlements as well as a Vulnerable and Marginalized Group Framework (VMGF) will be prepared, consulted upon and disclosed prior to appraisal. Developing ESIAs, Environmental and Social Management Plans (ESMPs) and RAPs will be based on the readiness of the designs for each investment and the capacity to manage programmatic ESIAs at County level considered in conjunction with capacity to monitor contractors' ownership of the site-specific ESMPs.

Under the integrated planning component, KISIP2 is expected to support some of 74 settlements from KISIP1 (which have benefited from tenure regularization) with detailed designs and bidding documents for settlement upgrading plans and an additional 75 settlements with integrated planning. Detailed eligibility criteria will be established to ensure that the work has high impact. A Stakeholder Engagement Plan (SEP) will be prepared before appraisal to improve community ownership of project activities.

The locations are expected to be in urban areas that can be often densely populated, poorly managed and with limited or no basic services. Project investments shall be designed to (1) avoid locations which are prone to natural disasters or cause adverse impact on natural environment and human health; and (2) incorporate such vulnerabilities into the design. Design solutions (with corresponding budget provisions) include (a) set up and management of riparian zones, where applicable; (b) establishment of waste management arrangements to support sustainability of project infrastructure; and (c) provisions for safety of the project activities during construction and operation.

B. Borrower's Institutional Capacity for Safeguard Policies

The project will be implemented by the KISIP 1 Project Coordination Team (PCT) that has over the years developed a good level of awareness and improved capacity to address Environmental and Social (E&S) risks. In addition, task mapping and capacity assessment of those responsible for implementation of safeguards in both the PCT and the participating Counties will be conducted. The findings will inform measures to strengthen staffing and safeguards capacity. Third party monitoring is proposed, given the large number of settlements and counties in which KISIP2 will be engaged in, including those with unknown capacities to manage social risks.

Risk of economic displacement of waste pickers is low as care will be taken to retain them in the proposed in-site small scale solid waste management interventions. Economic displacement of wastepickers is therefore unanticipated although the project will enlist the help of an expert on wastepickers to ensure that this does not happen.

Whereas specific implementation modalities and institutional arrangements for KISIP 2 will be agreed and detailed in the Project Operations Manual (POM), it is essential that the Client commits to dedicated resourcing in PCT to manage environmental and social risks.



C. Environmental and Social Safeguards Specialists on the Team

Svetlana Khvostova, Environmental Specialist
Kimberly Vilar, Social Specialist
Maina Ephantus Githinji, Environmental Specialist
Adrian Howard Cutler, Social Specialist
Raymond Simon Maina Kirwa, Social Specialist

D. Policies that might apply

Table with 3 columns: Safeguard Policies, Triggered?, and Explanation (Optional). Rows include Environmental Assessment OP/BP 4.01 (Yes), Performance Standards for Private Sector Activities OP/BP 4.03 (No), Natural Habitats OP/BP 4.04 (TBD), Forests OP/BP 4.36 (No), and Pest Management OP 4.09 (No).



		activities that could lead to use of pesticide or pest management practices.
Physical Cultural Resources OP/BP 4.11	Yes	Physical cultural resources (PCRs) are not expected to be encountered during implementation of project activities, as the project is located in informal settlements, however ESMF and ESIA documents will include a “chance find” procedure to guide any cases of discovery of PCRs during civil works.
Indigenous Peoples OP/BP 4.10	Yes	Selection of sites for project implementation is not complete. A phased approach is being considered; first to focus on ready 39 settlements, then to select new settlements based on some proposed criteria. In anticipation of this, the project will prepare a Vulnerable and Marginalized Group Framework (VMGF) to apply relevant aspects of OP 4.10 should sites with VMGs be selected.
Involuntary Resettlement OP/BP 4.12	Yes	Involuntary resettlement is triggered due to foreseen civil works activities that may require temporary use of land and/or loss of access to means of livelihoods. While the project activities under Component 3 do not involve construction of any new infrastructure, they may involve temporary displacement of people and/or involuntary restriction and, or loss of access to assets and means of livelihood. The Borrower will prepare a Resettlement Policy Framework (RPF) to guide the preparation of site-specific RAPs once the settlements are known. During implementation, effort will be made to ensure application of adoptive standard regulations in informal settlements. This will lead to decreased impacts and displacements. For any cases when resettlement or loss of access to resources is unavoidable, the project will prepare and publicly disclose a RAP or Abbreviated RAP (ARAP), guided by the project RPF.
Safety of Dams OP/BP 4.37	No	Dam related activities not envisioned in the project scope of activities
Projects on International Waterways OP/BP 7.50	No	None of the project components and activities involves potential international water rights issues
Projects in Disputed Areas OP/BP 7.60	No	No project component or activities envisioned in disputed areas. Proposed criteria for selection of settlements for KISIP 2 interventions and screening reports eliminates any settlement in disputed areas.



E. Safeguard Preparation Plan

Tentative target date for preparing the Appraisal Stage PID/ISDS

May 15, 2019

Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing should be specified in the Appraisal Stage PID/ISDS

To be determined during preparation.

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