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ON A PROPOSED CREDIT
IN THE AMOUNT OF SDR 65.1 MILLION
(US\$100 MILLION EQUIVALENT)

AND

A US\$6.65 MILLION GRANT
FROM THE LEAST DEVELOPED COUNTRIES FUND

TO

THE REPUBLIC OF NIGER

FOR THE

DISASTER RISK MANAGEMENT AND URBAN DEVELOPMENT PROJECT

November 14, 2013

Environment, Water Resources and Disaster Risk Management Unit (AFTN2)
Sustainable Development Department
Africa Region

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CURRENCY EQUIVALENTS

(Exchange Rate Effective: October 9, 2013)

Currency Unit	=	FCFA
SDR 1	=	US\$1.54
FCFA 100	=	US\$ 0.20
US\$ 1	=	FCFA 497.5

FISCAL YEAR

January 1 – December 31

ABBREVIATIONS AND ACRONYMS

ADPRS	Accelerated Development and Poverty Reduction Strategy
ANFICT	Agence Nationale pour le Financement des Investissements des Collectivités Territoriales (National Agency for the Investment of Local Governments)
BEEEI	Bureau des Evaluations Environnementales et des Etudes d'Impacts (Environmental Evaluation and Impact Studies Office)
CAP	Community Action Programs
CAPCR	Community Action Project for Climate Resilience
CAS	Country Assistance Strategy / Country Partnership Strategy
CERC	Contingency Emergency Response Component
COGES	Comité de Gestion (Management Committee)
DDMC	District Disaster Management Committee
DNPGCCA	Dispositif National de Prévention et de Gestion des Catastrophes et Crises Alimentaires (National Mechanism for the Prevention and Management of Disasters and Food Crises)
DRM	Disaster Risk Management
DRR	Disaster Risk Reduction
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
EWS	Early Warning System
GEF	Global Environment Facility
GFDRR	Global Facility for Disaster Reduction and Recovery
I3N	Initiative 3N - Les Nigériens Nourrissent les Nigériens (3N Initiative – Nigériens Feed Nigériens)
IBRD	International Bank for Reconstruction and Development
IRM	Immediate Response Mechanism
LGA	Local Government Authority
LDP	Local Development Plan
M&E	Monitoring and Evaluation
MAG	Ministère de l'Agriculture (Ministry of Agriculture)
MESUDD	Ministère de l'Environnement, de la Salubrité Urbaine et du Développement Durable (Ministry of Environment, Urban Sewerage and Sustainable Development)
MH	Ministère de l'Hydraulique (Ministry of Water Resources)

MISPDAR	Ministère Intérieur, Sécurité Publique, Décentralisation et Affaires Coutumières et Religieuses (Ministry of Interior, Security, Decentralization and Customary and Religious Affairs)
MPLAN	Ministère du Plan, de l'Aménagement du Territoire et du Développement Communautaire (Ministry of Planning, Land Development and Community Development)
NAPA	National Adaptation Programme of Action
NSC	National Steering Committee (Comité National de Pilotage)
ONAHA	Office National des Amenagements Hydro-Agricoles (National Department for Irrigated Land)
PCU	Project Coordination Unit
PIU	Project Implementation Unit
ORAF	Operational Risk Assessment Framework
OSV	Observatoires de Suivi de la Vulnérabilité (Vulnerability Monitoring Observatories)
PAD	Project Appraisal Document
PDC	Plan de Développement Communal (Municipal Development Plan)
PDES	Plan de Développement Économique et Social (Economic & Social Development Plan)
PDO	Project Development Objective
PMP	Pest Management Plan
PPCR	Pilot Program for Climate Resilience
RfP	Request for Proposal
RPF	Resettlement Policy Framework
SAWAP	Sahel and West Africa Program
SCAP-RU	Système Communautaire d'Alerte Précoce et de Réponse aux Urgences (Community-Based Early Warning and Emergency Response System)
SLWM	Sustainable Land and Water Management
SPCR	Strategic Program for Climate Resilience
WB	World Bank

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Sector Director:	Jamal Saghir
Sector Manager:	Jonathan S. Kamkwalala
Task Team Leader:	Richard James

Niger
Disaster Risk Management and Urban Development Project
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NIGER
DISASTER RISK MANAGEMENT AND URBAN DEVELOPMENT PROJECT
PROJECT APPRAISAL DOCUMENT
AFRICA
AFTN2

Basic Information			
Date:	11/14/2013	Sectors:	Water, Sanitation and Flood protection (40%); Agriculture, fishing and forestry (30%); Flood Protection (30%)
Country Director:	Ousmane Diagana	Themes:	Environment and Natural Resources Management (30%), Social protection and risk management (25%), Urban development (20%), Rural development (20%), Social Development, Gender, and Inclusion (5%)
Sector Manager	Jonathan S. Kamkwala		
Sector Director:	Jamal Saghir	EA Category:	B
Project ID:	P145268 (IDA) P145932 (LDCF)		
Lending Instrument:	Investment Project Finance - IPF		
Team Leader(s):	Richard James		
Joint IFC: No			
Borrower: Republic of Niger			
Responsible Agency: Ministry of Planning, Land Development and Community Development			
Contact:	Amadou Boubacar Cisse	Title:	Senior Minister, Minister of Planning, Land Development and Community Development
Telephone No.:	+227 20 73 69 87 (General Secretariat) +227 20 72 36 17 (Cabinet Minister)	Email:	
Project Implementation Period: Start Date: December 12, 2013 End Date: December 31, 2019			
Expected Effectiveness Date: January 31, 2014			
Expected Closing Date: June 30, 2020			
Project Financing Data(US\$ Million)			
<input type="checkbox"/> Loan	<input checked="" type="checkbox"/> Grant	<input type="checkbox"/> Other	
<input checked="" type="checkbox"/> Credit	<input type="checkbox"/> Guarantee		
For Loans/Credits/Others (US\$ Million)			
Total Project Cost :	106.65	Total Bank Financing Gap :	106.65 0.00
Total Co-financing :	0.00		
Financing Source			US\$ Million
IDA			100.00
Others : Least Developed Countries Fund (LDCF)			6.65
Financing Gap			0.00
Total			106.65

Expected Disbursements (US\$ Million)								
Fiscal Year	2014	2015	2016	2017	2018	2019	2020	
Annual	6.20	20.40	28.30	25.60	16.61	9.00	0.54	
Cumulative	6.20	26.60	54.90	80.50	97.11	106.11	106.65	
The Project Development Objective (PDO) is to improve Niger's resilience to natural hazards through (i) selected disaster risk management interventions in targeted project sites and (ii) strengthening of Government's capacity to respond promptly and effectively to an eligible crisis or an emergency.								
Component Name							US\$ Million	
Component 1: Flood Risk Management Investments (IDA: 73.00 + LDCF: 6.65)							79.65	
Component 2: Capacity Building for Urban Development and Disaster Risk Mgmt.							22.00	
Component 3: Project Management							5.00	
Component 4: Contingency Component							0.00	
Total							106.65	
Compliance								
Policy							Yes	No
Does the project depart from the CAS in content or in other significant respects?								X
Does the project require any waivers of Bank policies?								X
Have these been approved by Bank management?							-	-
Is approval for any policy waiver sought from the Board?								X
Does the project meet the Regional criteria for readiness for implementation?							X	
Safeguard Policies Triggered by the Project							Yes	No
Environmental Assessment OP/BP 4.01							X	
Natural Habitats OP/BP 4.04								X
Forests (OP/BP 4.36)								X
Pest Management (OP 4.09)							X	
Physical Cultural Resources (OP/BP 4.11)							X	
Indigenous Peoples (OP/BP 4.10)								X
Involuntary Resettlement (OP/BP 4.12)							X	
Safety of Dams (OP/BP 4.37)								X
Projects on International Waterways (OP/BP 7.50)							X	
Projects in Disputed Areas (OP/BP 7.60)								X
Piloting the Use of Borrower Systems to Address Env. and Soc. Safeguard Issues in Bank-Supported Projects(OP/BP 4.00)								X

Legal Covenants	
Name	Due Date
Establish within the PCU, a computerized financial and accounting system, and successfully train relevant staff in the use thereof, in accordance with the provisions of Section II of Schedule 2 of the Financing Agreement.	2 months after effectiveness
Recruit an internal auditor, in accordance with the provisions of Section III of Schedule 2 of the Financing Agreement.	3 months after effectiveness
Recruit an external auditor, in accordance with the provisions of Section III of Schedule 2 of the Financing Agreement.	4 months after effectiveness
Recruit a procurement officer and accountant to each PIU, in accordance with the provisions of Section III of Schedule 2 of the Financing Agreement.	4 months after effectiveness
Conditions	
Name	Type
The Recipient has established the Project Steering Committee in accordance with the provisions of Section I.A.1 of Schedule 2 to the IDA Financing Agreement.	Condition of Effectiveness
The Recipient has established the PCU and recruited to the PCU, a Project coordinator, a financial management specialist, an accountant, a procurement specialist, an environmental specialist and a monitoring and evaluations specialist, in accordance with the provisions of Section I.A.2 of Schedule 2 to the IDA Financing Agreement and established the four PIUs in accordance with the provisions of Section I.A.3 of Schedule 2 to the IDA Financing Agreement.	Condition of Effectiveness
The Recipient has adopted the Project Implementation Manual in accordance with Section I.C of Schedule 2 to the IDA Financing Agreement.	Condition of Effectiveness
The Least Developed Country Fund Grant Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals thereunder (other than the effectiveness of this Agreement) have been fulfilled.	Condition of Effectiveness
Adopt an operations manual for Component 4 (“IRM Operations Manual”), approved by the World Bank	Disbursement condition for the Contingency Component

Team Composition			
Bank Staff			
Name	Title	Specialization	Unit
Richard James	Sr. Operations Officer, TTL	Team Lead (TTL)	AFTN2
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Sofia Bettencourt	Lead Operations Officer	Operations	GFDRR
Helene Bertaud	Sr. Counsel	Counsel	LEGAM
Nneoma Nwogu	Counsel	Counsel	LEGAM
Wolfgang Chadab	Sr. FM Specialist	Disbursement	LEGAM
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Name	Title	Office Phone	City
Olivier Cayla	Hydrologist		Paris
Heinrich Unger	Urban Engineer		Toronto
Eduardo Feuerhake	Housing Specialist		Santiago
Philippe Rapaport	Information Mgmt Expert		Toulouse
Christian Crépeau	Geospatial Strategy Specialist		Toulouse

Locations					
Country	First Administrative Division	Locations	Planned	Actual	Comments
Niger	Diffa				
Niger	Dosso				
Niger	Niamey				
Niger	Tillabéri				
Institutional Data					
Sector Board					
Multi-sector					
Sectors / Climate Change					
Sector (Maximum 5 and total % must equal 100)					
Major Sector	Sector	%	Adaptation Co-benefits %	Mitigation Co-benefits %	
Water, sanitation and flood protection	Sanitation and drainage	40	100%		
Agriculture, fishing and forestry	Agriculture	30	100%		
Flood protection	Flood protection	30	100%		
Total		100			
<input type="checkbox"/> I certify that there is no Adaptation and Mitigation Climate Change co-benefits information applicable to this project.					
Themes					
Theme (Maximum 5 and total % must equal 100)					
Major theme	Theme	%			
Environment and Natural Resources Management	Water resources management	30			
Social Protection and Risk Management	Natural disaster management	25			
Urban Development	Municipal governance institution building and investment urban services and infrastructures	20			
Rural Development	Rural services and infrastructure	20			
Social Development, Gender, and Inclusion	Gender	5			
Total		100			

Republic of Niger
Disaster Risk Management and Urban Development Project

I. STRATEGIC CONTEXT

A. Country Context

1. The Republic of Niger has an area of 1.27 million km² with a population of approximately 16 million. Niger remains one of the poorest countries in the sub-Saharan Africa, with a per capita GDP of about US\$383 and a life expectancy of 57 years. Niger, with high rainfall variability, is highly vulnerable to natural hazards.

2. About 20 percent of Niger's population lives in urban areas, of which 40 percent lives in the capital, Niamey. The urban population rate is expected to reach 40 percent by 2030. The contribution of urban areas to the country's GDP is about 50 percent while less than eight percent of the national budget is dedicated to building or rehabilitating urban infrastructure. Approximately 70% of the urban population relies on agriculture for its livelihood. Limited technical capacity, unpredictable financial resources at local government level and weak coordination among central government entities remain the biggest urban challenges, thus contributing to high vulnerability of poor urban households.

3. A number of factors contribute to the rising disaster risks in Niger including population growth; deforestation; increasing soil erosion and land degradation in watersheds and upper catchment areas of major river basins; and climate variability and change. Disaster risk is exacerbated by inadequate planning, particularly with respect to population settlements along the banks of the Niger and Komadougou Rivers; poor building standards; obsolete or inadequate infrastructure such as vulnerable protective dikes in inhabited areas that invariably give way as water pressure increases; lack of interconnectivity among information systems; and limited emergency response and recovery capacity.

4. In Niger, ten major droughts¹ and nine flooding events² were recorded over the last 30 years. Drought episodes resulted in rural exodus and uncontrolled demographic growth in the urban areas. Record precipitations in 2010 and 2012 exacerbated the high flood exposure. Degradation of watersheds and serious soil erosion in upper catchment areas of major river basins have seriously reduced the water absorption and infiltration capacity of the land, allowing water to flow torrentially with damaging results. Silt loads have also increased significantly in river beds. Specifically, the increase in denuded and degraded land areas and widening of ravines, as observed in the Sirba watershed on the right Bank upstream Niamey, is considered a major reason for the increase in flood risk in Niger³.

¹ Rainfall deficit years: 1984, 1987, 1990, 1993, 1995, 1997, 2000, 2004, 2009 and 2011. Out of these, seven were associated with crop failure.

² Flood years: 1988, 1994, 1998, 1999, 2006, 2009, 2010, 2012 and 2013.

³ Change in Sahelian Rivers hydrograph: The case of recent red floods of the Niger River in the Niamey region (Descroix and al., 2012)

5. The flooding events in 2012 led to critical damages to infrastructure and housing in cities, villages and irrigated perimeters along the Niger and Komadougou Rivers. Subsequently the Government requested support from the World Bank to help: (a) rehabilitate infrastructures and improve livelihoods through effective and sustainable programs; (b) improve disaster risk management capacity (i.e. risk evaluation, planning, resilient building practices, early warning systems and emergency response); and; (c) long-term remedial programs in critical watersheds that pose a growing threat to urban areas and rural communities along major rivers.

B. Sectoral and Institutional Context

6. Nigeriens' resilience to natural hazards is primarily being supported through the implementation of Niger's Plan for Economic and Social Development (PDES), approved in August 2012, which aims at achieving an economic growth rate of around eight percent during the following three years. The PDES provides an overarching framework for a number of specific strategies, including the Nigeriens Feed Nigeriens (3N) initiative of September 2011 and the National Strategy for Disaster Risk Reduction of April 2013.

7. Agriculture is the most important sector of Niger's economy and accounts for over 40 percent of national GDP and is the principal source of livelihoods for over 80 percent of the country's population, including the one living in urban areas. The performance of the agricultural sector, however, due to its high exposure to risks, is very volatile. According to the 2012 'Analysis of Climate Determinants on Crop Yields' report prepared by AGRHYMET⁴, temperatures in Niger have increased by about 0.3°C to 1°C between 1980 and 2010. In terms of precipitation, apart from droughts of 2004 and 2011, Niger has experienced rainfall conditions much better, on average, over the past two decades as compared to the 1970s and 1980s. In the case of a temperature increase of +2°C (compared to 1980), climate change would be expected to induce a reduction in some of the rain-fed crop yields such as millet and sorghum by more than 10 percent by 2050 with the assumption of insignificant variations in precipitation. Approximately 85,000–100,000 hectares of agriculture land are irrigated in Niger, out of which about 10,000 hectares require rehabilitation. Under the 3N initiative, a number of donors are supporting the Priority Program for Irrigated Land, with the objective of improving and stabilizing the productivity of irrigated lands. Floods have affected the irrigated lands all along the Niger and Komadougou Rivers, reducing the production potential and compelling the government to import food to meet the requirements of the country. Despite continued expansion of the cultivated area, per capita land use is declining. Farms are small (average 4.1 hectares) and getting smaller because Niger's high population growth rate exceeds by far the rate of area expansion. In this context, rehabilitation and maintenance of irrigated areas is a major challenge, and ONAHA – the National Department for Irrigated Land – needs to build capacity in order to support maintenance efforts. The Ministry of Agriculture is taking up steps to meet the challenge.

8. Water Resources: Ninety percent of Niger's total water resources originate from neighboring countries. Niger's hydrographic network is based on two major basins, Niger River and Lake Chad. Both water basins are seriously threatened by pollution and environmental

⁴ Specialized regional agro-hydro-meteorological agency of the Permanent Inter-State Committee Against Drought in the Sahel

degradation. The Niger River, with a total length of about 4,100 km, is the third-longest river in Africa and the largest river in West Africa. Within Niger, this river receives water from three tributaries originating in Burkina Faso (Goroual, Sirba and Tapoa). In the Middle Niger, the first high-water discharge, known as the white flood (because of the light sediment content of the water), occurs soon after the rainy season in September. A second rise, known as the black flood, begins in December with the arrival of inflow from upstream. Adoption of better land management practices in the upstream areas is therefore essential to address flood-hazard risks within a comprehensive disaster risk management framework.

9. **Urban Development:** During the last decade, the Government has promoted enhancements to the institutional and legal framework for urban development in the context of decentralized management. However, this framework has not been accompanied by an efficient implementation of the urban development strategy, or mobilization of enough resources to facilitate actions to be taken. The Local Infrastructure Development Project (PDIL, P095949), which closed in January 2013, paved the way for more structured transfers of resources from central to local levels. The study and lessons learned from the project confirmed that local Government authorities, in consultation with community leaders and other key stakeholders, are better positioned than the central government to prioritize urban development and interventions aimed at increasing resilience to disasters.

10. **Disaster Risk Management and Climate Change Adaptation:** Drought and food insecurity are major risks in Niger and are being addressed by a large number of programs since the late 1970s. In addition to drought, Niger is also increasingly vulnerable to a variety of rapid-onset natural hazards including locust infestation, flooding (hydrological and flash floods), extreme wind and wild land fires requiring real-time monitoring and short-term forecasting. However, credible risk information is still scarce and the potential impacts of these natural hazards on Nigerien social and economic systems are yet to be determined. Niger's National Mechanism for the Prevention and Management of Disasters and Food Crises (DNPGCCA), under the Prime Minister's office, is the government body charged with coordination of Disaster Risk Management (DRM) activities in the country. An increasing number of municipalities have established Vulnerability Monitoring Observatories (OSV) which intervene at the village level to collect data and information on vulnerability factors such as prices of products in local markets, production estimates, availability of markets, health related issues, and environmental aspects. These observatories comprise technical services and civil society organizations operating at municipalities and community-based early warning and emergency response systems (SCAP-RU). Data from villages are sent to the respective OSV for aggregation and analysis. Local information, once analyzed, is shared with both, the central government for further aggregation at the regional and national levels, and local government authorities (LGA) to inform decision-making processes at the local level. However some gaps need to get urgently addressed related to data analysis, information management, mainstreaming of risk reduction in development practices and preparedness (early warning) operating procedures, more specifically for rapid-onset hazards (river floods, flash floods, fire, windstorms, etc.).

11. **Decentralization and Local Governments' Participation:** A number of legal instruments were developed between 1999 and 2004 to implement the decentralization policy. There are currently a total of 266 municipalities, 213 of which are rural, and their mandates include local development planning, natural resource management, agriculture and livestock, land tenure, and social services. The year 2004 led to the establishment of a decentralized equity fund for local

governments, and to the support to the de-concentration of selected governmental functions. The municipalities have important relative advantages in terms of knowledge of local climate-related constraints, appropriate solutions, and on-going programs aimed at making them more accountable. Some municipalities are competent in fiduciary aspects of project management for contracts below determined thresholds, based on their capacities. In this context, the project will further develop capacity for decentralized development.

12. Gender perspectives and inclusion of vulnerable groups: In most places, low-income groups are heavily concentrated in sites most exposed to natural hazards – flood plains, steep slopes – or living in overcrowded vulnerable houses. Hazardous sites are often the only sites which poorer groups can occupy that are close to income-earning opportunities. Low-income neighborhoods have the least provision for protective infrastructure and resources on which to call when disasters damage or destroy their housing. Persistent poverty and high levels of gender inequality have hindered female participation in Niger’s development processes, at various levels from village to large irrigated perimeters. The project promotes implementation of the National Policy on Gender aiming not only at implementing the constitutional principles of equity and respect of human rights, but also at activating the national and international government commitments for the promotion of equity and gender. Given the importance of the traditional participation of Nigerien women in natural resource management, rural activities will explicitly support a gender-sensitive approach, specifically: (i) participation of women in the consultations leading to decisions on rehabilitations and investments; (ii) engagement of women's labor force (e.g. cash-for-work) and (iii) scaling-up the successful experience of providing irrigated land to vulnerable groups including women.

C. Higher Level Objectives to which the Project Contributes

13. The project, being multi-sectoral in nature, contributes to a large number of crosscutting objectives. The poor and vulnerable, including women, suffer the most from disasters. Contribution to minimizing disaster risks will enable this group to continue improving their livelihoods. The successful implementation of the project will ensure that disaster risk management and climate adaptation are appropriately mainstreamed in higher-level sustainable development strategies such as the examples below. A more detailed list is available in Annex 8.

14. World Bank Strategy for Africa: The project is consistent with the Pillar 2 of the World Bank Strategy for Africa (Africa’s Future and the World Bank’s Support to It, March 2011). The project will directly contribute to addressing vulnerability and resilience to macroeconomic and idiosyncratic shocks such as natural hazards, food shortages and climate change in Niger by strengthening at risk infrastructure and building of human preparedness.

15. World Bank Country Partnership Strategy: The project directly contributes to the World Bank Country Partnership Strategy for the period FY13-16 (CPS, approved on March 29, 2013) and is squarely aligned with its second pillar ‘reducing vulnerability’. The CPS proposes a combination of investments, policy reforms and technical assistance to tackle key underlying causes of vulnerability, including interventions in risk identification, risk mitigation, preparedness and adequate emergency response.

16. Economic and Social Development Plan: The project contributes to Niger’s Economic and Social Development Plan (PDES) 2012-2015, developed as a unifying framework for all sectoral

policies and strategies undertaken by the Government. A key message of the PDES is the Government's awareness of the country's high vulnerability to adverse natural events and the effects of climate change, and recognition that developing mechanisms for climate change adaptation is an urgent need. Accordingly, the PDES instructs the integration of adaptation measures into the policies for economic and social development in order to reduce the vulnerability of populations to the negative impacts of climate change and strengthen their resilience to climate change, food crises, and natural disasters.

17. Nigeriens feed Nigeriens Initiative: The project also contributes to the Nigeriens feed Nigeriens Initiative (3N), specifically its second and fourth objectives: 'Increase the resilience of poor households by increasing their income' and 'Enhance national and local capacity to anticipate, prevent and manage food crises'. The project adopts the following of its implementation principles, i.e.: (i) concentrating support at the municipality level; (ii) effective involvement of beneficiaries in the planning and implementation of activities; (iii) scaling up sustainable management of natural resources, (iv) improving adaptation to climate change, and (v) mobilizing the rural youth (and gender).

II. PROJECT DEVELOPMENT OBJECTIVES

A. Project Development Objective (PDO)

18. The project development objective is to improve Niger's resilience to natural hazards through: (i) selected disaster risk management interventions in targeted project sites and (ii) strengthening of Government's capacity to respond promptly and effectively to an eligible crisis or emergency.

B. Project Beneficiaries

19. The primary beneficiaries would be the municipalities and communities within the four regions of Tillabéri, Niamey, Dosso and Diffa, along the Niger and Komadougou Rivers as well as living in watersheds in tributaries of these two rivers. These areas include populations living within the 104 municipalities potentially benefitting from rehabilitated or reconstructed infrastructures and other DRM interventions. Because of the inclusive nature of capacities developed at the national level (risk mitigation in urban areas and in upstream watersheds, early warning, actionable disaster-risk preparedness and emergency response capacities) all Nigeriens are considered secondary beneficiaries. In addition to the above, representatives of line ministries and local government agencies will also benefit from technical and institutional capacity building activities in planning and monitoring.

C. PDO Level Results Indicators

20. The project objective will be monitored by the following indicators:

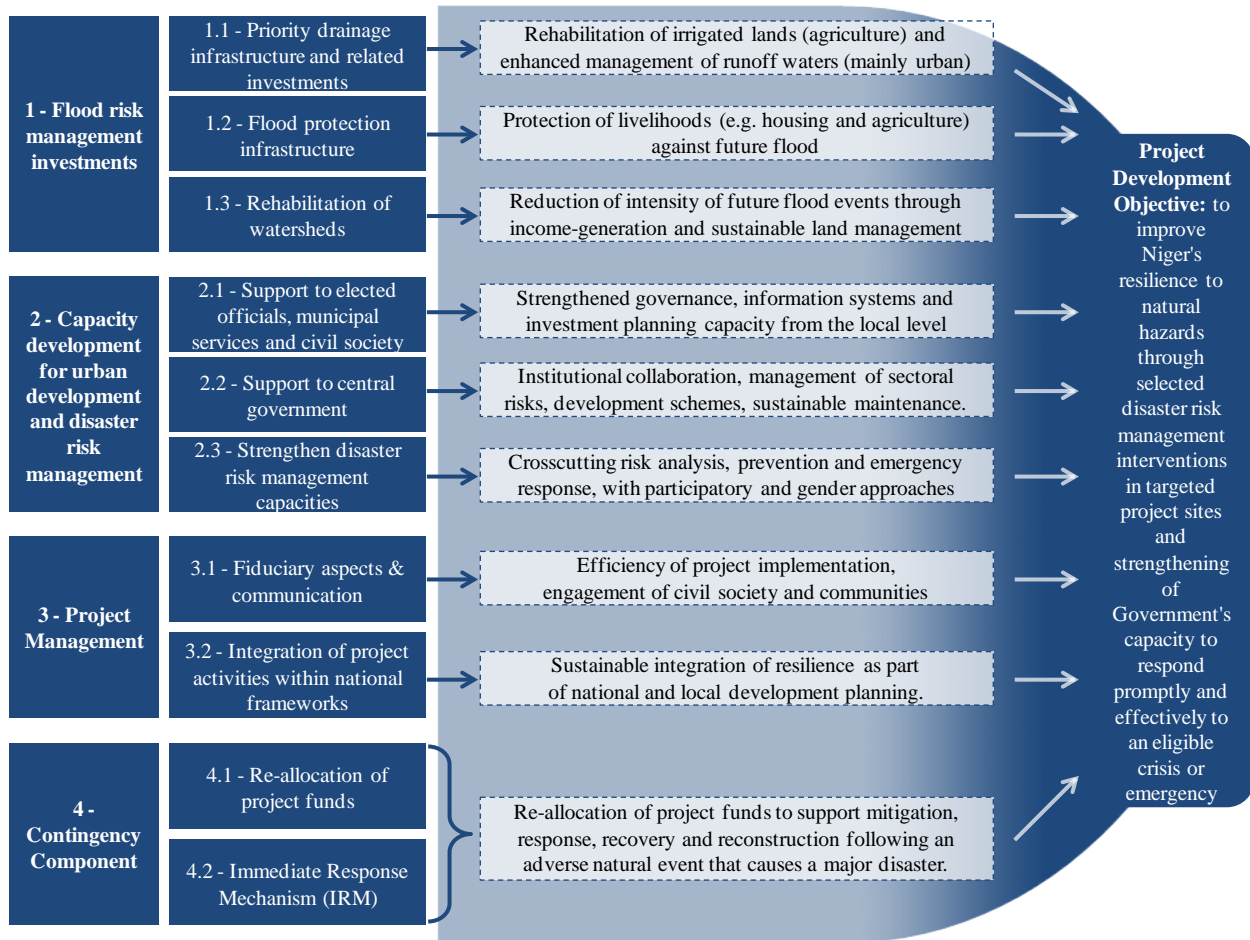
- (a) Direct project beneficiaries (number), of which female (percentage);
- (b) Targeted flood protection and sustainable land and water management interventions contributing to increased resilience (% of targeted interventions implemented); and
- (c) Performance of the early warning and response system for natural rapid-onset hazards (e.g. floods, strong winds, and wild land fires) from local to national level.

III. PROJECT DESCRIPTION

A. Project Components

21. The proposed components include: (a) flood risk management investments; (b) capacity building for urban development and disaster risk management; (c) project management; and (d) a contingency component. The components and sub-components are represented in Figure 1 below, and details are as follows:

Figure 1: Project Components' contribution to the Project Development Objective



22. **Component 1 - Flood Risk Management Investments (US\$79.65 million):** this includes a combination of infrastructure rehabilitation and disaster risk management structural interventions to ensure sustainability to future flooding events in the urban and rural areas of Niamey, Dosso, Tillabéri, and Diffa regions. Activities at the municipality level will be prioritized by local and regional authorities. The sub-components include the following:

23. **Sub-component 1.1 - Drainage, irrigation and priority socio-economic infrastructures (US\$40 million):** This will support construction of drainage canals and collectors in Niamey, Dosso, Kollo, Say, Tera and Tillabéri; rehabilitation of drainage canals, waste management and rehabilitation of drinking water supplies and social infrastructures in Niamey; and rehabilitation of irrigated perimeters damaged by 2012 floods along the Niger and Komadougou Rivers.

24. Sub-component 1.2 - Flood protection infrastructure (US\$14million, of which US\$1.33 million from LDCF⁵): This will support river bank protection using plants and technical measures; stone barriers and thresholds in ‘koris’ (sandy intermittent streams) to reduce runoff intensity; and rehabilitation/upgrading of dikes to protect urban areas and irrigated perimeters along the Niger and Komadougou Rivers. LDCF would support biological bank protection.

25. Sub-component 1.3 - Rehabilitation of watersheds (US\$25.65 million, of which US\$5.32 million from LDCF): This will support sustainable land and water management practices, including soil recovery, sand dune fixation, stone embankments, and rock thresholds in Sirba and Gouroubi tributaries’ watersheds that will enable soil and water conservation, enhance infiltration and reduce peak flows; reshaping or re-profiling of natural drainage canals (former arms of the Niger River and Gounty Yena) in Niamey; and pond control structures along the Komadougou River in Diffa region. The LDCF would support sustainable land and water management practices, specifically for land recovery works on glazes and plateaus.

26. Component 2 - Capacity Building for Urban Development and DRM (US\$22 million): This includes technical assistance for the development of central and local governments’ capacities. Disaster risk management including risk evaluation, risk-informed planning, preparedness and response capacities, and gender-sensitive climate change adaptation will be mainstreamed as part of their routine development processes. The sub-components include the following:

27. Sub-component 2.1 - Support to elected officials, municipal services and civil society (US\$5 million): This includes strengthening of local governments’ fiduciary and technical capacity, including support in collaboration frameworks (inter-government management); information management systems; and master plans for sewerage and development at municipal and regional levels.

28. Sub-component 2.2 - Support to central government (US\$6 million): This will support development of national capacity with a crosscutting approach of institutional collaboration, to ensure sustainable integration of project activities within the country’s existing institutions and systems. Examples include: development of a national policy on storm water, wastewater, basic sewerage, and solid waste; capacity development for planning in urban and rural areas; equipment and training to monitor river water levels and flows; and supporting maintenance of irrigated perimeters.

29. Sub-component 2.3 - Strengthen disaster risk management capacities (US\$11 million): This will support national and local DRM capacities, including risk evaluation, risk reduction, preparedness and emergency response capacity. Examples include development of a risk atlas (hazard, exposure, vulnerability and loss probability information); development of real-time multi-hazard information systems for proper monitoring of risk and available resources; standard operating procedures for early warning and response; development of civil protection capacities for emergency response; guidelines for safe construction practices; and mainstreaming disaster risk reduction and climate adaptation into development processes.

⁵ Least Developed Country Facility of the Global Environment Fund

30. Component 3 - Project Management (US\$5million): This will ensure coordination of all project activities including monitoring and evaluation; and cover all eligible expenditures including strengthening capacity; procurement of office furniture and equipment; hiring of essential staff, including technical and financial audits; and all recurrent costs.

31. Component 4 - Contingency Component: (US\$0): Following an adverse natural event that causes a major disaster, the Government of Niger may request the Bank to re-allocate project funds to support mitigation, response, recovery and reconstruction. This component would draw resources from unallocated expenditure categories and/or allow the government to request the Bank to re-categorize and reallocate financing from other components to partially cover emergency response and recovery costs. This component could also be used to channel additional funds should they become available as a result of an eligible emergency. Disbursements would be made against a positive list of goods, works, and services required to support mitigation, response, recovery and reconstruction needs. All expenditures under this component, should it be triggered, will be in accordance with paragraph 11 of OP 10.00 Investment Project Financing and will be appraised, reviewed and found to be acceptable to the Bank before any disbursement is made. Eligible operating costs would include incremental expenses incurred for efforts arising as a result of the natural disaster. This component will also be used to channel resources from rapid restructuring of the project to finance emergency response expenditures and meet crisis and emergency needs under an Immediate Response Mechanism (IRM). An IRM Coordinating Agency and expenditure management procedures will be defined during project implementation and reflected in an 'Immediate Response Mechanism Operational Manual', to be prepared separately and approved by the Bank, in line with the flexibility provided under paragraph 11 of OP 10.00⁶.

B. Project Financing

32. The lending instrument is Investment Project Financing, through a credit provided by the International Development Association (IDA) blended with a grant provided by the Global Environment Facility (GEF)'s Least Developed Countries' Fund (LDCF). The implementation period is six years.

33. The total estimated project cost is US\$106.65 million (US\$100 million in IDA credit and US\$6.65 million in LDCF grant). Table 1 below provides an overview of project costs by component and by financier. The LDCF will provide financing to target activities under component 1 (see Annex 7).

⁶ Should funding be reallocated within the project through IRM, the PDO and/or project results framework, as required, will be adjusted to capture use of these funds.

Table 1: Project Costs and Financing

Project Components	IDA (US\$ million)	LDCF (US\$ million)
Component 1: Flood Risk Management Investments	73.00	6.65
Component 2: Capacity Building for Urban Development and DRM	22.00	
Component 3: Project Management	5.00	
Component 4: Contingency Component:	0.00	
Total	100.00	6.65

C. Lessons learned and reflected in the Project Design

34. The project incorporates important lessons from the strengths and challenges of other programs/projects in Niger as well as internationally, specifically in the areas of rural and urban development, disaster risk management, and sustainable land and water management.

35. The project's implementation arrangements for the municipality level activities are aligned with the third phase of the on-going third Community Action Program (PAC-3, P132306), to ensure participating municipalities will have the legitimate leadership for all community-based initiatives and municipal investments (to be integrated into their development plans and annual budgets). Regional implementation units, building upon the experience from the regional committees for project analysis (CRAP), will analyze investments selected by commune councils to ensure their compliance with sectoral policies, technical standards, economic effectiveness, and social and environmental safeguard policies, and provide guidance in the context of the 'Inter-communal Development Initiative' framework. Large municipalities will also benefit from the experience of the Local Infrastructure Development Project (PDIL, P095949) which supported the decentralization policy defined in the Decentralization Law of June 11, 2002, and empowered large municipalities for programming, implementing, managing, and maintaining investments on a sustainable basis through contractual agreements between the municipalities and the line ministries.

36. With regards to targeting poor and vulnerable communities, including women, close relationships will be established with the Safety Net Project (PFS, P123399) which is successfully increasing access of the poor to cash transfer and 'cash for work' programs; and with the Community Action Project for Climate Resilience (CAP CR, P125669), whereby small producers have been considered as the primary target of project investments and directly benefit from a variety of agro-sylvo-pastoral investments, including training and technology transfer, in 36 targeted municipalities.

37. The project has been developed as an accompaniment to the Niger Community-Based Disaster Reduction Project (P145453), supporting community-based resilience capacity by strengthening local civil society organizations; and providing support in capacity assessment of early warning systems with a multi-hazard approach. There is limited institutional capacity, specifically in relation to procedures and tools for information management and sharing.

38. In order to foster full national ownership, empowerment of stakeholders is considered a key priority. In line with the World Bank's engagement through the third Community Action

Program (PAC-3, P132306), the Community Action Project for Climate Resilience (CAP-CR, P125669) and the Local Urban Infrastructure Development Project (PDIL, P095949), emphasis is put on building capacities of national and local institutions to plan and manage development activities. Also, ensuring female stakeholder participation in the decision making process will promote further opportunities to improve their political voice and leadership.

39. The project will develop operating procedures and tools to foster better communication and collaboration across government institutions and relevant civil society stakeholders for information and knowledge sharing.

IV. IMPLEMENTATION

A. Institutional and Implementation Arrangements

40. The project implementation arrangements are built on the success of the Local Urban Infrastructure Development Project (P095949), as well as the recently approved third Community Action Project (P132306)⁷, which appropriately address specific needs of rural and urban development, respectively. The organizational and implementation arrangements are depicted in Figure 1 of Annex 3.

41. The National Steering Committee (NSC) will be responsible for overseeing the project implementation, including approving project related work programs, and reviewing annual budgets and audit reports. The NSC, chaired by a representative from the Ministry of Planning, will be composed of the representatives from the Office of the Prime Minister, the line ministries involved in project implementation (Planning, Agriculture, Urban Development, Environment, Water Resources, Interior), the representatives of the four regions of Niamey, Dosso Tillabéri and Diffa and Niger Municipality Association (Association des Municipalités du Niger - AMN). The NSC will function during the full project implementation period of six years, and will meet at least twice a year.

42. Project Coordination Unit (PCU): The project implementation will be coordinated centrally by a PCU. The PCU will be hosted at the Ministry of Planning, Land Development and Community Development, and supported by key senior technical staff, drawn for the duration of the project from the respective line ministries. The PCU will include a procurement specialist, financial management specialist, environmental safeguard specialist, and a monitoring and evaluation specialist. The PCU will be responsible for overall coordination of the project, preparation of detailed annual work program and budget, providing overall guidance and assistance to the PIUs in the regions in the preparation, design and implementation of project activities, carrying out all work related to procurement, disbursement, accounts, audit, monitoring and evaluation, reporting and liaising with the World Bank for clearances and overall guidance. A Project Preparation Facility (PPF) advance in the amount of US\$1.5 million was used to carry out project preparation activities.

43. Project Implementation Units (PIUs): Four regional level PIUs, established at Tillabéri, Niamey, Dosso and Diffa regions, will be headed by a Regional Director and supported by the

⁷ approved by the Board in April 2013

regional level technical staff drawn from the respective departments. Each PIU will also be staffed with procurement officers, accountants and monitoring and evaluation specialists. PIUs will identify, prepare, follow-up and monitor the implementation of project activities, interacting with communities, municipalities and line departments.

44. **Municipal-Level Implementation:** Municipalities will actively participate in the identification and implementation of municipal-level (urban and rural) activities and provide technical inputs for the development of technical specifications as well as terms of reference for project works and services. The project will use, and strengthen where necessary, the existing municipal capacities, specifically in urban areas, to complement the PIUs and implement project activities.

45. **Capacity of the PCU and the four PIUs:** A capacity assessment was carried out in July 2013 and September 2013 and finalized during Appraisal in November 2013. The assessment included review of organizational structures of implementing entities as well as their fiduciary capacity. The assessment revealed that participating ministries and their regional offices possess expertise to prepare technical documents, i.e., terms of references; bidding documents; and technical specification etc. but with limited knowledge of the World Bank procedures. The assessment also revealed that rural municipalities have almost no procurement capacity while the urban municipalities have limited capacity to handle planned fiduciary activities. The project will therefore provide technical assistance by way of workshops and training and also reinforce municipalities with qualified consultants where necessary. The regional PIUs and the municipalities will also associate themselves with the line ministries to get technical support from their respective departments to ensure compliance with sectoral policies, technical standards, economic effectiveness, and social and environmental safeguard policies.

B. Monitoring and Evaluation

46. The Results Framework (Annex 1) will be used to monitor achievement of the PDO and the outcome indicators. Project monitoring will take place as a periodic function and will include reviews/audits, reporting of outputs, and maintaining progressive records. Broad thematic areas that will be supervised and monitored include (i) social and environmental monitoring; (ii) regular project supervision; (iii) periodic physical progress monitoring and third party quality audits; and (iv) monitoring and evaluation of results achieved.

47. **Social and Environmental Monitoring.** This includes: (i) monitoring compliance with the environmental regulations; social and environmental safeguards and environmental and social assessment provisions; and (ii) overall monitoring and oversight of social and environmental issues at project levels.

48. **Regular Quality Supervision & Certification** will be carried out by the respective implementing units. Detailed quality guidelines will be developed by the PCU and adopted by all implementing units during project implementation.

49. **Physical Progress Monitoring and Audits** will be carried out by the implementing units on a monthly basis and reported to the PCU which, in turn will share the reports on a quarterly basis with the Bank. Financial progress will be reported through the quarterly Interim Financial

Reports (IFRs). In addition, a third party may be deployed for quality monitoring of works and compliance on social and environmental aspects.

50. Overall Monitoring and Evaluation. The continuous monitoring of the project and its achievements would be the responsibility of the National Steering Committee. The M&E system will be a result-based framework, conceived as a management tool, emphasizing project impacts and outcomes, as well as regular monitoring of inputs and outputs. The PCU will develop an information management system, as necessary, for the management of information database, which will be an online tool for gathering updates by the implementing units. For the purposes of transparency, part of this database will also be available from the project website to regularly share information with the public, and this information will be shared with communities by dedicated communication teams. The monitoring system, which will be housed at the PCU, will be supported by different PIUs, regions and municipalities, in relation with the implementation monitoring of Municipality Development Plans. The M&E staff in the PCU will support the less skilled municipalities to set up a system for data collection to analyze data and prepare progress reports.

51. In addition to the above, the project will also support collection of some data, including baseline values, on a need basis. Institutional arrangements and procedures of Component 4, on Contingent Emergency Response, which will be used to channel resources from other Bank-supported projects or, as needed, from rapid mobilization of the DRM project will be defined in an 'Immediate Response Mechanism Operational Manual', that will allow a range of simplified procurement procedures.

C. Sustainability

52. Overall sustainability of the project relies on the full commitment of the Government of Niger in coordinating and providing guidance on sectoral strategies, including decentralization and de-concentration. Critical factors for project sustainability will be addressed through a full collaboration and adequate M&E procedures carried out by different national agencies. The project will provide support to the entities to strengthen their capacities in line with their role in the project.

53. On ownership, the Government has identified the Ministry of Planning, Land Development and Community Development to be the Ministry in charge of the PCU and has shown keen interest and initiative in taking this project forward. The Prime Minister's Office and the line ministries have given high importance to the project and to the partnership with the Bank in the area of disaster risk management indicating strong commitment and ownership which enhances the sustainability of the project.

54. Institutional sustainability will be based on building a full sense of ownership at the level of national institutions as well as the local governments. For urban communes, the innovative and comprehensive partnership agreements between the Government and the Municipalities will be the way to speed up and consolidate decentralization process. Empowering all local-level stakeholders, including the dissemination of the up-to-date farming and management techniques to the farming communities in all the irrigation perimeters and through a whole range of capacity building activities tailored to their specific needs and defining and implementing an efficient

knowledge management and sharing system to efficiently capitalize lessons learned will also contribute to institutional sustainability.

55. Technical sustainability will be achieved by building mechanisms to deliver infrastructure investments and services at the commune level. The project will support capacity-building activities at national as well as local institutions in order to facilitate project ownership. A maintenance program will be designed in line with the project activities to ensure the sustainability of activities’ and investments’ outcomes and detailed in the implementation manual.

56. On economic and financial sustainability, the project will provide municipalities with technical support and infrastructure to protect against floods. Households are expected to benefit from the investment to improve their livelihoods and resilience to shocks. Through adequate measures, affected populations will progressively manage and reduce risks from natural hazards.

V. KEY RISKS AND MITIGATION MEASURES

A. Risk Ratings Summary

Table 1: Operational Risk Ratings

Risk	Rating
Stakeholder	Moderate
Implementing Agency	
Capacity (fiduciary)	Substantial
Governance	High
Project	
Design	High
Social and Environmental	Moderate
Program and Donor	Low
Delivery Monitoring and Sustainability	Substantial
Overall Preparation and Implementation Risk	Substantial

B. Overall Risk Rating Explanation

57. The main project risks are related to the instability of the operating environment, the implementation complexity of the project design and weak capacity of the implementing institutions. The Bank is collaborating with other UN agencies and bilateral partners to closely monitor the security situation in Niger, and liaising with the IMF on the PRSC program to monitor impact of country investments. In order to reduce project complexity, the project will draw on lessons learnt from several Bank projects⁸ in Niger, and draw as much as possible from experience and structure of existing government institutions. The project will collaborate and coordinate with active projects to avoid duplication and overlap and capitalize on experiences of closed projects in Niger. Implementation will be simplified with an apex reporting structure and

⁸ Including the: Niger Community-based Disaster Reduction Project (P145453), Third Community Action Project (PAC-3, P132306), and Local Urban Infrastructure Development Project (PDIL, P095949) and the Community Action Project for Climate Resilience (CAP-CR, P125669).

project oversight to be carried out through a PCU, and at the local levels, project activities will be carried out and overseen by government ministry PIUs. Procurement and financial management arrangements are designed to mitigate fiduciary risks through regular financial and procurement planning and reporting, following Bank and Government of Niger guidelines and practices, and a qualified fiduciary team at the level of the PCU. The Project will fund technical assistance and training for identified gaps in knowledge and practices related to the project's objectives. The overall risk to achieving the PDO is assessed as **Substantial**.

C. Economic and Financial Analysis

58. Overall, the development impact of the project is positive and substantial. Since the project deals with public good activities in the public sector, there is a very good rationale for public financing and implementation. In addition to financing, the World Bank is also adding value by including best international practices in the project and sharing the latest knowledge with the national institutions. Details are provided in Annex 6.

59. The flood of 2012 resulted in substantial damages to infrastructure and economic losses, including losses of life. The value of total damages and some losses (all the economic losses were not accounted for) was estimated by the Government to be US\$ 64 million⁹. In addition, 171 people died (75 deaths directly due to floods and 96 deaths indirectly due to floods). It is very difficult to put a value on the loss of human life. The frequency and intensity of such events is likely to increase due to climate change.

60. The Government of Niger identified major issues that contributed to the flood disaster. The project is designed to “build back better” rural and urban public DRM infrastructure that was destroyed during the floods and to promote economic recovery. In addition, the project is designed to build new infrastructure to control future floods; improve water management in the upstream watersheds; rehabilitate and build infrastructure in the urban areas; strengthen technical and institutional DRM capacity; improve social accountability of all participating government agencies and stakeholders; and strengthen early warning systems, preparedness and response in future disasters.

61. The total project cost is estimated at US\$106.65 million over the period of six years. The project has four components, including flood risk management investments, capacity building for urban development and DRM, project management, and a contingency component. Given the nature of the project, it is difficult to quantify the potential benefits for economic analysis of project investments. The project has only a few revenue generating activities; investments in individual activities are not pre-identified due to the demand driven framework approach; a large share of project funds are allocated for strengthening institutional capacity; the project deals with necessary but a large number of diverse project activities; and includes a contingency component.

62. The project is cost effective and has significant direct and indirect economic impacts on the economy of the project area. As discussed above, the estimated value of damage and some economic losses of one flood event was at least US\$67 million. The project will help mitigate the

⁹ Résumé du bilan des inondations, Comité technique de prévention, gestion et suivi des inondations, déc.2012

impact of future natural disasters and increase Niger's overall resilience capability. With proper operations and maintenance, the infrastructure rehabilitated and/or built under this project can continue to provide flood control benefits for at least 20-30 years. The expected benefits of improved DRM capacity and social accountability are likely to be large in terms of meeting local needs, improved governance and managerial efficiencies.

63. The net present value (NPV) of the project ranges between US\$76 million to US\$189 million at different discount rates. Clearly, the present value of expected benefits is expected to significantly exceed the present value of project costs. The project benefit-cost ratio ranges from 2.3 to 3.1, and the impact of investments in rehabilitating rice perimeters alone (main revenue generating activity) is substantially positive and robust. The economic rate of return for the base case is 33% and drops to 23% when investment cost is assumed to increase by 20% and net revenue is assumed to decline by 20%.

64. In addition, the project has many substantial direct and indirect potential benefits. This includes improving agricultural growth potential; improving rural and urban livelihoods; improving food security; reducing poverty (almost 50% of the population is below the poverty line); strengthening technical and institutional capacity; improving implementation of national DRM initiatives; better delivery of urban services; and positive fiscal, employment and environmental impacts. The project will benefit a large number of beneficiaries both directly and indirectly where 50% are expected to be women at the national level. The project interventions are expected to be sustainable provided that: (i) there remains a strong government commitment and ownership; (ii) technical, institutional and DRM capacity is fully coordinated and strengthened; (iii) Government allocates adequate O&M budget at all levels and every year; and (iv) early warning system and preparedness is developed and remains fully effective.

D. Technical Design

65. The project's design is based on successful approaches and methodologies as well as on lessons learned by past and/or ongoing projects for local Government involvement and participation, sustainable land management, irrigation, urban development and disaster risk management.

66. The project activities were selected in order to mitigate disaster risks, particularly based on impacts observed during past flooding events. Target areas are therefore both urban and rural. Technical options selected during project preparation take into account the need to restore critical watershed areas, build resilient infrastructures, provide sustainable sources of revenues for affected people, and reduce risks with an integrated and multi-hazard approach. Technical design emphasizes efficiency and community ownership. As a result, the selected works focus on the highest priorities acceptable within a given envelope, e.g. improving the resilience of irrigated areas to reduce the impact of droughts, roads, drainage, urban sewerage, and community infrastructure. Simple design, labor-intensive methods and community based methods will be favored where possible. Capacity building activities for municipalities and central Government under component 2 will directly support implementation of investments under component 1. The technical design of the watershed treatments will follow the locally tested and recommended technical specifications from agricultural technical centers for water and soil conservation and their economic use for crop production.

67. To continue the effort of the past projects in support of the decentralization process, local governments will participate in all aspects related to the planning and implementation of activities as well as monitoring and evaluation. To allow them to fulfill this task, they will be provided with technical support by local public and private service providers. The experience of municipal contracts, piloted under the Local Urban Infrastructure Development Project (P095949), will be adapted with the municipalities of Niamey, Dosso, Tillabéri and Diffa.

E. Financial Management

68. Considering the nature of the project and the proposed actions, the financial management risk of the project is rated as 'Substantial'. The Ministry of Planning, Land Development and Community Development (MPLAN) will be responsible for the overall coordination and implementation of project activities, relying on the PCU and the PIUs. However, the following actions will need to be completed to ensure that the PCU has adequate FM arrangements to handle project activities: (i) before effectiveness, appoint a financial management officer and a principal accountant within the PCU; (ii) before effectiveness, adopt the project implementation manual; (iii) within two months after effectiveness, install the accounting software to ensure timely production of quarterly and annual financial statements; (iv) within three months after effectiveness, recruit an internal auditor; (v) within four months after effectiveness, recruit an external auditor for the audit of financial statements; and (vi) within four months after effectiveness, recruit accountants in regional Project Implementation Units. The PCU is also recommended to develop, three months after effectiveness, a simplified implementation manual to be used at the local government level.

69. The FM assessment was carried out on September 29, 2013 and the proposed FM arrangements for this project are considered adequate and meet the Bank's minimum fiduciary requirements under OP/BP10.02 Financial Management.

70. Two designated accounts will be opened in Niger according to the disbursement procedures described in the disbursement letters. They will be managed by the Project Coordination Unit (PCU), for each source of funds. Transaction accounts will also be opened at the regional level to facilitate the operations of the regional Project Implementation Units (PIU). Detailed flow of funds is presented in Figure 1 of Annex 3.

71. The quarterly interim unaudited financial reports (IFR) will be submitted to the Bank within 45 days after the end of each quarter while the annual audit report of the project financial statements will be submitted to the Bank within six months following the end of each financial year. The Project Financial Statements will be audited in accordance with International Standards on Auditing by an independent, experienced, and internationally recognized audit firm recruited on a competitive basis, based on ToRs acceptable to the Bank. In addition to the annual audit report of the financial statements, the auditor will also provide a management letter following the review of the internal control system at the PCU and the PIUs. The audited financial statements will be publicly disclosed according to the Bank disclosure policy.

F. Procurement

72. A procurement assessment was carried out in July 2013, and finalized in November 2013. Procurement activities will be managed by: (i) Project Coordination Unit (PCU) at the Central

Level; (ii) Project Implementation Units (PIU) at the Regional levels. The PCU and PIUs will carry out the following activities: (i) managing the overall procurement activities and ensuring compliance with the procurement process described in the relevant manuals; and (ii) ensuring compliance with bidding documents, draft Requests For Proposals (RfPs), evaluation reports, and contracts in relation with the beneficiaries and in compliance with the World Bank procedures; In addition, the PCU will have the responsibility for procurement oversight in collaboration with all the beneficiaries, these activities will include: (i) preparing and updating of the procurement plan in relation with the PIUs, (ii) monitoring the implementation of procurement activities, and (iii) preparation of procurement reports, (iii) seeking and obtaining approval (or non-objection) from national entities and then IDA on procurement documents as required.

73. Ministries and municipalities will participate in the procurement activities and will actively support the following activities: (i) preparation of ToRs and bidding documents, (ii) preparation of evaluation reports, and contracts related to the executing ministries in compliance with the World Bank procedures, and (iii) participation in procurement commission activities and in all related meetings.

74. For activities under Component 4 (contingency component), simplified procurement procedures will be defined in an ‘Immediate Response Mechanism Operational Manual’, to be prepared and adopted separately by the Recipient subject to no-objection by the Bank and in line with OP/BP 10.00 Investment Project Financing.

75. Procurement will be carried out in accordance with the ‘Guidelines On Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants’ known as the ‘2011 Anti-Corruption Guidelines’, and the ‘Guidelines: Procurement under IBRD Loans and IDA Credits’ published by the Bank in January 2011 and the ‘Guidelines: Selection and Employment of Consultants by World Bank Borrowers,’ dated January 2011, the Financing Agreements and the Procurement Plan approved by the Bank.

76. Since the overall procurement risk has been rated substantial, it was agreed on the following additional mitigation measures: (i) recruiting a qualified procurement specialist before effectiveness and procurement officers no later than 4 months after effectiveness; (ii) updating the manual of administrative, financial and accounting procedures before effectiveness; (iii) organizing a workshop at the beginning of the Project to train all key stakeholders involved in procurement on World Bank procurement procedures and policies; (iv) Setting up an adequate filing system at Project Coordination Unit.

G. Environment (including safeguards)

77. The project promotes adoption of sustainable land management and integrated flood management practices and is therefore expected to have a positive impact on Niger’s natural resource base. As part of a comprehensive disaster risk management approach, the project aims at reducing flood risk by implementing a series of structural and non-structural disaster risk management interventions, including actions to reverse land degradation of watersheds and improving early warning systems.

78. From an environmental and social safeguard point of view, the project is rated as a Category B, with small scale, site-specific and manageable environmental and social impacts. No adverse long-term impacts are anticipated.

79. Five safeguard policies are triggered: (i) Environmental Assessment (OP/BP 4.01); (ii) Involuntary Resettlement (OP/BP 4.12); (iii) Pest Management (OP/BP 4.09); (iv) Physical Cultural Resources (OP/BP 4.11); and (v) Projects on International Waterways (OP/BP 7.50).

80. Environmental Assessment (OP/BP 4.01). Under component 1, the anticipated negative environmental and social impacts of the project would result mainly from civil works associated with rehabilitation of existing infrastructure. The consequence would be some disruption of livelihood activities, acquisition of land, use of pesticides and related public health and, although uncertain at this time, physical cultural impacts. OP 4.01 is triggered to account for and address these impacts. The Government has prepared an Environmental and Social Management Framework (ESMF) which provides guidance and measures with clear roles and responsibilities, along with capacity strengthening measures for effective implementation and monitoring. It also provides cost outlays and a timetable for preventing and mitigating these potential impacts. In particular, the ESMF provides steps for screening all subprojects, outlines procedures for preparing, reviewing, clearing, disclosing and monitoring subproject-specific Environmental and Social Impact Assessments (ESIAs)/Environmental and Social Management Plan (ESMPs). As a condition of investment, it has been agreed that no civil works will commence, without proper compliance with the above procedures.

81. Pest Management (OP/BP 4.09) -- A Pest Management Plan (PMP) was prepared in view of the potential expansion, the intensification of agricultural production and productivity, as a result of land use planning and the rehabilitation of irrigation schemes, all of which often require the more frequent use of combinations of agro-chemicals, even though the procurement of pesticides is not envisaged under the project. The PMP discusses the risks and issues associated with current pest and pesticide management approaches and practices. It provides specific mitigation measures as well as clear institutional arrangements for the implementation and monitoring of these measures. The PMP adopted will be included in the implementation manual in order to address any pest management issues that may arise in project intervention areas, as well as expected increased productivity associated with pesticide use. Resources have been allocated for the implementation of the PMP.

82. Projects on International Waterways (OP/BP 7.50) – This policy is triggered because planned flood prevention infrastructure rehabilitation/construction along both the Niger River, an international waterway serving nine riparian countries and the Komadougou River, a tributary of Lake Chad with five member states, may affect water flow into both the Niger and Komadougou Rivers. The Government of Niger notified both the Niger Basin Authority (NBA) and the Lake Chad Basin Commission (LCBC), responsible for relaying the notification to their member States, on September 13, 2013, and both have provided their no-objection for the activities envisaged under the project.

83. All safeguards instruments have been approved by the Bank, disclosed in-country on October 14, 2013 and at the World Bank InfoShop on October 15, 2013. Relevant provisions

from the three sets of safeguard reports will be reflected in the Project Implementation Manual (PIM).

84. In addition to the above, it is worth noting that the Government of Niger is familiar with the World Bank safeguards policies. It has many years of experience in successfully implementing Bank-financed projects for which Environmental and Social Impact Assessments (ESIAs), Environmental and Social Management Frameworks (ESMF), and Resettlement Action Plan (RAP) were prepared and approved by the Bank. However, to further support capacity building of the PCU, a safeguards expert is being recruited and will be provided with training by the World Bank safeguards staff.

H. Social (including Safeguards)

80. The net social and environmental effect of the project is expected to be highly positive. Providing better protection against floods in urban and rural areas reduces risk of losing livelihoods and assets, such as housing and crops. The project is also expected to improve the food security status of households, as crops will not be as susceptible to losses due to floods. In addition, through the adoption of sustainable land management practices vulnerable groups' livelihoods can be better protected and made sustainable.

81. Following major adverse impacts of the 2012 floods, including severe damage to houses and livelihoods, the Government, together with UN agencies, took emergency measures to relocate people who had suffered from the floods to areas that were considered safer instead of continuing to shelter them in schools. As compensation for resettlement, these people received a plot of land at the resettlement site and assistance with relocation. Various non-governmental organizations (NGOs) have assisted the population as well as the host communities by contributing social infrastructure such as schools, clinics/medicine dispensaries, drinking water, and construction of permanent housing. There is no legacy issue with the resettlement, since it was conducted prior to and irrespective of the involvement of the Bank. However, the future project activities may take place near or within the resettlement site, since locations are not known yet therefore it is important to analyze the impacts and outcomes of the resettlement process and how the people are managing now. This will help assess how to best contribute to further reducing their vulnerability and ensuring they are not adversely impacted by the project. This analysis is being done through a social assessment of the relocation program and the results will be used when deciding on specific locations for activities.

82. Involuntary Resettlement policy is triggered to cover any potential land acquisition, and/or resettlement or losses of assets or access to resources due to civil works on infrastructure rehabilitation and disaster risk management structural interventions under component 1. Since the exact sub-project locations are not known, the Government has prepared a Resettlement Policy Framework (RPF). The RPF includes the guidelines and procedures for compensation and/or resettlement in the event that future activities under the sub-projects should require land acquisition, involuntary resettlement or cause restriction of access to livelihoods or assets and resources. It contains an assessment of the country regulatory and institutional framework for land acquisition and compensation; (ii) likely categories of affected assets and parties, as well as the scope of impacts; (iii) a gap analysis and a compensation framework consistent with OP 4.12 and the national legislation; (iv) measures to assist vulnerable groups; (v) a consultation framework to enable the participation of affected populations in the preparation of specific

resettlement plans; (vi) an institutional framework to implement the resettlement policy framework; (vii) a grievance redress mechanism; and (viii) a monitoring and evaluation framework and budget. In case any land acquisition or compensation becomes necessary, the cost will be covered by the Government. The RPF has been consulted upon and approved by the Bank. It was disclosed in-country on October 14, 2013 and at InfoShop on October 15, 2013.

I. Environmental and Social Safeguards Monitoring

83. Coordination and implementation of the Project's environmental and social safeguards will be carried out by the PCU, which has recruited an environmental/social safeguards expert to be responsible for overseeing Project compliance with the environmental and social guidelines established under the ESMF, Pest Management Plan (PMP) and RPF in accordance with national and Bank policies and procedures. The World Bank supervision teams will include environmental and social safeguard experts. Regular monitoring reports (two per year) on the implementation of environmental and social safeguards provisions will be provided to the Bank for approval. These reports will be verified during project supervision missions, which will include environmental and social safeguard experts. At the national level, the Environmental Evaluation and Impact Studies Office (BEEEEI) will be in charge of external monitoring and evaluation of safeguards. Local communities and the designated environmental and social focal points in the technical services will be monitoring implementation at sub-project level. Grievance redress committees will be set-up in the beneficiary communities to address any claims or conflicts arising during project implementation.

84. The PCU is planning to establish a Memorandum of Understanding (MoU), which will clearly describe the type of support, attributions and modus operandi of the BEEEEI, and other structures involved in project compliance monitoring with national and applicable Bank safeguard policies and procedures.

J. Public Consultation

85. The preparation of the safeguard documents (i.e., ESMF, RPF and PMP) followed a broad-based and in-depth consultation approach that included interviews with relevant project stakeholder groups, in particular: (i) Prime Minister's Office, (ii) Ministry of Planning, Land Development and Community Development, (iii) Ministry of Agriculture, (iv) Ministry of Environment, Urban Sanitation and Sustainable Development, (v) Ministry of Interior, Public Security, Decentralization and Religious Affairs, (vi) Ministry of Urban Development, (vii) local communities and mayors, and (viii) potential project affected people (PAPs). This consultation approach will be carried on throughout project implementation and supervision.

86. The project will benefit the communities in four regions of the country, in both rural and urban areas. Throughout the development of the ESMF, PMP and RPF stakeholder consultations, including with flood affected communities in different regions, local and central level authorities have been undertaken. Main concerns raised included information on environmental impacts; Flood risk (housing and crops); most effective ways to prevent future losses due to floods; Poor practices relating to the dumping of garbage in the gutters located in front of houses and markets, as well as difficulties for maintenance; and possible resettlement issues arising from potential land acquisition. All these concerns have been reflected in the ESMF and mitigation measures proposed to address these issues.

Annex 1 Result Framework and Monitoring

Niger: Disaster Risk Management and Urban Development Project

The **Development Objective (PDO)** is to improve Niger's resilience to natural hazards through (i) selected disaster risk management interventions in targeted project sites and (ii) strengthening of Government's capacity to respond promptly and effectively to an eligible crisis or emergency.

PDO Level Results Indicators	Core	Unit of Measure	Baseline	Cumulative Target Values					Frequency	Data Source/Methodology	Responsibility for Data Collection	Description	
				2014	2015	2016	2017	2018					2019
Direct project beneficiaries (number), of which female (percentage)	X	Number of beneficiaries	0			1 Mil.	2 Mil.	3 Mil.	4 Mil.	Annual	Project reports and surveys	PCU	Assess impact of project investments on population in urban and rural areas.
		% female	-						50	Annual	Project reports and surveys	PCU	
Targeted flood protection and sustainable land and water management interventions contributing to increased resilience		% of targeted interventions implemented	0	0	5	30	60	90	100	Annual	Project reports and surveys	PCU	Assess investments implementation and sustainability of investments
Performance of the early warning and response system for natural rapid-onset hazards (e.g. floods, strong winds, wild land fires) from local to national level.		% of targeted interventions implemented	0	0	5	30	60	90	100	Annual	DNPGCCA/ Progress reports	PCU	Institutional coordination and emergency preparedness indicator
Intermediate Outcome Indicators													
Component 1. - Flood Risk Management Investments													
Sources of drinking water rehabilitated or developed.		Water distribution pts. ¹⁰	0	15	45	110	175	225	260	Annual	Progress reports	Min. of Hydraulics/ PCU	
Potential regulation of river flow from the Sirba and Gouroubi watersheds		m3/sec	0	0	100	200	300	400	500	Annual	Progress reports	Min. of Hydraulics/ PCU	Monitor effectiveness of capturing water flow for alternative uses

¹⁰ Calculated on the basis of water source equivalents (for wells, water pumps, drinking water supply systems and networks)

Annex 1 Result Framework and Monitoring

Targeted irrigable land rehabilitated	Hectares	0	0	500	1,000	1,500	1,800	2,000	Annual	Progress reports	Ministry of Agriculture/PCU	Assess improved land productivity in affected areas.
Watershed protection and land restoration interventions:												
. sand dune fixation	ha	0	500	2,000	3,000	4,000	5,000	5,500	Annual	Annual reports DEP/MESUD D/ Progress reports	Ministry of Environment/PCU	Determine extent of area protected upstream (watersheds, glazes, plateau) from land degradation, erosion and sand encroachment.
. restoration of degraded land	ha	0	500	2,000	3,500	5,000	6,000	6,500				
. stone walls	km	0	25	75	125	175	200	200				
. bunds – live fencing	km	0	200	1,000	2,000	2,500	3,000	3,500				
Component 2 - Capacity Building for Urban Development and Disaster Risk Management												
Development and/or updating of master plans and local development plans ¹¹ .	Number	0	5	15	26	30	39	39	Annual	Progress reports	PCU	This indicator is a proxy to measure mainstreaming of DRM in development planning
Percent of female participation in decision committees for development and/or updating of urban master plans and municipal development plans	%	TBD						25%	Annual			This indicator measures the project contribution to meet the official target as per women participation in municipal councils
Annual municipal budget for routine drainage maintenance in municipalities with a master plan	% of annual municipal budget	-	3	3.5	4	4.5	5	5	Annual	Municipal budget reports	Municipalities/PCU	Monitoring municipalities' commitment to maintaining infrastructure

¹¹ Including for 3 sewerage master plans, 10 urban development master plans, 3 regional planning master plans, 3 regional development master plans, and 24 local development plans

Annex 1 Result Framework and Monitoring

Component 3 - Project Management													
Quality and timely submission of Procurement and financial management reporting.	-	X	X	X	X	X	X	X	X	Quarterly	IFRs, Project progress reports, PP	PCU	Monitoring of fiduciary capacity and coordination capacity.
Planned project activities implemented	%	0	6	24	51	75	90	100	Annual	Project progress reports	PCU/ PIUs	Monitoring of implementation quality and coordination capacity.	
Component 4 - Contingency Component for Emergency Response													
Immediate Response Mechanism (IRM) established and ready to provide access to financial resources to Niger in case of an eligible crisis or emergency.	Y/N	N	Y	Y	Y	Y	Y	Y	Y	Annual	Disbursements reporting	PM Office/PCU/ contracted agency	IRM indicator
Time taken to make funds available as requested by Government for an eligible crisis or emergency	Weeks	n/a	4	4	4	4	4	4	4	Annual (in case of eligible crises)		PCU	IRM indicator

Annex 2 Detailed Project Components' Description

Niger: Disaster Risk Management and Urban Development Project

1. Flooding events in 2012 led to critical damages to infrastructure and housing in cities, villages and fields. The main drivers identified as contributing to damages included: (i) vegetation and land degradation in upstream areas; (ii) under-designed and poorly maintained flood protection infrastructures (e.g. dikes giving way under water pressure; drains and outlets clogging); (iii) inadequate land use and urban planning, resulting in both legal and illegal settlements in high flood hazard zones; (iv) lack of early warning and emergency response capacities; and (v) fragmented institutional urban development arrangements. Subsequently the Government requested support from the World Bank to: (i) develop disaster risk management capacity (i.e. risk evaluation, planning, resilient building practices, early warning systems, emergency response); (ii) rehabilitate infrastructures and (iii) improve livelihoods in a context of increased resilience and sustainability. The resulting project components are detailed below.

2. Component 1: Flood Risk Management Investments (US\$79.65 million). This component will finance a combination of infrastructure rehabilitation and disaster risk management structural interventions. The overarching principle for this component is ensuring sustainability to future flooding events in the urban and rural areas of Niamey, Dosso, Tillabéri, and Diffa regions. Activities at the municipality level have been prioritized by the local and regional authorities according to their potential contribution to reducing flood risks or rehabilitating livelihoods in flood-affected areas. Feasibility and technical studies are either ongoing - financed by the project preparation advance - or expected to be launched at project effectiveness. Following are the sub-components:

3. Sub-component 1.1 - Drainage, irrigation and socio-economic priority infrastructures (US\$40 million): This sub-component will support a number of key investments to rehabilitate socio-economic livelihoods, such as:

- About 120 wells, 25-30 boreholes and drinking supply systems, latrines and health facilities will be rehabilitated or constructed, either in villages directly impacted by the floods or having served the relocation of households affected by the floods.
- Drainage, sewage and liquid waste collection will be improved in large urban communes, in line with sewerage master plans which development is supported under component 2.
- About 2000 ha of agricultural irrigated fields damaged by the 2012 flood will be rehabilitated, with maintenance programs, training and income-generating activities for beneficiaries; The major avocation of the population is agriculture, therefore beneficiaries along the rivers, irrespective of the fact that it is urban or rural agriculture, will be provided with the necessary support backstopped by the National Institute of Agronomic Research (INRAN), the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) and the Consultative Group on International Agricultural Research (CGIAR) to reduce the food insecurity in the country through effective transfer of technologies at the grassroots level.

Annex 2 Detailed Project Components' Description

4. Sub-component 1.2 - Flood protection infrastructure (US\$14 million, of which US\$1.33 million from LDCF): Under this sub-component, the project will support bank protection, stone barriers and thresholds in “koris” (sandy intermittent streams) to reduce runoff intensity, rehabilitation and upgrading of existing dikes. LDCF would support biological bank protection.

- About 35 km of dikes and road-dikes will be strengthened or rehabilitated in order to protect urban infrastructures and high-value agricultural irrigated fields.
- River banks will be protected and stabilized, with a combination of mechanical and biological (plantations) measures.
- The tributaries of the Niger River upstream Niamey will be diverted for multi-purpose developments, combining agricultural benefits with integrated flood management. These developments will provide benefits not only in reducing the peak flow but also in enabling irrigation of large areas for subsistence and cash crops.

5. Sub-component 1.3: Rehabilitation of watersheds (US\$25.65 million, of which US\$5.32 million from LDCF):

- A minimum of 10,000 ha of land within upstream watersheds (Sirba, Gouroubi, Dargol, Goroual) will be restored or protected, to increase the infiltration, reduce erosion and fix sand dunes; crescent moon shaped bunds across the land slopes will be constructed; trees will be planted, together with other biological barriers to arrest and conserve the surface flow of silt and sand in situ in the upper catchment of the watersheds; farm ponds will be constructed to harvest storm water; etc. The LDCF would specifically support land recovery works on glazes and plateau.
- Pond control structures along the Komadougou River in Diffa Region will be rehabilitated and developed, in order to increase the capacity to store flood water and optimize water utilization.
- Some improvements will be supported to reduce the flood hazard. This would involve rehabilitating some former natural drains which have been collapsed during the last decade of uncontrolled urban development.

6. Component 2: Capacity Building for Urban Development and Disaster Risk Management (US\$22 million). This component will provide technical assistance for the development of central and local governments' capacities. Disaster risk management (risk evaluation, risk-informed planning, preparedness and response capacities) and climate change adaptation will be mainstreamed as part of routine development processes.

7. Sub-component 2.1 - Support to elected officials, municipal services and civil society (US\$5 million): This subcomponent is expected to strengthen local governments' fiduciary and technical capacity; collaboration frameworks (inter-government management); information management; development and sewerage master plans. The capacity development of local governments' capacities will leverage resilience as an added-benefit. Examples of activities include development of planning tools which would demonstrate adaptation to climate and disaster risks:

- Development of drainage master plans for urban municipalities of Birni N'Gaouré, Diffa and Tillabéri;
- Development of 24 local development plans in rural municipalities;

Annex 2 Detailed Project Components' Description

- Development of urban reference plans in 10 urban municipalities;
- Development of regional development plans for each region;
- Supporting collaborations and shared arrangements across municipalities;
- Development of methodologies, practices and codes for infrastructure maintenance and building;
- Training of local elected representatives and staff for fiduciary aspects of project implementation and tools for disaster risk management; and
- Support implementation capacities of municipalities through capacity-development of the National Agency for the Financing of Local Governments (ANFICT).

8. Sub-component 2.2 - Support to central government (US\$6 million): This sub-component will support capacities with a crosscutting approach and specific target towards institutional collaboration, and ensure sustainable integration of project activities within country's existing institutions and systems. Examples of technical assistance would include:

- Development of a national policy on storm water, wastewater, basic sewerage, solid waste;
- Capacity development for the Department of Urban Planning and Housing for consideration (mainstreaming) of disaster risk into development planning;
- Equipment and training for monitoring river water levels and flows, as a contribution into the proposed rapid warning system;
- Supporting organization and equipment for the maintenance of irrigated fields and there protective dikes;

9. Sub-component 2.3 - Strengthen disaster risk management capacities (US\$11 million): This sub-component supports national and local disaster risk management capacities, including

- Gender sensitive risk evaluation: national, regional and community risk assessments will inform both the mainstreaming of disaster risks into development planning and the optimal development of rapid warning systems; Hazard, exposure, vulnerability and loss probability information, will be developed in collaboration with all relevant ministries' representatives, and will be made available to all under the framework of the Prime Minister's office.
- Risk reduction: risk evaluations mentioned above will highlight specific areas requiring attention. Risk reduction will involve, with a top-down approach, mainstreaming of climate and disaster risks into relevant sectors (codes, procedures, strategic assessments, etc.); and with a bottom-up approach, mainstreaming of climate and disaster risks into local development planning (considering innovative options for individual investments).
- Preparedness and emergency response: a real-time multi-hazard information system will enable proper monitoring of hazards, evaluate the associate risks and decide upon emergency response decisions in light of available resources. The information will get translated into warnings through a set of standard operating procedures, applied to the Government as a whole, to individual ministries and agencies at the national level, and to every stakeholder at the regional and municipal level.

Annex 2 Detailed Project Components' Description

- All activities relevant to disaster risk management, climate change adaptation and capacity development will inform a geographical information system and an emergency dissemination system. These systems will enable tracking progress across sectors from the local level, and will enable exchange of crucial information both for prevention and emergency response.

10. Component 3: Project Management (US\$5.0 million). This component will ensure coordination of all the activities of the project, including monitoring and evaluation. This component will cover all eligible expenditures including strengthening institutional capacity; procurement of office furniture and equipment; hiring of essential staff, including technical and financial audits; and all recurrent costs.

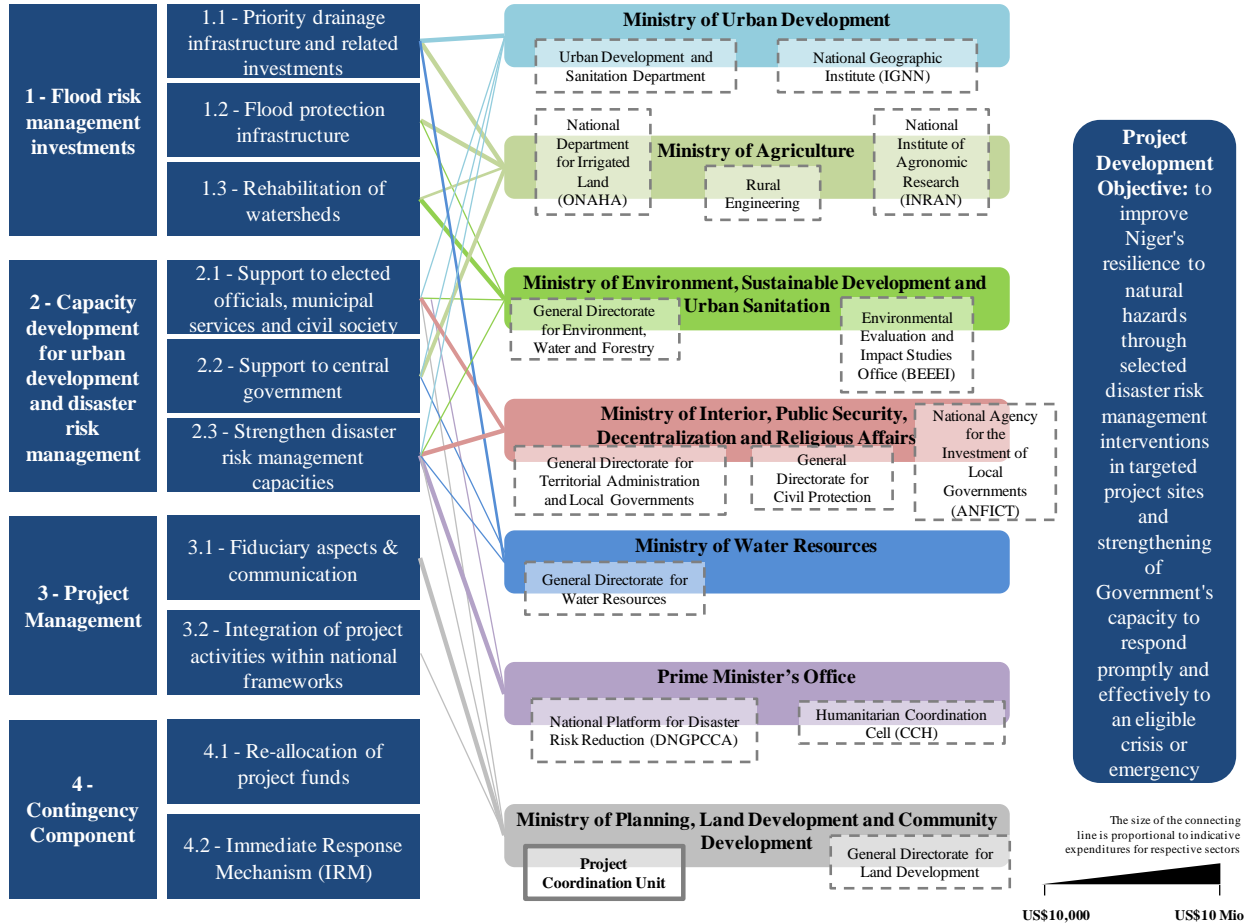
11. Component 4: Contingency Component: (US\$0) – Following an adverse natural event that causes a major disaster, the Government of Niger may request the Bank to re-allocate project funds to support mitigation, response, recovery and reconstruction. This component would draw resources from unallocated expenditure categories and/or allow the government to request the Bank to re-categorize and reallocate financing from other components to partially cover emergency response and recovery costs. This component could also be used to channel additional funds should they become available as a result of an eligible emergency. Disbursements would be made against a positive list of goods, works, and services required to support mitigation, response, recovery and reconstruction needs. All expenditures under this component, should it be triggered, will be in accordance with paragraph 11 of OP 10.00 Investment Project Financing and will be appraised, reviewed and found to be acceptable to the Bank before any disbursement is made. Eligible operating costs would include incremental expenses incurred for efforts arising as a result of the natural disaster. This component will also be used to channel resources from rapid restructuring of the project to finance emergency response expenditures and meet crisis and emergency needs under an Immediate Response Mechanism (IRM). An IRM Coordinating Agency and expenditure management procedures will be defined during project implementation and reflected in an 'Immediate Response Mechanism Operational Manual', to be prepared separately and approved by the Bank, in line with the flexibility provided under paragraph 11 of OP 10.00¹².

Synergies across Sub-Components:

12. Figure 1 below maps project activities according to the technical expertise engaged, in a context whereby each sub-component will be implemented (by the PCU, PIUs, Municipalities and Communities) with guidance from different Ministries. The weight of the connection line between sub-components and Ministries is proportional to the amount of expenditures foreseen under the technical expertise of respective Ministries.

¹² Should funding be reallocated within the project through IRM, the PDO and/or project results framework, as required, will be adjusted to capture use of these funds.

Figure 1: Role of National Entities with regard to Technical Support for the Implementation of Respective Project Sub-Components



13. Communities and municipalities benefiting from investments under component 1 will also benefit from technical and fiduciary capacity strengthening, under components 2 and 3. Each of the sub-components will engage technical expertise from two to seven Ministries. As an example, sub-component 2.3 will engage seven Ministries as follows: (i) the Prime Minister's Office will coordinate the development of the risk atlases from national to regional levels, of the early (rapid) warning and information systems, of the standard operating procedures for early warning and response, and of strengthening damage and loss monitoring and evaluation; (ii) the Ministry of Environment, Sustainable Development and Urban Sewerage will support the monitoring of environmental vulnerability in relation with climate change; (iii) the Ministry of Interior, Public Security, Decentralization and Religious Affairs will strengthen civil protection capacities as well as Municipalities' planning capacities; (iv) the Ministry of Water Resources will contribute to mapping and monitoring of flood hazard and to identify technical options to reduce flood hazard; (v) the Ministry of Urban Development will be engaged in mainstreaming of disaster risk management and climate change adaptation in the housing sector as well as strengthening of the National Geographic Institute; (vi) the Ministry of Agriculture will conduct the evaluation of the vulnerability of irrigated perimeters with regards to flooding; and finally (vii) the Ministry of Planning, Land Development and Community Development will ensure, through the PCU and PIUs, adequate coordination for optimal contribution of these individual

Annex 2 Detailed Project Components' Description

activities towards the Project Development Objectives. In the meantime, the same sub-component 2.3 will influence and benefit from capacity development at the national level (sub-component 2.2), at the regional and local levels (sub-component 2.1), and will inform the optimal selection of investments proposed under component 1. Interactions between project activities across sub-components and how these activities rely upon technical expertise of seven ministries, is represented in the Figure 1 of Annex 2.

14. The detailed project costs by sub-component are available in Table 1 on the next page.

Annex 2 Detailed Project Components' Description

Table 1: Project Cost and Financing (US\$ Millions)

Project activities	Project Cost (US\$ million)	IDA (US\$ million)	LDCF (US\$ million)
1 - Flood risk management investments	79.65	73.00	6.65
1.1 - Priority drainage infrastructure and related investments Improving urban sewerage/ Rehabilitation or construction of drinking water supplies/irrigation facilities/social infrastructure in the flood-affected areas	40.00	40.00	
1.2 - Flood protection infrastructure Flood regulation infrastructure for agricultural development and flood risk mitigation/ Bank protection along koris/ Mechanical bank protection/ Restoration of natural drains/ Construction or rehabilitation of thresholds and dikes; and Rehabilitation or paving of sections of roads and dike-roads in flood-affected areas	14.00	12.67	
Biological bank protection			1.33
1.3 - Rehabilitation of watersheds Development or rehabilitation of ponds' control structures/ Reshaping river's former branches/ Rock thresholds/ Sand dune stabilization/ Stone embankment	25.65	20.33	
Land restoration measures			5.32
2 - Capacity development for Urban Development and Disaster Risk Management	22.00	22.00	
2.1 - Support to elected officials, municipal services and civil society Engagement of civil society and women in disaster risk management/ Improving urban sewerage/ Support disaster risk mainstreaming in planning/ Support municipalities' implementing capacities/ Support to ANFICT and Urban municipalities' audit		5.00	
2.2 - Support to central government Creation of maintenance brigades for irrigated areas/ Improving urban sewerage/ Strengthen the flood monitoring and forecasting capacity and Support disaster risk mainstreaming in planning		6.00	
2.3 - Strengthen disaster risk management capacities Risk identification/ Strengthen preparedness and response capacities/ Strengthening early warning and information management/ Support disaster risk mainstreaming in sectoral planning and Development of tools and procedures for Damage and Losses Assessment (DaLA)		11.00	
3 - Project management			
PCU and PIUs operations and related costs	5.00	5.00	
4 - Contingency Component	0.00		
Total Project Cost	106.65	100.00	6.65

Annex 3 Implementation Arrangements

Niger: Disaster Risk Management and Urban Development Project

1. Successful project implementation requires people with different skills and functions to work together to achieve mutually agreed goals to meet the project objectives. This also requires effective and timely coordination between various line ministries and entities. The main implementing partners include: (i) Prime Minister Office; (ii) Ministry of Planning, Land Development and Community Development; (iii) Ministry of Agriculture; (iv) Ministry of Urban Development; (v) Ministry of Environment, Sustainable Development and Urban Sewerage; (vi) Ministry of Interior, Public Security, Decentralization and Religious Affairs; and (vii) Ministry of Water Resources. The project management consists of the National Steering Committee (NSC); the Project Coordination Unit (PCU) at the national level and the Project Implementation Units (PIUs) at the regional level with strong linkages to local municipalities, urban and rural communes at grassroots level. . Details are as follows:

At National Level:

2. Since the project requires inter-ministerial and interagency co-operation and coordination for effective project implementation, the National Steering Committee (NSC), chaired by a representative from the Ministry of Planning, Land Development and Community Development, will be composed of representatives from the following ministries: (i) Prime Minister Office; (ii) Ministry of Agriculture; (iii) Ministry of Urban Development; (iv) Ministry of Environment, Sustainable Development and Urban Sewerage; (v) Ministry of Interior, Public Security, Decentralization and Religious Affairs; and (vi) Ministry of Water Resources .The members also include representatives of Niamey, Dosso, Tillabéri, and Diffa regions and Niger Municipality Association (Association des Municipalités du Niger - AMN). The NSC would provide overall policy direction on project implementation resolving any policy hurdles, inter-ministerial barriers or policy conflicts. The NSC will be responsible to approve overall implantation plan and annual project budget, and will meet as often as needed but at least every quarter to review and follow up on project progress. The NSC will ensure that adequate staffing arrangements in the PCU and the PIUs are in place. Within three months following effectiveness, the NSC will ensure that an Internal Audit Department is set up and adequately staffed with an internal auditor whose terms of reference will cover all activities under the project.

3. The Project Coordination Unit (PCU) will be based within the Ministry of Planning, Land Development and Community Development (MPLAN), reporting directly to the Minister. The day to day project implementation activities will be carried out by the PCU at the national level, which will function as a Secretariat for the NSC. The PCU will be headed by a Director who will be assisted by lead technical specialists drawn from the Ministry of Planning, Land Development and Community Development; Ministry of Agriculture; Ministry of Urban Development; Ministry of Environment, Sustainable Development and Urban Sewerage; Ministry of Interior, Public Security, Decentralization and Religious Affairs; and Ministry of Water Resources; Prime Minister Office's National Mechanism for the Prevention and Management of Disasters and Food Crises (DNPGCCA), and other entities as required. The PCU Director will report to the Ministry of Planning, Land Development and Community Development, and work in close coordination with the line ministries directly or indirectly participating in the project activities. The main functions of the PCU will be to: (i) prepare annual implementation plans for the project

Annex 3 Implementation Arrangements

activities, as well as the annual budget and seek NSC's approval; (ii) provide overall guidance and assist each PIU located at the four regions of Niamey, Dosso, Tillabéri, and Diffa and help them in the preparation, design and implementation of sub-projects; (iii) carry out all work related to fiduciary functions including procurement, financial management, disbursement, audit, reporting and monitoring and evaluation. The PCU will be responsible for the overall project's fiduciary management and procurement in compliance with World Bank's regulations, and directly responsible for all activities related to Component 3. The PCU will also play an important role at the regional level, closely guiding and hand holding PIUs staff and liaising with the regional Governors and the regional level technical staff from technical departments within the Ministry of Planning, Land Development and Community Development; Ministry of Agriculture; Ministry of Urban Development; Ministry of Environment, Sustainable Development and Urban Sewerage; Ministry of Interior, Public Security, Decentralization and Religious Affairs; Ministry of Water Resources; and Prime Minister Office's National Mechanism for the Prevention and Management of Disasters and Food Crises (DNPGCCA); as well as other relevant technical institutions and agencies, as needed. In addition, the PCU will interact with relevant stakeholders, including NGOs and municipalities, to guide them in the implementation process where necessary. A Project Implementation Manual has already been developed and will be disseminated (prior to effectiveness), to take into account current institutional configurations and detail roles and responsibilities.

4. The PCU will be responsible for processing all the International Competitive Bidding (ICB) and selected National Competitive Bidding (NCB) contracts and payments based on the certificate issued by the line ministries and the PIU's technical subject matter specialists regarding the satisfactory and successful completion of the delivery of the contracted product. All activities after completion will be transferred to the concerned line ministry for the operation and maintenance purposes at the regional or state level or as the case may be. For example, for the school buildings repaired or built under the project, the education department will take the responsibility for its upkeep and maintenance; similarly, clinics to the health department; flood control structures to the ministry of water resources, works on irrigation perimeters to the ministry of water resources etc. However, activities that are built with the community participation under communes such as watershed development products will be handed over to the community for continued operation and maintenance with the ultimate responsibility of the commune Mayor under whose jurisdiction the object is located. Similarly the irrigation infrastructures will be handed over to the water users association or cooperatives for whose benefit the object was refurbished or built as per the Memorandum of Understanding (MOU). The Project Operation Manual details the model MOU for all activities that will be financed under this project during its implementation.

5. The PCU will be responsible for organizing all state level training programs involving the concerned state level line ministry, national and international research and development institutions, including NGOs operating in the country. The PCU will also be responsible for the recruitment of national and international consultants for the project, strictly per the guidelines and instruction of the World Bank, and invariably involving the line ministries in their selection and day to day functioning as per the details provided in the Project Operational Manual.

6. The PCU will also be responsible for the overall coordination of M&E activities, their consolidation, and the preparation of periodic fiduciary and M&E reporting, including impact

Annex 3 Implementation Arrangements

and output indicators as well as annual audit of project's financial statements. The project M&E system will be based on the agreed Results Framework and implementation arrangements. The PIUs will bear the responsibility of data collection on the ground for each component's agreed indicators following procedures and methods established within each involved Ministry. The PCU will receive from the PIUs the quarterly Implementation Progress Status Report. Under the M&E plan, units of measurement, baseline values, targets, frequency, data source/methodology and responsibility for data collection will be defined for each Project Development Objective (PDO) level outcome indicator and each intermediate level indicator. The data is expected to inform semi-annual implementation support missions to track project progress in terms of outcomes in the implementation status and results (ISRs) reports, and for the final evaluation of the project in the implementation completion and results (ICR) report. Reporting and use of M&E data as well as assessment of capacity will be described and rated in the ISRs, and will be reviewed at project mid-term. The additional staff to be recruited for PCU (procurement specialist, financial management specialist, environmental safeguard specialist, and monitoring and evaluation specialist) shall be recruited prior to effectiveness.

7. The PCU will assess the capacity of the M&E staff within the PCU and of the PIUs and take steps to build capacity utilizing resources allocated under the project. The capacity of participating ministries' PIUs will notably be strengthened with technology, equipment, training on data collection, content management, information updates and basic system troubleshooting and maintenance. The M&E specialist of the PCU, with the support from the internationally recruited consultant, if necessary during the first year of the project, will provide technical support to PIUs designated M&E and the line ministries coaching and mentoring them on data collection, management and reporting. Efforts will be made to fully empower national institutions in the M&E of the project outcomes, ensuring that it is strongly linked to the national M&E system. The PCU will be responsible for producing timely and pertinent information that will become key management tool for decision makers.

8. The PCU director shall take steps to strengthen the overall sustainability of the project, building upon strong commitment of the Government. The PCU director will review all the factors that are critical to the sustainability of the project and take steps to address through adequate M&E procedures carried out by the PIUs and the participating ministries, according to their institutional and technical capacities, and project responsibilities.

At Regional Level

9. A Regional Director will be designated, in charge for the overall project implementation and management of the project activities at the regional level. The second in command of the Project Implementation Units (PIUs) will be in-charge of the day to day implementation of the project at regional level and responsible for working closely with the regional line Departments and municipalities for project implementation. The PIU will inform the respective Regional Governors on the progress of project implementation on a regular basis. The project will involve and consult the grass roots level, in close collaboration with municipalities and contractors engaged to deliver the goods and services. The PIUs will be staffed with technical specialists relevant to technical activities expected to be performed, drawn from the Departments of Urban Development, Water Resources, Agriculture, Environment, Civil Protection and from the DNPGCCA. The PIU staff in collaboration with the municipalities and line Departments will

Annex 3 Implementation Arrangements

jointly develop the regional level monthly, quarterly, half yearly and annual plans and get the approval of the PIU Director to the agreed plan.

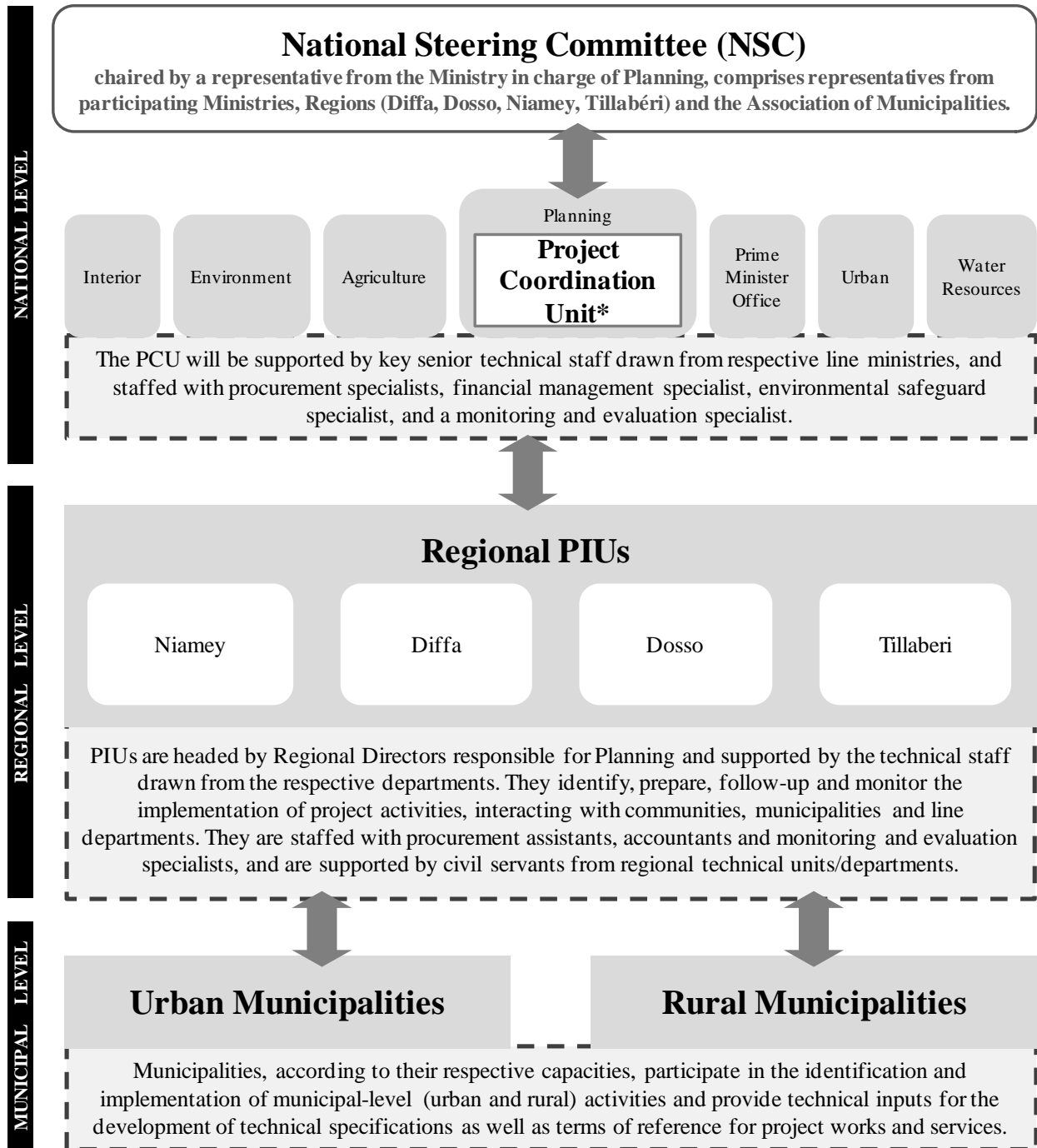
10. The PIUs will recruit consultants as relevant, and follow up with the line departments to assess progress. The M&E specialist of the PIU will actively participate in the implementation of activities at the grassroots levels. The additional staff to be recruited at the level of PIUs (procurement officers, accountants, monitoring and evaluation specialist) shall be recruited no later than 4 months after effectiveness.

11. The Government has identified qualified staff from the line ministries and regions to staff the PCU and the PIUs, who will be provided with incentives linked to performance. The roles, responsibilities and functions of various institutions/agencies at the State and regional levels involved in the implementation of the project is described in the Project Operational Manual.

12. All project activities involving public maintained infrastructures of the line ministries and the regional line departments, such as roads, dikes, water storage ponds, canals, collectors and drains, water management infrastructure, drinking water supply, schools and health centers will be technically supported by the line ministries through their respective regional departments. The PCU and PIUs technical specialists will also be associated in the preparation of detailed plans, designs and estimates involving the local beneficiary community for their ownership, and send the detailed work plans and document to the PCU for processing contracts for bidding process following the World Bank rules. Upon receipt of the work contract, the PIU will inform the local communities regarding the initiation of the work and further process as described in the contract document.

13. The project in the four regions will potentially cover 104 municipalities which will directly benefit from the investments in the rehabilitation and reconstruction of the flood affected infrastructures, so their active involvement in the decision making process in the implementation of the project activities is paramount for the PCU and PIUs. The crosscutting nature of the DRM interventions requires community participation in all the activities such as sustainable land and water management in upstream watersheds, early warning systems, actionable disaster risk preparedness and emergency response capacities, etc., and the Mayor's office staff will play an important role in establishing community linkages. Success of the project therefore hinges on the effectiveness of the PIUs involved in forging their interpersonal relationship with the municipalities.

Figure 1: Implementation Arrangements



Financial Management Arrangements

14. Given the nature of the project and the proposed actions, the financial management risk of the project is rated as ‘Substantial’. The Ministry of Planning, Land Development and Community Development (MPLAN) will be responsible for the overall coordination and implementation of project activities, relying on the PCU and the PIUs for day to day

Annex 3 Implementation Arrangements

administration of the project. The project will develop a simplified implementation manual to be used at the local government level. However, the following actions will need to be completed to ensure that the PCU has adequate FM arrangements to handle project activities: (i) before effectiveness update and adopt the Project Implementation Manual, with acceptable administrative, accounting and financial procedures; (ii) before effectiveness: recruit a principal accountant in the PCU; (iii) within two months after effectiveness, install the accounting software to ensure timely production of quarterly and annual financial statements; (iv) three months after effectiveness, set up an internal audit department and recruit an internal auditor; and (v) four months after effectiveness, recruit an external auditor for the audit of financial statements.

15. The budget process will be clearly stipulated in Project Implementation Manual, which adoption constituted a condition for effectiveness. Activities to be financed will be clearly identified and included in the annual budget and work plans for the project and will be coordinated and prepared by the PCU. The Regional PIUs will receive activity plans from technical units in the Ministries and the Municipalities and prepare annual budget inputs for the regions. The final consolidated budget will be approved by the Steering Committee before the beginning of the year. Any changes in the budget and work plans will also be approved by the Committee with the Bank no-objection. In addition, the Steering Committee will: (i) discuss and review implementation strategies of the project; and (ii) monitor and assess the implementation progress and results of the project.

16. The administrative, financial and accounting procedures manual will be prepared and will detail and document the project accounting, policies and procedures at the Ministry, the Regional PIUs as well as the responsibilities of all stakeholders involved. The accounting software will be installed and programmed to facilitate processing of financial information and to prepare interim quarterly financial statements as well as annual financial statements. FM staff will also be trained to ensure optimal use of the software application. Detailed FM documentation will be maintained in the Project files for the implementing entities.

17. The financial management team at the PCU will comprise of: (i) a Project Finance Officer; (ii) a Chief Accountant; (iii) the Financial Controller assigned to the Ministry of Planning by the Ministry of Finance, and (iv) an Internal Auditor. Before effectiveness, a Project Finance Officer will be recruited, and within two months of effectiveness a Chief Accountant and 4 Regional Accountants will be recruited to reinforce the FM team. This will also ensure adequate segregation of duties. The FM team at both the PCU and regional PIUs will be responsible for collecting and controlling the invoices, maintaining the books of account, processing financial data, making payments to suppliers and service providers. The FM team at the PCU will be responsible for monitoring the approved budget and preparing the quarterly consolidated interim financial reports and annual consolidated financial reports for the annual audit.

18. The Steering Committee will ensure that staffing arrangements at the PCU in the Ministry of Planning are in place and are sufficient to ensure adequate internal controls, preparation, approval and recording of transactions as well as segregation of duties. Internal control procedures will be detailed in the procedures' manual.

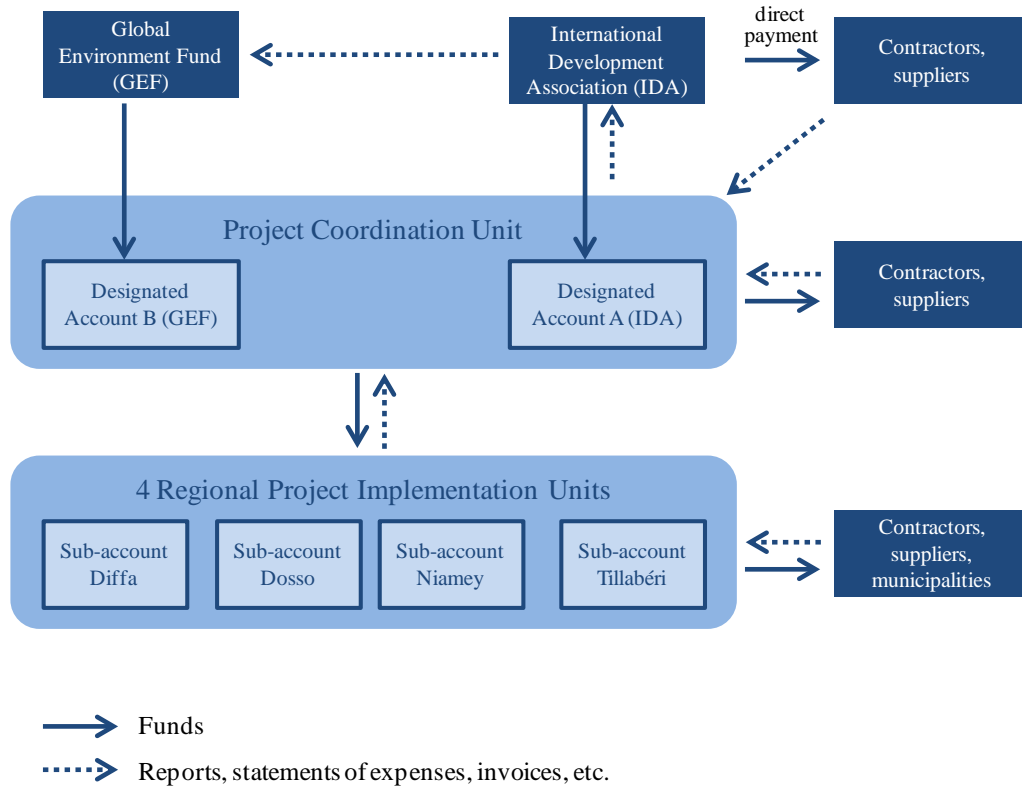
Annex 3 Implementation Arrangements

19. To complement the FM system and in the context of the use of country system, reliance will also be placed on the Financial Controller assigned by the Ministry of Finance. He will carry out the ex-ante control over transactions at the central level. The team in the Directorate of Financial Inspection in the Ministry of Finance will be trained on risk based approach on internal auditing and will ensure the internal audit function of the project. The quarterly internal audit reports will be included in the quarterly interim financial reports.

20. The Ministry of Planning will be responsible for the overall reporting on the implementation of the project activities. The Ministry will ensure, through the financial management staff at the PCU, that the quarterly consolidated Interim Financial Reports are prepared and transmitted to the Bank in a timely manner. The reporting format will be documented in the administrative, financial and accounting procedures manual. The quarterly consolidated Interim Financial Reports will be furnished by the PCU to the Bank no later than 45 days after the end of the quarter. Annual financial statements will be prepared by the FM team, approved by the Steering Committee and will be subject to annual external audits. The interim financial report will include the following FM aspects:

- (i) Sources and uses of funds by funding source;
- (ii) Uses of funds by project activity;
- (iii) Projected expenditure and cash forecast for the next semester;
- (iv) Bank reconciliation statements for the Designated Account; and
- (v) Bank reconciliation for the transaction accounts showing the cash balances available at the end of the quarter under review.

Figure 2: Flow of Funds



21. Two designated accounts will be opened in Niger according to the disbursement procedures described in the disbursement letters. Transaction accounts will be opened in commercial banks acceptable to the Bank to facilitate daily operations of the project both at the PCU and one at the Regional level. The currency for the transaction account at the central and regional levels will be the Franc CFA (FCFA). Documentation for all transactions at the central level shall be retained by the PCU, while documentation at the regional PIUs will be retained and filed at the Regional PIUs. They shall be made available for audits and to the Bank and its representatives, if requested. Simplified flow of funds processes are schematized in the Figure 2 above. Detailed disbursement procedures will also be stipulated in the updated administrative, financial and accounting procedures manual.

22. The annual financial statements of the project prepared by the PCU as well as the system of internal controls at the PCU and Regional PIUs will be subject to an annual audit by a reputable, competent and independent auditing firm. The Supreme Audit Institution (SAI) will be responsible for the recruitment of the external auditor based on terms of reference satisfactory to the Bank. The auditors will provide an opinion on the financial statements of the project prepared by the implementing entity as per auditing standards acceptable to the Bank. The audit reports will be submitted by the Supreme Audit Institution to the Bank not later than six months after the end of each financial year. The auditors will also provide a management letter detailing the status of the internal control systems the PCU and PIUs at the regional levels. In line with the Bank access to information policy, the audit reports will be placed on the client's official website within one month of the report being accepted as final.

23. In addition to the regular internal and external audits, the World Bank task team will conduct regular supervision missions on a half yearly basis. During these supervision missions Bank FM Staff will evaluate the FM arrangements to ensure that they remain adequate for the implementation of the project.

Project Proceeds and Disbursements Arrangements:

24. Disbursements from the IDA Credit will follow the transaction-based method, i.e. statements of expenses (SOEs). Other disbursement arrangements will include Direct Payments, Reimbursement, and Special Commitments. The PCU will take steps to make the initial deposit into the Designated Account (DA) and submit to the Bank with a Withdrawal Application requesting for the maximum ceiling amount as per the disbursement letter of the implementing entities. Subsequent disbursements into the DA will be based on SOEs accompanied by Withdrawal Applications, bank statements and bank reconciliations. The supporting documentation for requests for direct payment should include records which provide evidence of eligible expenditures (copies of receipt, supplier's invoices).

Procurement:

25. Procurement will be carried out in accordance with the 'Guidelines On Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants' known as the '2011 Anti-Corruption Guidelines', and the World Bank's "Guidelines: Procurement under IBRD Loans and IDA Credits" dated January 2011 and "Guidelines: Selection and Employment of Consultants by World Bank Borrowers" dated June 2011. All procuring entities, as well as bidders, suppliers and contractors shall observe the highest standard of ethics during the procurement and execution of contracts financed under the project.

26. Works procured under this project would include but not be limited to improving urban sewage, rehabilitation or construction of drinking water supplies in flood-affected areas, rehabilitation or construction of irrigation facilities in the flood-affected areas, rehabilitation or construction of social infrastructure in flood affected areas, road rehabilitation works, bank protection for korus, biological bank protection, construction or rehabilitation of dikes, mechanical bank protection, multi-purpose (irrigation + flood mitigation) flood regulation structures, rehabilitation or paving of sections of roads in flood-affected areas, development or rehabilitation of ponds' control structures, land restoration measures, reshaping river's former branches, rock thresholds, sand dune fixation and stone embankment.

27. Goods procured under this project would include but are not limited to, vehicles, computer equipment and office equipment.

28. Consultants' service procured under this project would include, but are not limited to, the following: surveys, studies, supervision of civil works, financial audit. Short list of consultant services estimated to cost less than US\$200,000 for civil works supervision and less than US\$100 000 for other consulting assignments may comprise entirely national consultants in accordance with the provisions of the Guidelines para. 2.7, with IDA's prior no-objection.

Particular Methods of Procurement of Goods, Works and Non-consulting Services:

29. Except as otherwise listed below in “Other Methods of Procurement of Goods, Works and Non-consulting Services”, Goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

30. Other Methods of Procurement of Goods, Works and Non-consulting Services: the following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan:

Table 1: Other Methods of Procurement of Goods, Works and Non-consulting Services

Procurement Method
(a) Limited International Competitive Bidding
(b) National Competitive Bidding, subject to additional procedures
(c) Direct Contracting
(d) Shopping
(e) Community Participation in Procurement procedures which have been found acceptable to the Bank and are outlined in the Project Implementation Manual

Particular Methods of Procurement of Consultants’ Services:

31. Except as otherwise provided in “Other Methods of Procurement of Consultants’ Services” below, consultants’ services shall be procured under contracts awarded on the basis of Quality and Cost-based Selection.

32. Other Methods of Procurement of Consultants’ Services: The following methods, other than Quality and Cost-based Selection, may be used for procurement of consultants’ services for those contracts which are specified in the Procurement Plan:

Table 2: Other Methods of Procurement of Consultants’ Services

Procurement Method
(a) Selection under a Fixed Budget
(b) Least Cost Selection
(c) Selection based on Consultants’ Qualifications
(d) Single Source Selection
(e) Selection of Individual Consultants

33. Works, goods and non-consulting services contracts will use National Competitive Bidding (NCB) procurement methods in accordance with national procedures using Standard Bidding Document acceptable to IDA and subject to the additional requirements:

34. In accordance with paragraph 1.16 (e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing shall provide that (a) the bidders, suppliers, contractors and their subcontractors, agents, personnel, consultants, service providers, or suppliers shall permit the Association, at its request, to inspect all accounts, records

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and other documents relating to the submission of bids and contract performance, and to have said accounts and records audited by auditors appointed by the Association; and (b) the deliberate and material violation of such provision may amount to an obstructive practice as defined in paragraph 1.16 (a) (v) of the Procurement Guidelines:

- Invitations to bid shall be advertised in national newspapers with wide circulation.
- The bid evaluation, qualification of bidders and contract award criteria shall be clearly indicated in the bidding documents.
- Bidders shall be given adequate response time (at least four weeks) to submit bids from the date of the invitation to bid or the date of availability of bidding documents, whichever is later.
- Eligible bidders, including foreign bidders, shall be allowed to participate.
- No domestic preference shall be given to domestic contractors and to domestically manufactured goods.
- Bids are awarded to the lowest evaluated bidder proven this bidder is qualified.
- Fees charged for the bidding documents shall be reasonable and reflect only the cost of their printing and delivery to prospective bidders, and shall not be so high as to discourage qualified bidders.

35. A comprehensive General Procurement Notice will be prepared by the Borrower and published in the United Nations Development Business online (UNDB online) following Board Approval, to announce major consulting assignments and any international competitive bidding (ICB). The General Procurement Notice shall include all ICB for works, goods, and non-consulting services contracts and all large consulting contracts (i.e., those estimated to cost US\$200,000 or more). In addition, a specific procurement notice is required for all works and goods to be procured under ICB in UNDB online. Requests for Expressions of Interest (EOI) for consulting services expected to cost more than US\$300,000 shall be advertised in UNDB online. An EOI is required in the national gazette, a national newspaper, or an electronic portal of free access for all consulting firm services regardless of the contract amount. In the case of NCB, a specific procurement notice will be published in the national gazette, a national newspaper, or an electronic portal of free access. Contract awards will also be published in UNDB, in accordance with the Bank's Procurement Guidelines (2.60) and Consultants Guidelines (2.28).

Procurement responsibilities and accountabilities:

36. Procurement activities will be managed by the PCU at the national level and by the PIUs at the regional level. The PCU and the PIUs will carry out the following activities: (i) manage the overall procurement activities, and ensuring compliance with the procurement process described in the relevant manuals; (ii) ensure compliance of bidding documents, draft Requests for Proposals (RfPs), evaluation reports, and contracts in relation with the beneficiaries' and in compliance with World Bank procedures.

37. The PCU will have the responsibility for procurement oversight in collaboration with all the beneficiaries. The PCU activities will include: i) preparation and updating of the procurement plan in relation with the PIUs, ii) monitoring the implementation of procurement activities, and

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iii) producing procurement reports and iv) seeking and obtaining approval of national entities and then on IDA on procurement documents as required.

38. Ministries and municipalities will participate in the procurement activities and will actively support the following: (i) preparation of TORs and the bidding documents; (ii) preparation of evaluation reports, and contracts related to the ministries and municipalities in compliance with World Bank procedures; and (iii) participation in procurement commission activities and in all related meetings.

39. The PCU and the PIUs' staff will include a procurement specialist at the central level and procurement officers at the regional levels – these staff will be hired and trained by an experienced team from the ongoing *Competitiveness & Growth Support Project* (PRACC, P127204), to ensure compliance with Bank's procurement procedures. Complex procurements (all ICB and identified NCB and Consultant selections) will be handled at the Central level and managed by PCU in relation with the beneficiary Ministry. To faster implementation, procurement activities identified in the procurement plan (identified NCB and Consultant selection, shopping) will be executed at the regional levels.

40. The overall procurement risk is substantial.

41. The residual project risk for procurement is moderate after adoption of the following mitigation measures, which have been discussed and agreed with the implementing entities:

- Recruitment of Qualified Procurement Specialist before effectiveness and procurement officers no later than 4 months after effectiveness to be based respectively at the central and regional levels to support PCU and PIUs, notably ensuring control quality of procurement documents prepared (bidding documents, RFP, evaluation reports, contracts) and overall compliance with World Bank procurement procedures; These staff will sign performance based contracts. Consultants will be recruited on a short term basis as when the needs arises to support the Central and regional levels to prepare technical documents (TORs, technical specification, draft bidding documents, etc.) and/or participate in the procurement committees.
- The manual of administrative, financial and accounting procedures will be developed before effectiveness to take into account the planned activities, the WB procedures in procurement, and to clarify the role of each team member involved in the procurement process of the project, the maximum delay for each procurement stage, specifically with regards to the review, approval system and signature of contracts.
- A workshop will be organized at the beginning of the Project to train all key stakeholders involved in procurement on World Bank procurement procedures and policies.
- An adequate filing system will be set up for the project records at Project Coordination Unit and Project Implementation Units. The project will finance if needed appropriate equipment and the Procurement Specialist based in the PCU will support these entities to ensure compliance with WB procurement filing manual.

Procurement prior review thresholds:

Annex 3 Implementation Arrangements

42. For Niger, International competitive bidding (ICB) thresholds have been set up at \$5 million for works and \$500,000 for goods. Therefore contracts for works and public works, estimated to cost above this ICB thresholds will be subject to prior review by IDA. Consultancy services for firms estimated respectively, at the equivalent value of US \$200,000 and above per contract, consultant services for individual consultants at the equivalent of US\$100,000 and above, and all single-source selection of consultants with firms and individuals will be subject to prior review by IDA.

43. However, since the overall procurement risk has been rated substantial, it was agreed on the following additional mitigation measures:

- a) At least once a year, the Bank and the Government will agree on a procurement plan which will detail the procurement methods to be used and specific contracts to be reviewed by the Bank.
- b) The Bank will perform prior review of selected NCB contracts which will be identified and mentioned in the procurement plan.
- c) All amendments of contracts raising the initial contract value by more than 15 percent of original amount or above the prior review thresholds will be subject to prior review by the Bank as determined mandatory in Paragraphs 2 and 3 of Annex 1 of the Bank's Procurement Guidelines.
- d) Post Review: for each contract for goods and public works not submitted to prior review, the procurement documents will be submitted to IDA post review in accordance with the provisions of Paragraph 4 of Annex 1 of the Bank's procurement Guidelines. The post review will be based on a ratio of at least 1 to 5 contracts.

44. The prior review thresholds and other measures to be taken to mitigate the procurement risk should be re-evaluated once a year with a view of adjusting them to reflect changes in the procurement risk that may have taken place in the meantime and to adapt them to specific situations.

45. A procurement plan (PP) for the first 18 months of project implementation has been prepared. During implementation, the PP will be updated at least annually once- to reflect actual program implementation needs and improvements in institutional capacity. It will be available in the project's database and a summary will be disclosed on the bank external website once the project is approved by the IDA's Board of Directors.

46. In addition to prior reviews to be carried out from IDA offices, the capacity assessment recommended two field supervision missions and at least one procurement post review per year. Independent procurement reviews will be carried if necessary.

47. For activities of Component 4 'Contingent Emergency Response', simplified procurement procedures will be defined in an 'Immediate Response Mechanism Operational Manual' (IRM/OM), to be prepared and adopted separately by the Recipient and subject to no-objection by the Bank, in line with OP/BP 10.00 ("Investment Project Financing").

Annex 4 Operational Risk Assessment Framework (ORAF)

Niger: Disaster Risk Management and Urban Development Project

1. Project Stakeholder Risks						
1.1 Stakeholder Risk	Rating:	Moderate				
Description: The Project is not expected to raise any objections from other donors, NGOs and beneficiaries on the overall objectives of DRM. However, minor land acquisition or resettlement issues hold potential for objections and lack of transparency on beneficiary selection or project activities supported may create conflict among stakeholders at the local level.	Risk Management: The Project is aligned with borrower priorities and interests and was identified by the Government of Niger. Public disclosure mechanisms will be used to monitor adverse reactions from the public and stakeholders. Safeguards instruments (RPA, ESMF) will be used to address social and environmental issues. Selection criteria will be clearly defined before project start-up for the selection of beneficiaries (small groups or individuals) supported by the Project. The communications strategy would ensure that the targeted population and public are kept informed of project objectives and criteria for selection of activities during implementation.					
	Responsibility: Both	Stage: Implementation	Recurrent:	Due Date:	Frequency:	Status:
2. Implementing Agency Risks (including Fiduciary)						
2.1 Capacity	Rating:	Substantial				
Description: Weak fiduciary capacities at the municipality and PIU levels delay implementation.	Risk Management: Financial management and procurement responsibilities will be handled by the PCU at the hosting ministry level with support from the PIU at the regional level, and line ministries and beneficiary municipalities as relevant; while training and capacity building programs would target both national and local levels.					
	Responsible: Client	Stage: Both	Recurrent:	Due Date:	Frequency:	Status:
2.2 Governance	Rating:	High				
Description: Niger was ranked 134 th out of 182 countries in 2011 by Transparency International. The country is not listed in the Bank's OPCS short list of countries with high systemic corruption.	Risk Management: The Government has created the national Agency of Public Procurement which is functioning well and is taking good decisions during procurement processes including for donor projects.					
	Responsible: Both	Stage:	Recurrent:	Due Date:	Frequency:	Status:
Description: Political interference in selection of beneficiaries of contracts, beneficiary organizations or groups, and service providers.	Risk Management: Appropriate and transparent criteria will be established for any activities requiring a selection process of organizations/groups/beneficiaries, based on best practices. The Project Implementation Manual (including financial management and procurement manuals) will specify mechanisms for addressing grievances and complaints to settle disputes.					
	Responsible: Both	Stage: Implementation	Recurrent:	Due Date:	Frequency:	Status:

Annex 4 Operational Risk Assessment Framework (ORAF)

3. Project Risks						
3.1 Design Risks:	Rating:	High				
Description: Project design involves an integrated approach to flood risk management, is multi-sectoral and spans seven ministries which increases the difficulties of coordination and collaboration, likelihood of vested interests, and implementation bottlenecks and delays.	Risk Management: Implementation will require a large effort in communication and coordination. Project oversight will be the responsibility of NPLAN which has the authority and experience to ensure collaboration across ministries. A national steering committee, to be created through a decree, will provide the legal framework for such collaboration where ministries and stakeholders will be adequately represented. The Project will support communication and sensitization at two levels: (i) communication strategy aimed at preparedness and chain of command in case of emergencies, (ii) communication and sensitization of populations which could be affected.					
	Responsible: Both	Stage: Implementation	Recurrent:	Due Date:	Frequency:	Status:
3.2 Social and Environmental Risks:	Rating:	Moderate				
Description: Protective and drainage infrastructure envisaged under the project may have localized negative impacts fragile ecologies and people living in the areas. Potential land acquisition and/or resettlement issues.	Risk Management: - Specific safeguards instruments (RAP, ESIA, ESMP) will be prepared for any identified project activity requiring such instruments. These safeguards instruments will be submitted to the Bank for review and clearance and then disclosed in-country and at the Bank's Infoshop. - The Bank will use the RPF, ESMF, and PMP which have been prepared by the Borrower and approved by the Bank, to address potential environmental and social impacts.					
	Responsible: Both	Stage: Both	Recurrent:	Due Date:	Frequency:	Status:
3.3 Program and Donor Risk:	Rating:	Low				
Description: The Project does not have critical dependencies on other projects/activities or other development partners in the same program.	Risk Management:					
	Responsible: Both	Stage: Both	Recurrent:	Due Date:	Frequency:	Status:
3.4 Delivery Monitoring and Sustainability Risk:	Rating:	Substantial				
Description: Weak monitoring and evaluation capacity to track project progress and impact; variations for data handling and report across ministries; data bases exist but are scattered across projects	Risk Management: Evaluation of existing capacity for M&E will carried out during preparation and followed up during implementation. The project will support establishment of baselines, yearly targets, data collection methods outlined, and training on tracking project progress, relevant principles and methods of applied monitoring and evaluation built into project budget. Training in data handling, verification of existing data bases which can be developed to aggregate data for Government use across projects/serving multiple projects.					
	Responsible: Both	Stage: Both	Recurrent:	Due Date:	Frequency: Annual reports, MTR	Status:
4. Overall Preparation and Implementation Risk: Substantial						

Annex 5 Implementation Support Plan

Niger: Disaster Risk Management and Urban Development Project

Strategy and Approach for Implementation Support

1. The Project Implementation Manual (PIM) has already been prepared and presents the main implementation modalities and institutional arrangements to support those modalities. The PIM and its adoption is considered as standard operating procedures for the project.
2. The strategy of the Implementation Support Plan (ISP) has been developed according to the nature and the characteristics of the project, as well as its risk profile. The strategy will basically aim at making implementation support to the client more flexible and efficient, and will focus on the principal risks identified and the agreed risk mitigation measures described in the ORAF. It will also provide the technical advice necessary to facilitate achieving the PDO. The ISP also identifies the minimum requirements to meet the Bank's fiduciary obligations.
3. Collaboration with other key stakeholders and the government is a central factor for the Project implementation. The Government has developed several key policies and has created and/or strengthened national institutions that are directly linked to decentralization, poverty reduction, and local development planning. The institutional framework on environmental issues, in general, and on those related to sustainable land management, in particular, is very rich and diverse in Niger. These structures and institutions, whose missions and mandates are clearly defined, will play a major role in the implementation of the project. The key institutions in charge of the implementation of the project are the following: the Ministry of Planning, Land Management and Community Development; the Ministry of Agriculture; the Ministry of Urban Planning, Housing and Sewerage; the Ministry of Environment; the Ministry of Water Resources; the Ministry of Interior, Public Security, Decentralization and Religious Matters; the Ministry of Public Works.
4. The main elements of the Implementation Strategy are the following:
 - Technical support: Technical support will be provided to the participating agencies, in general, and the PCU, in particular. This will ensure compliance with different agreed modalities and procedures. On the other hand, experts of the PCU will provide regular inputs to the agencies in each of these activities.
 - Procurement: Implementation support will include the following elements: (a) providing training; (b) reviewing procurement documents and providing timely feedback to the Procurement staff; and (c) providing detailed guidance on the Bank's Procurement Guidelines to the Procurement Committee; and (d) monitoring procurement progress against the detailed Procurement Plan.
 - Financial management: Support will include the provision of training to the concerned financial management consultants, and reviewing the project financial management system (on a semi-annual basis), including accounting, reporting, and internal controls.
 - Safeguards: Support to environmental and social safeguards will need staffed missions to project sites twice a year. Support will include capacity building on safeguards requirements, and ESMP implementation.

Annex 5 Implementation Support Plan

- M&E: Adequate support to M&E activities will need staffed missions to project sites at least twice a year
- Technical support: The Bank will provide continuous extensive technical support through participating in the supervision missions, MTR and eventual ad hoc advisory services. This support will be crucial to the identification of the main factors that may hinder the proper implementation of the activities. The support will include a continuous assessment of risks (outlined in the ORAF), fiduciary requirements and inputs, and safeguards. The Bank team will also support the implementation of the agreed Governance and Anti-corruption Plan, and provide guidance in resolving any issues identified.
- Overall project management: The TTL, with the support of the Country Office, will provide regular supervision of all operational aspects, as well as coordination with the client and among Bank team members.
- Supervision Arrangements: It is projected that a total of 3 supervision missions will be required the first year of implementation, and 2 supervision missions per year thereafter over the project period. The PCU will undertake mid-term independent audits. The ISP will be reviewed at least once a year to ensure that it continues to meet the implementation support needs of the project.

Annex 6 Economic and Financial Analysis

Niger: Disaster Risk Management and Urban Development Project

1. The severe flood of 2012 due to unusually heavy rains in July/August resulted in substantial damages to infrastructure and economic losses, including losses of life, according to the Government of Niger and the World Bank assessment. The water level in the Niger River (second longest river in Africa) that passes through Niamey was 22% above the alert threshold level which is a record in the recent history of this river.

2. The extent of damage and losses due to floods was very high. Approximately, 576,000 people were affected, 176,000 were made homeless and 400,000 were internally displaced. Almost 36,000 houses were collapsed. Over 115,000 ha of crops (both irrigated and rain-fed) were destroyed and 30,000 animals died. The value of total damages and some losses (all the economic losses were not accounted for) was estimated by the Government of Niger to be about US\$ 64 million for an international appeal for assistance following the floods. In addition, 175 people died: 79 deaths were attributed directly to floods and 96 deaths were due to outbreak of cholera i.e. indirectly attributed to floods. It is very difficult to put a value on the loss of human life. Even though Niger is more susceptible to frequent droughts and locust attacks, the frequency and intensity of floods is likely to increase due to climate change being experienced by Niger, especially if nothing is done to control floods.

3. The Government of Niger also identified major issues that contributed to the flood disaster. These are: (i) denuded vegetation and land degradation in upstream areas, including watersheds; (ii) reduced infiltration capacity of soil in the upstream areas; (iii) under-designed flood management infrastructure in the urban areas; (iv) damage to Niger River dikes; (v) lack of maintenance of flood management infrastructure; (vi) illegal and legal settlements in flood prone areas due to poor urban planning; (vii) lack of early warning communication, preparedness and evacuation of affected communities; and (viii) fragmented institutional urban development arrangements. If future floods can be adequately controlled through proper disaster risk management (DRM) and improved resilience to floods, water can be used for economic activities, particularly for irrigated agriculture since Niger also experiences frequent droughts.

4. The project development objective (PDO) is “to strengthen Niger’s resilience to natural hazards through: (i) disaster risk management interventions in targeted project sites and (ii) strengthening of Government’s capacity to respond promptly and effectively to an eligible crisis or an emergency”. The project design takes into account all the operational lessons learned from the World Bank supported projects in Niger as well as the best practices from the global experience of the World Bank.

5. The project is designed to address all the above problems and do much more, including: (i) rehabilitation of the existing urban and rural flood control, irrigation and drainage infrastructure that have been destroyed during floods by “building back better”; (ii) building new flood control, drainage and irrigation infrastructure to control future floods by regulating water flow; (iii) improving water management through rehabilitation of improved watersheds and land management through sustainable land management; (iv) rehabilitation and development of infrastructure in Niamey that was severely affected by floods and accounts for 40% of all the urban population in Niger; (v) strengthening DRM and social accountability of central

government, local government institutions, elected officials and civil society; (vi) strengthening capacity for disaster risk identification, monitoring, early warning system, preparedness and response to such events; and (vii) promoting post-disaster economic recovery and livelihoods in the project areas.

6. The total project cost is estimated to be US\$106.65 million and the project is expected to be completed over a period of 6 years. The project area includes Tillabéri, Niamey, Dosso and Diffa regions. The project has four components: (i) flood risk management investments (US\$79.65 million); (ii) capacity building for urban development and disaster risk management (US\$22.00 million); (iii) project management (US\$5.00 million); and (iv) contingency component (US\$0.00 million). The contingency component will be activated only if there is another disaster and an emergency is declared by the government.

7. Given the nature of this project, it is difficult to quantify the potential project benefits and estimate the economic rate of return to project investments. First, the project has only a few revenue generating activities that can be used to quantify the benefits. Second, the project has adopted a demand driven framework approach in which the specific investments for individual activities are not pre-identified. Third, the project has allocated almost 25% of the project cost to strengthen the disaster risk management capacity and social accountability of central government, local government and civil society organizations and the potential benefits, while very large, are difficult to quantify. Fourth, the first two components alone deal with a large number of different and diverse activities which make it difficult to estimate project benefits. Fifth, the project includes a contingency component which could be activated during the life time of this project but at this it is difficult to determine the likely cost and benefits of this component.

8. The likely cost effectiveness and the development impact of the project is demonstrated by using two examples, including (i) impact of project investments in flood risk mitigation and avoidance of asset damages and economic losses due to future floods, and (ii) economic impact of investments in rehabilitating damages to irrigated rice perimeters near the Niger River.

9. However, as will be shown below, the project appears to be cost effective and has significant direct and indirect economic impacts on the economy of the project area. The total cost of this project is estimated to be US\$ 106.65 million over a period of 6 years. On the other hand, the estimated value of the damage and some economic losses due to floods was US\$ 64 million. In other words, the value of actual damage and losses was much higher than indicated here. The project will not only rehabilitate the damaged public infrastructure but will also build disaster risk management capacity and strengthen resilience to natural hazards, particularly to floods. According to the history of the last 30 years, Niger experiences floods every third year (as a matter of fact, the 2012 large flood was followed by another flood in 2013). If the project investments in flood protection and disaster risk management are made, as proposed, and maintained properly over a period of 25 years, the project will have substantial economic impact in avoiding the damages and losses due to future floods in the absence of this project. By assuming flood every fourth year, the likely economic impact of the project investments is summarized in Table 1 below:

Table 1: Estimated Economic Investment of project Investment

Discount Rate	Net Present Value – NVP (US\$ million)	Benefit/Cost Ratio
5%	189	3.10
8%	144	2.76
10%	123	2.61
20%	76	2.33

10. The project is designed not only to ‘build back better’ the damaged infrastructure and promote recovery of economic losses but also to build new infrastructure for flood control as well as to strengthen capacity for DRM in order to reduce the frequency, intensity and severity of such events in the future and increase resilience to any such disasters. Through proper and timely operations and maintenance (O&M), the infrastructure rehabilitated and/or built under this project can continue to provide flood control benefits for at least 25 years, depending on the type of infrastructure. The expected benefits of new DRM capacity, social accountability, transparency and participation in decision making through consultations will have significant economic benefits in terms of meeting local development needs, improved governance and managerial efficiencies. As indicated above, the present value of potential project benefits are much higher than the present value of project costs. In other words, the project benefit-cost ratio is 2.33 at a discount rate of 20%. It should also be noted that the institutional benefits will be there irrespective of the nature of the disaster such as flood, drought, locust outbreak or human pandemic.

11. Rice is one of the important cereal crops in Niger with growing demand over time. Niger imports 200,000 to 300,000 tons of rice annually. However, consumer preferences are for local rice varieties. In the last 30 years, Niger brought 14,766 ha of irrigated area under rice by building rice perimeters near and around the Niger River. These rice perimeters have large dikes around them to protect them from flooding. The irrigation system consists of gravity irrigation with water from the river during the wet season and water from tube wells during the dry season. The rice farmers in these perimeters are assigned, on an average, 0.25 ha plots to cultivate primarily rice. During 2012 floods, about 14 of such rice perimeters (about 2104 ha of rice land) were substantially damaged, together with the dikes and the irrigation systems. The rehabilitation of the dikes and the irrigation system is part of the project at a cost of about US\$11.3 million. In addition to rehabilitating physical infrastructure, farmers will be trained in the use of new improved rice technology and sustainable soil and water management as well as demonstrations of the use of new rice technology vis-a-vis the technology that is currently being used by farmers. Assuming 25 year life span of the dikes and irrigation system, two rice crops a year, gradually increasing rice yields in two steps, 2012 constant farm gate paddy prices and 50% of gross revenue used to cover the cost of production, the estimated economic rates of return is summarized in Table 2 below:

Table 2: Estimated Economic Rates of Return for Rehabilitating Rice Perimeters

Cases and Sensitivity Analysis	Economic Rate of Return
Base case	33%
Increase in investment cost by 20%	28%
Decline in net revenue by 20%	27%
Increase in investment cost by 20% and decline in net revenue by 20%	23%

12. Clearly, economic rates of return are much higher and robust than what is considered adequate for investments of this kind (i.e., 12%). If we assume that the rice land under these perimeters will increase gradually over time due to better soil and water management, the economic rates of return will be higher. Since Niger is a chronic rice importer every year, if we assume CIF price for rice produced in these perimeters instead of farm gate price, the economic rates of return will be even higher.

13. The project has many direct and indirect potential benefits that are briefly summarized below:

14. The flood aggravated the agro-ecological problems that the agricultural sector was facing in Niger. This includes land degradation, soil erosion, deforestation, risk of pest outbreaks for crops, decrease in crop and livestock productivity and decline in agricultural production potential. According to AGRHYMET, these and water related problems are further reinforced by the climate change. The project will have a positive impact on agricultural growth due to several project interventions. First, about 6,500 ha of agricultural land and 3,500 ha of sand dunes will be brought under sustainable land and water management (SLWM) to improve water retention capacity upstream. Second, about 2,000 ha of flood-prone agricultural land will be protected from floods through flood control infrastructure (including 8 small flood control structures and 2000 meters of 8 river dikes). Third, in addition another 1,787 ha of irrigated area would be added to the total irrigable area to enhance food security in the country.

15. These interventions will have two types of impact on agricultural growth: First, the agricultural land will be brought under assured irrigation and SLM practices, thereby resulting in higher agricultural productivity of high value crops grown on this land. Second, frequent rains but with well-designed and well maintained flood protection infrastructure is better for agriculture growth and productivity than frequent droughts and floods in the country. Overall, this will promote agricultural growth during post-flood seasons as well as during drought years in the project areas.

16. Almost 80% of the population in Niger lives in the rural areas and directly or indirectly depends on subsistence agriculture for their livelihoods. The rehabilitation of the flood control, drainage and irrigation infrastructure is likely to have a positive impact on creating employment in the rural areas as well as improved opportunities for rural livelihoods in agriculture and non-farm rural enterprises. At present, about 20% of the population lives in urban areas (of which almost 40% in Niamey alone) and this is expected to increase to 40% by 2030. Improved flood protection infrastructure and improved delivery of public services in the urban areas will have a

positive impact on opportunities for livelihoods in the urban areas through improved micro enterprises. Improved DRM and flood control infrastructure will substantially reduce the risk of losing livelihoods and assets in the urban as well as in the rural areas.

17. Niger depends on subsistence agriculture in a very fragile agro-ecological environment with frequent natural disasters, including droughts, floods and locust outbreaks. Under these circumstances, Niger has frequent food security (and malnutrition) problems at both the household and national levels. About 15% of the land area is arable which is concentrated in the south center and south west of the country (the area that has been affected by the floods). Agriculture contributes about 28% to the GDP. About 50% of the population is involved in crop cultivation and 30% is involved in livestock production, primarily as pastoralists. The main food crops are millet, sorghum, and cassava. After uranium, export of agricultural commodities (livestock, hides, onion, groundnuts, cotton and cowpeas) are the second most important export item. Flood protection, drainage and irrigation infrastructure and SLWM will increase agricultural productivity and growth (particularly for crops grown in the project areas) and have a positive impact on national food security, both in terms of food availability at the national level and access to food at the household level (as well as on nutrition). This is particularly true for the poor and most vulnerable groups.

18. Per capita GNI in Niger is about US\$360. According to the UN Human Development Index (HDI), Niger is at the bottom of 187 countries. According to the 2007/08 survey, almost 60% of the population is below the poverty line (it appears to have declined to about 50%, according to the 2011 survey but the results are still being analyzed). About 80% of the poor live in the rural areas and depend on agriculture for their livelihoods. The best way to reduce poverty in the rural areas is by improving agricultural productivity and agricultural growth. Improved flood protection and irrigation infrastructure and the use of SLWM practices in the upstream areas will have a positive impact on agricultural growth and hence on an increase in rural income and reduction in rural poverty. There is also a close link between poverty and vulnerability to natural hazards and degradation of natural resources, including land, soil and water. Improved disaster risk reduction (DRR) and reduced degradation of natural resources will reduce vulnerabilities of the poor people in the rural areas.

19. The project has allocated almost 25% of the project resources to strengthening technical and institutional capacity in the urban and rural areas. The likely impact of the project on capacity strengthening is summarized as follows: First, the project interventions will strengthen DRM and technical capacity of all the participating agencies involved in DRM, including central government, local government, civil society and communities. Second, the project interventions will strengthen institutional capacity of all such agencies involved in project implementation. Third, consultation with stakeholders and beneficiaries and coordination among participating agencies will improve and will result in better information flow related to disasters and DRM, transparency in decision making, social accountability and governance will improve. Fourth, during any future disasters of this kind, the concerned government agencies will be better prepared and will be able to respond better and on time. Fifth, due to better planning, monitoring, coordination, preparedness and response, the institutional efficiency will improve and all the stakeholders and beneficiaries will benefit.

20. The project interventions will not only strengthen technical and institutional capacity but will also improve alignment with and implementation of various Government initiatives that deal with DRR, DRM and climate change. These initiatives include (i) National Platform for DRR (NPDRR) in Niger declared as the National Mechanism for the Prevention and Management of Disasters and Food Crises (DNPGCCA); (ii) National Strategy and plan for Disaster Risk Prevention and Reduction; (iii) National Adaptation Program for Action (NAPA) under the UN Framework Convention on Climate Change (UNFCCC); (iv) 2004 Africa Regional DRR Strategy; and (v) Niger's I3N Initiative known as "Nigeriens Nourish Nigeriens".

21. The project interventions will not only improve capacity and build DRM infrastructure but will also build urban infrastructure and capacity in order to improve efficient delivery of critical public urban services. This includes construction of storm water retention system in upstream urban areas, construction of major concrete sewerage infrastructures, improved rehabilitation and maintenance of sewerage system, improvement of solid waste collection and disposal structures and development of urban green spaces. As the share of urban population in the country is likely to increase to 40% by 2030, the construction and delivery of critical public urban facilities/services is absolutely essential. This will have a major impact for improving the quality of life in the urban areas. This will also reduce any interruptions of urban public services due to any future disasters like these floods. This is particularly critical since the current share of population that has access to clean drinking water and improved sewerage facilities is only 49% and 9%, respectively.

22. Once the project interventions are fully implemented, it is likely to have a positive fiscal impact in the project area. The likely sources of improved fiscal impact are the taxes, fees for service and in-kind counterpart contributions by the beneficiaries from the improved rural and urban DRM infrastructure, increased agricultural production, potentially increased volume of agricultural exports and improved delivery of urban services, increased purchases of project materials in the local markets and increased revenues from micro-projects.

23. The employment opportunities will also increase in the rural and urban areas due to improved flood protection. First, during project implementation (6 years) the demand for local labor in the project areas will increase. Second, the employment opportunities in the rehabilitated rural areas and watersheds will increase. Third, with the rehabilitation of flood infrastructure in the urban areas and development of critical public urban services (e.g. roads, drinking water, sewerage and sewage system in Niamey), the business and employment opportunities in improved micro-enterprises will likely increase. The overall employment impact of the project will be positive.

24. Niger is experiencing serious environmental problems, including land degradation, desertification, deforestation, soil erosion, water pollution, floods and droughts. The project, once fully implemented, will have several positive environmental impacts. Through flood control measures, the probability of serious floods in the future will decline. Since the agricultural area under irrigation will increase, the adverse impact of drought on agricultural production will moderate. A large area in the watersheds will be brought under sustainable land and water management practices, soil erosion and land degradation will be checked. Through proper sewage systems in the urban areas, the impact of the main source of water pollution will decline. Hence the overall environmental impact of the project will be positive.

25. At present, development partners (bilateral, multilateral, specialized UN agencies and international financial institutions) are active in different aspects of economic development of Niger. The timely and effective implementation of this project will show case to development partners the government's commitment and ability to implement large and complex projects related to DRR, DRM, watersheds and urban development. Given that Niger experiences frequent floods, droughts and locust outbreaks, the government will be able to make a very strong case to development partners for additional financial resources for new DRM and adaptation to climate change projects to reduce the probability of occurrence of these events in the future and reducing the adverse impact on the economy and livelihoods of people in Niger.

26. The current estimates indicate that the project is likely to benefit four million people directly (about 25% of the population) and 50% of this are expected to be women. The numbers of all beneficiaries in the project area (both direct and indirect) are expected to be about 6.8 million (which is almost 40% of the population in Niger). Beneficiaries also include line ministries at the central level, local government agencies, municipalities, community based organizations (CBOs) and communities in the project areas. All of them would benefit from enhanced technical and institutional capacity, infrastructure, improved planning, coordination, preparation and response to any such events over time and increased agricultural production potential.

27. The potential economic benefits of this project will not be realized in the medium to long term unless the project interventions are sustainable. The overall project sustainability is ensured through a strong Government ownership and commitment for successful implementation of this project. The institutional sustainability is expected to remain high due to strengthening of capacity to promote transparency, coordination, partnerships, community involvement and consultations and improved efficiency. The technical sustainability for this project is expected to be high since best practices and technologies that will be used in the project have been widely tested and used in Niger and in World Bank-funded projects in other countries. The economic sustainability is ensured because of substantial economic and financial benefits from various activities and for the communities in both rural and urban areas. Government needs to allocate adequate budgetary resources for adequate O&M of the infrastructure built or rehabilitated under the project and make sure that the strengthened capacity remains available for DRM.

28. The project deals with financing only those activities that are in the public sector and are of public good nature. The private sector has no incentives to finance any of these activities. In the absence of financing by the World Bank, the Government of Niger may not be able to finance many of these activities as a package and the country will continue to experience damages and losses from any future floods.

29. The overall DRM and implementation capacity of government agencies and institutions in the country remains weak. Precisely because of this reason, the project has allocated almost 25% of the project resources to capacity building. The World Bank not only plans to finance this project but is also providing technical support at all levels and stages of project preparation and plans to do so during project implementation through supervision missions. During this process, the World Bank is sharing the best international practices with all the agencies involved in this project.

Annex 7: LDCF Additional Cost Analysis

Niger: Disaster Risk Management and Urban Development Project

Context

1. The Republic of Niger has an area of 1.27 million km² and a population estimated at 16 million. Niger remains one of the poorest countries in the Sub-Saharan Africa, with a per capita GDP estimated at US\$383 and a 57-year life expectancy. Niger is highly vulnerable to natural hazards and climate variability. Its climate is characterized by high variability especially in terms of rainfall. Major vulnerabilities include, among others: recurrent droughts; heavy dependence on rain-fed farming and livestock; high vulnerability of production systems to climate-related hazards; rapid population growth (close to an annual growth rate of 3.3%¹³), with ensuing heavy pressure on the environment; poor disaster risk management and urban planning capacity; and continuing woodland degradation. Poor households, particularly the ones led by females, are more exposed to shocks and seasonal variations in production, and often resort to unconstructive solutions such as the sale of premature seeds and livestock.

A. Key facts on vulnerability to climate change

2. Climate variability and change induced nine drought events¹⁴ and nine major floods¹⁵ over the last 30 years. Drought episodes have resulted in exacerbated rural exodus and uncontrolled demographic growth in the urban areas. Migrants escaping from the rural drought have often settled in flood-prone areas along the Niger River, lacking resources to settle in safe areas. Flood risk was also less manifested during the dry periods, and record precipitations in 2010 and 2012 have exacerbated a high degree of risk developed over the last decades.

3. It has been demonstrated that rising flood hazard is intimately associated with land cover change, due to demographic growth and improper conservation practices. In the last 50 years a significant increase in cropped areas and inadequate farming practices led to soil degradation, mostly characterized by superficial crusting, which in turn resulted in a reduction of the infiltration capacity. Specifically, the increase in bare soil areas on the Sirba tributary (responsible for about half of the runoff during Sept 2012 peak flow in Niamey) is a major reason for the increase in flood hazard, which, combined with exceptional rainfall, high exposure of people in low-lying areas and poor engineering practices, have resulted in extensive damages and losses.

4. Temperatures in West Africa and particularly in the Sahel Region have changed somewhat faster than the global trend as demonstrated by time series data gathered from the Tillabéri region, in Niger. Since 1980, temperatures have steadily increased. According to AGRHYMET, the period 1990 -2007 was particularly hot. The rise in minimum temperatures was +1.44 °C against +0.53 °C for maximum temperatures. If the trend in temperature increases continues it is projected that the average annual maximum temperature over the period 2020-2049 could reach

¹³ Niger Country Partnership Strategy 2013-2016

¹⁴ Rainfall deficit years: 1984, 1987, 1990, 1993, 1995, 1997, 2000, 2004, 2009 and 2011. Out of these, seven were associated with crop failure.

¹⁵ Flood years: 1988, 1994, 1998, 1999, 2006, 2009, 2010, 2012, 2013.

2.3 °C to 2.6 °C, depending on the scenarios (PDES)¹⁶. It is expected that countries in Sub-Saharan Africa, where water availability is low, will experience a decreased crop yield at even 1°C to 2°C of warming¹⁷.

5. Between the 1950s and 1960s rainfall across the Sahel was abundant; but just before 1970, a new drought started. The most severe drought was in the 1980s and, since then, levels of rainfall have recovered a little. The Joint Institute for the Study of the Atmosphere and Ocean (JISAO) at the University of Washington, in collaboration with the National Oceanic and Atmospheric Administration (NOAA), analyzed rainfall patterns for the Sahel region during the period of 1900 to 2011. Their study¹⁸ shows that the most severe drought occurred in the 1980s, compared with average rainfall for the past century. Since then, levels of rainfall have increased, but still remain significantly below the average for the period.

6. Increasing climatic variability and projected changes in rainfall patterns are also expected to alter the frequency of extreme peak river flows as well as the frequency and extend of flooding of urban and rural areas; causing severe damage to infrastructures; and substantial losses resulting from the destruction of crops, irrigation schemes and inputs. The impact of adverse hydro-meteorological events on the livelihoods and food security of the affected populations can be felt far beyond its temporal and geographical occurrence, as a result of the loss of households' incomes and assets as well as by diminished or total loss of agricultural productive capacity of the flooded lands. The erosive action of flashfloods and extensive flooding on the fragile, thin layer of topsoil can render agricultural lands unsuitable for future planting or grazing, and degrade natural habitats. Once the water recedes, the remaining condition can be that of increased land aridity, compounding to desertification in one of the most arid regions of the world. Therefore, climate change and climate variability will likely result in loss of arable land due to decreased soil moisture, increased aridity, and groundwater depletion¹⁹, triggering increased food insecurity among the poor and other vulnerable groups in Niger and across the Sub-Saharan region.

7. The World Health Organization (WHO)'s Cooperation Strategy with Niger²⁰ (2009-2013) warns about the exacerbating effects of climate change on health emergencies. Furthermore, the expansion of arid and semi-arid zones, with a consequent reduction in areas suitable for agriculture and agricultural production potential will further exacerbate the already fragile food security conditions of a large portion of the populations of Niger and other countries in the Sahel region. Climate change is expected to induce a fall in yields of crops such as millet and sorghum by more than 10 percent by 2050 in the +2°C higher temperature scenario (compared to 1980).

8. The Government of Niger recognizes climate change adaptation (CCA) as a top priority. Adaptation measures are needed to help ensure food security, urban resilience, access to drinking

¹⁶ Ministry of Planning, Land Management and Community Development.2012; Economic and Social Development Plan, PDES, 2012-2015)

¹⁷ IPCC, 2007, Working Group II: Climate change: Impacts, Adaptation, and Vulnerability

¹⁸ Cited by Gaultier, Steff: "Analysis: Understanding the Sahel Drought." Aljazeera.com. Aljazeera, 22 June 2012.

¹⁹ Bals, C., Harmeling, and Windfuhr, M.2008. Climate Change, food security and the right to adequate food Dialonie Katastrophenhilfe, Brotfuhr die Welt and German watch, Stuttgart, Germany.

²⁰ World Health Organization. Niger. Stratégie de Coopération de l'OMS avec les Pays (2009-2013).

and irrigation water, public health, and disaster risk management and prevention in a changing climate. The Government also recognizes the need to mainstream CCA measures into its investment planning processes. However, implementing CCA measures and into infrastructure development projects will incur in incremental costs, when compared with the business as usual scenario.

B. Project Development objective

9. The Development Objective (PDO) of the project is to improve Niger's resilience to natural hazards through (i) selected disaster risk management interventions in targeted project sites and (ii) strengthening of Government's capacity to respond promptly and effectively to an eligible crisis or emergency. This objective is fully consistent with the LDCF's focus on reducing the vulnerability of key sectors and resources that are central to development and livelihoods, by promoting climate change adaptation interventions in the water sector; disaster risk management; climate-resilient infrastructure; and fragile ecosystems, among others.

C. Alignment with relevant national priorities for development and climate change adaptation

10. The project is aligned with and contributes to relevant Niger's national strategies, policies and plans, notably the World Bank Country Partnership Strategy; Niger's Economic and Social Development Plan (PDES); Disaster Risk Management Strategy and National Nutrition Policy (PNN); the Government's Nigeriens feed Nigeriens Initiative (3N); as well as the World Bank Strategy for Africa²¹; 2004 Africa Regional Disaster Risk Reduction Strategy; and World Bank African Strategy for Climate Adaption²². In addition, the project will contribute to achieving the objectives of the Comprehensive Africa Agriculture Development Program (CAADP) of the New Partnership for Africa's Development (NEPAD), mainly its Pillar 1²³ that focuses on scaling-up of sustainable land and water management practices. Furthermore, the project would complement ongoing projects carried out under the Strategic Program for Climate Resilience (SPCR), and would promote the implementation of the National Policy on Gender, specifically through: (i) fostering participation of women in the consultations leading to decisions on investments implemented by the municipalities; (ii) engagement of women's labor force and (iii) scaling-up the successful experience of providing irrigated land to vulnerable groups including women. Annex 8 details the linkages and coordination with national priorities and other projects and programs.

D. Linkages to the National Adaptation Program for Action (NAPA)

11. Niger developed its National Adaptation Program for Action (NAPA) in 2006, and its first and second National Communications in 2000, and 2009, respectively. As signatory of the

²¹ Africa's Future and the World Bank's Support to It, March 2011

²² Making Development Climate Resilient - A World Bank Strategy for Sub-Saharan Africa, report # 46947-AFR, October 2009

²³ The CAADP Pillar 1 Framework: Tool for use by Countries in Mainstreaming and Upscaling of Sustainable Land and Water Management in Africa's Agriculture and Rural Development Agenda, September 2009

United Nations Framework Convention on Climate Change (UNFCCC), the government has developed these communications to comply with the UNFCCC's country reporting guidelines.

12. Niger's NAPA identified the most urgent and immediate needs for adaptation to the impact of extreme hydro-meteorological events (i.e.; drought, extreme rainfall and floods, extreme temperatures) triggered by climate change and increased climate variability on crops, livestock fodder, fisheries production, water availability, forests, biodiversity, disease rates and sand-dune formations. The NAPA process identified six geographic areas that are most vulnerable to climate variability and change, and proposed 14 urgent priorities. The proposed actions were mostly oriented to address the pervasive food insecurity of the Nigeriens, exacerbated by measurable climate variability reflected in an increasing trend of droughts, followed by excessive rainfall and widespread flood events.

13. Niger's Second Communication to the UNFCCC, builds upon the NAPA findings and recommendations. This Second Communication underscores the high levels of risk that extreme weather events such as intense heat and heavy rainfall pose on the Niger's population, the environment, agricultural activities, and critical infrastructure.

14. The project is fully aligned and contributes to achieving NAPA's objectives. According to NAPA²⁴ findings, vulnerable groups and communities are still following unsustainable adaptation practices which are ineffective for a long run (NAPA, section 3; pages 23-24). The project would support NAPA's overall objective of contributing to the alleviation of the adverse effects of climate variability and changes on the most vulnerable populations in order to achieve sustainable development; and NAPA's specific objectives: (i) identify priority activities focusing on urgent and immediate needs for adaptation to adverse effects of climate variability and changes; and (ii) build the adaptive capacities of the affected communities in the vulnerable areas. In addition, the project contributes towards the reduction of the negative impacts of climate change on key sectors, including: agriculture; livestock; and water resources. In particular, the project directly contributes to mitigate the impacts that floods and excessive run-off during torrential rainfalls have on natural ecosystems, agricultural lands; and critical infrastructure; threatening the lives and livelihoods of vulnerable populations (NAPA sec.1.3.2).

15. The project will undertake complementary CCA actions, identified in the NAPA as being more effective in mid to long-term climate change adaptation. Specifically, this will include CCA activities that contribute to address the following NAPA's complementary adaptation actions: (i) reduce risks resulting from the floods; (ii) strengthen strategies to combat desertification; (iii) improve structures to prevent food shortages; (iv) reinforce early warning/monitoring systems; and (v) promote use of meteorological real time information. Also, geographic scope where project activities will be implemented overlaps with targeted areas where 13 out of 14 proposed NAPA's adaptation priority activities would be implemented; creating opportunities to foster collaboration and synergies among stakeholders and projects.

²⁴ NAPA. Prepared by Niger's National Environmental Council for Sustainable Development, 2006

E. Link with LDCF Strategies

16. This is a fully blended project where IDA and LDCF resources are being brought together cohesively to enable a set of activities that will improve Niger's resilience to natural hazards through (i) selected disaster risk management interventions in targeted project sites and (ii) strengthening of Government's capacity to respond promptly and effectively to an eligible crisis or emergency. The nexus between the project and the LDCF strategies is particularly evident in that flood risk management will better integrate the likely impacts of climate change to improve the sustainability of short-term investments and the design of medium and long-term investments. The proposed grant is available under the principle of equitable access. The LDCF Grant will support multi-purpose sustainable land and water management practices, contributing both to enhanced agricultural resilience in the rural areas and reduced flood risks in the urban areas. The project fully aligns with CCA 1 and CCA 2 (see Table 1 below).

Table 1: LDCF Objectives, Expected Outcomes and Core Outputs

LDCF Objectives	Expected Outcomes	Core Outputs
CCA-1	Outcome 1.2: Reduced vulnerability to climate change in development sectors	Output 1.2.1: Vulnerable physical, natural & social assets strengthened in response to climate change impacts, including variability
CCA-2	Outcome 2.1: Increased knowledge and understanding of climate variability and change-induced threats at country level and in targeted vulnerable areas	Output 2.1.2: Systems in place to disseminate timely risk information Output 2.3.1: Targeted population groups participating in adaptation and risk reduction awareness activities.

LDCF additional cost analysis

Baseline Scenario

17. This project aims to help reduce the increasing negative impacts of hydro-meteorological events, exacerbated by climate change and climate variability (particularly excessive rainfall, flashfloods and widespread flooding), on Niger's natural, urban, and agricultural lands by implementing structural and non-structural disaster risk reduction interventions. The LDCF resources will bring in additionality by integrating sustainable land and water management practices into the project, as proposed by the national GEF focal point. Overall adaptation benefits will be reflected in improved soil conservation, as well as resilience to extreme hydro-meteorological events such as floods and droughts.

18. In relation to the baseline scenario, the additional resources from LDCF are fully justified, as the project will impose on the country 'additional costs' over 'business as usual-related costs' (or baseline costs). The project's Development Objective, to improve Niger's resilience to natural hazards, including those posed by climate change, is fully consistent with the LDCF's

focus on reducing vulnerability by promoting climate change adaptation interventions in key sectors.

19. The proposed LDCF project will further support the baseline development objectives of the project. In addition, it will increase the sustainability of the IDA project, the resilience of the Niger's population in the face of climate change and will improve long term climate resilience practices in the targeted regions.

20. The project has been designed based on the 'Issues Paper' that was prepared by the government highlighting urgent needs requiring around US\$327 million. While IDA resources will support some of the activities, the LDCF resources are expected to strengthen the resilience of investments and improving capacities at the national and local levels to mitigate the effects of floods and heavy rains in selected urban and rural areas in Niger. This support will also contribute to the financial gap that exists. The LDCF resources will support the integration of sustainable land and water management practices into the project that will help restore or enhance the watershed capacity to retain excessive water flows using approaches such as earthworks, creating terraces, half-moon structures and re-vegetation through reforestation and natural regeneration of vegetative cover; rendering adaptation benefits that will be reflected in improved soil conservation, as well as resilience to extreme hydro-meteorological events such as floods and droughts.

LDCF Additionality: By Project Components

21. The baseline IDA project has four inter-related components supporting the project development objective: (i) Flood Risk Management Investments; (ii) Capacity Building for Urban Development and Disaster Risk Management; (iii) Project Management; and (iv) Contingency Component. The estimated cost of the Project is US\$106.65 million, including US\$100.00 million from IDA and US\$6.65 million from LDCF. The LDCF funds have been allocated to provide financing for component 1.

22. The LDCF funds are earmarked for the development of watersheds through anti-erosion works, improved vegetation, biological treatment of river banks and land restoration measures, in order to reduce runoff and limit erosion of cultivated land. This will have direct benefits, such as protecting the livelihoods and assets of vulnerable populations in the face of increasing climatic variability, and will also help to reduce the frequency and severity of flooding in downstream urban and rural areas. LDCF funds earmarked to promote the adoption of sustainable land use practices in watersheds can be expected to increase vegetation coverage, reduce erosion, and improve rain infiltration, improving the efficiency of water use and reducing vulnerability to drought. The project will target vulnerable communities and areas most at risk in the face of climate change, consequently the LDCF interventions will contribute directly to climate change adaptation. LDCF resources will furthermore facilitate climate-proofing of the IDA operation by increasing the sustainability of the flood risk management investments in ways that will better prepare the Project beneficiaries to address future climatic conditions, given projected climate change scenarios.

23. The selection of targeted vulnerable communities in Niger takes into account the Government's assessment of damages and losses performed after the 2012 excessive rainfall and

flooding event. These flooding events are expected to increase in frequency and intensity in relation with climate change. The full set of criteria used for identification of beneficiary municipalities includes: (i) location along the Niger or Komadougou Rivers, (ii) having experienced substantive social and economic losses during the 2012 floods; and/or (iii) representing an important economic potential for neighboring (downstream) communities. One national multi-hazard risk atlas and 4 regional assessments will provide guidance in the identification of areas most at-risk.

24. Component 1 - Flood Risk Management Investments (US\$79.65 million): This includes a combination of infrastructure rehabilitation and disaster risk management structural interventions to ensure sustainability to future flooding events in the urban and rural areas of Niamey, Dosso, Tillabéri, and Diffa regions. Activities at the municipality level will be prioritized by local and regional authorities. The sub-components include:

25. Sub-component 1.1 - Drainage, irrigation and socio-economic priority infrastructures (US\$40 million): This will support construction of drainage canals and collectors in Niamey, Dosso, Kollo, Say, Tera and Tillabéri; and rehabilitation of drainage canals, waste management and rehabilitation of drinking water supplies and social infrastructures in Niamey; and rehabilitation of irrigated perimeters damaged by 2012 floods along the Niger and Komadougou Rivers.

26. Sub-component 1.2 - Flood protection infrastructure (US\$14million, of which US\$1.33 million from LDCF²⁵): This will support river bank protection using plants and technical measures; stone barriers and thresholds in 'koris' (sandy intermittent streams) to reduce runoff intensity; and rehabilitation/upgrading of dikes to protect urban areas and irrigated perimeters along Niger and Komadougou Rivers. LDCF would support biological bank protection.

27. Sub-component 1.3 - Rehabilitation of watersheds (US\$25.65 million, of which US\$5.32 million from LDCF): This will support sustainable land and water management practices, including soil recovery, sand dune fixation, stone embankments, and rock thresholds in Sirba and Gouroubi tributaries' watersheds that will enable soil and water conservation, enhance infiltration and reduce peak flows; reshaping or re-profiling of natural drainage canals (former arms of the Niger River and Gounty Yena) in Niamey; and pond control structures along the Komadougou River in Diffa region. The LDCF would support sustainable land and water management practices, specifically for land recovery works on glazes and plateau.

28. Component 2 - Capacity Building for Urban Development and DRM (US\$22 million): This includes technical assistance for the development of central and local governments' capacities. Disaster risk management including risk evaluation, risk-informed planning, preparedness and response capacities, and gender-sensitive climate change adaptation will be mainstreamed as part of their routine development processes. The sub-components include:

29. Sub-component 2.1 - Support to elected officials, municipal services and civil society (US\$5 million): This includes strengthening of local governments' fiduciary and technical

²⁵ Least Developed Country Facility of the Global Environment Fund

Annex 7 LDCF Additional Cost Analysis

capacity, including support in collaboration frameworks (inter-government management); information management systems; and master plans for sewerage and development at municipal and regional levels.

30. Sub-component 2.2 - Support to central government (US\$6 million): This will support development of national capacity with a crosscutting approach of institutional collaboration, to ensure sustainable integration of project activities within country's existing institutions and systems. Examples include: development of a national sewerage policy on storm water, wastewater, basic sewerage, and solid waste; capacity development for planning in urban and rural areas; equipment and training to monitor river water levels and flows; and supporting maintenance of irrigated perimeters.

31. Sub-component 2.3 - Strengthen disaster risk management capacities (US\$11 million): This will support national and local DRM capacities, including risk evaluation, risk reduction, preparedness and emergency response capacity. Examples include development of risk atlas (hazard, exposure, vulnerability and loss probability information); development of real-time multi-hazard information systems for proper monitoring of risk and available resources; standard operating procedures for early warning and response; development of civil protection capacities for emergency response; guidelines for safe construction practices; and mainstreaming disaster risk reduction and climate adaptation into development processes.

32. Component 3 - Project Management (US\$5million): this will ensure coordination of all project activities including monitoring and evaluation; and cover all eligible expenditures including strengthening capacity; procurement of office furniture and equipment; hiring of essential staff, including technical and financial audits; and all recurrent costs.

33. Component 4 - Contingency Component: (US\$0): Following an adverse natural event that causes a major disaster, the Government of Niger may request the Bank to re-allocate project funds to support mitigation, response, recovery and reconstruction. This component would draw resources from unallocated expenditure category and/or allow the government to request the Bank to re-categorize and reallocate financing from other components to partially cover emergency response and recovery costs. This component could also be used to channel additional funds should they become available as a result of an eligible emergency. Disbursements would be made against a positive list of goods, works, and services that are required to support mitigation, response, recovery and reconstruction needs. All expenditures under this component, should it be triggered, will be in accordance with paragraph 11 of OP 10.00 Investment Project Financing and will be appraised, reviewed and found to be acceptable to the Bank before any disbursement is made. Eligible operating costs would include incremental expenses incurred for efforts arising as a result of the natural disaster.

LDCF Additional Reasoning

34. In the absence of the LDCF financial assistance, the project would continue to implement DRM activities in Niger. However, a number of significant challenges would remain for the government and vulnerable populations to cope with the increasing flood risks in upstream areas.

35. An alternative scenario without LDCF funds would have several major downside consequences. Government’s investments would mainly address creation and maintenance of infrastructures, and projects would mainly support a larger range of diversified portfolio of activities. Without specific DRM and CCA initiatives, activities aimed at diversifying local livelihoods could increase the pressure on natural resource in an unsustainable manner. In the area of disaster risk management and climate change adaptation activities will specifically address initiatives aimed at building the capacities of local stakeholders in the planning and implementation of sustainable investments, as well as those of supporting sectoral line ministries. Without an environment-friendly participatory approach, the project could not achieve a fully inclusive development paradigm, and the absence of biological and SLWM investments could increase the pressure on natural resource in an unsustainable manner.

Table 2: Project financing and LDCF support

PROJECT COMPONENTS	Project Cost (US\$ million)	IDA (US\$ million) (Baseline)	LDCF (US\$ million) (Additionality)
1 – Component 1. Flood risk management investments	79.65(100 %)	73.00 (92%)	6.65 (8%)
1.1 - Priority drainage infrastructure and related investments		40.00	0
1.2 - Flood protection infrastructure		12.67	
Biological bank protection			1.33
1.3 - Rehabilitation of watersheds		20.33	
Land restoration measures			5.32
2 - Component 2. Capacity Building for Urban Development and Disaster Risk Management	22.00	22.00	0
2.1 - Support to elected officials, municipal services and civil society		5.00	0
2.2 - Support to central government		6.00	0
2.3 - Strengthen disaster risk management capacities		11.00	0
3 – Component 3. Project management	5.00	5.00	0
4 – Component 4. Contingency Component	0	0	0
Total Project Cost	106.65	100.00	6.65

F. Coordination and complementarity with other projects

36. The National Steering Committee (NSC), chaired by a representative of the Minister of Planning, Land Development and Community Development and composed of representatives of key ministries, Regions and Municipalities, will ensure coherence between the Project and other Bank-supported projects in Niger, as well as with relevant projects and activities funded or implemented by other development partners. The NSC will establish a mechanism, as part of its communication and outreach strategy, to promote synergies and collaboration among all relevant programs, projects and stakeholders. Annex 8 (Synergies with Other Ongoing Engagements) further elaborates the project’s insertion and contribution to the Government’s disaster risk

management and climate change adaptation goals, programs and activities, as well as those of like-minded development partners working in the country.

G. Public Participation and consultations

37. The success of any intervention requires the active involvement and participation of the different stakeholders. Key stakeholders for the project include (i) ministries, local governments and other public institutions implementing the project and/or benefiting from it, (ii) cooperating partners, NGOs, and Civil Society Organizations (CSOs) involved in direct support, and (iii) communities that are living in the targeted urban and rural areas, including the participation of potentially vulnerable groups such as women who may not have a voice in the decision-making processes. Stakeholder consultations are a necessary means to understand the views of the people who may be affected by a project or may have an interest in its outcome, as well as to inform them about changes that could affect them. Consultations are not only an important part of development process, but also a requirement of some Bank policies. In line with World Bank policies, broad-based community consultations were held for the project to identify potential impacts, how such impacts could best be mitigated, whether there are design alternatives, and what could institutional arrangements look like, among other issues. During project preparation, stakeholder consultations were conducted with potential beneficiary communities, as well as national, regional and local level authorities and CSOs. A validation workshop of the three safeguards documents prepared for the project was conducted to ensure ownership and support for the project and discuss program design. Participation of different stakeholders will continue throughout project implementation; as for instance affected communities and CSOs take part in the implementation and monitoring of the safeguards provisions.

38. Appropriate and transparent criteria will be established to promote public participation and for any activities requiring a selection process of organizations/groups/beneficiaries. The Project will implement a mechanism for addressing grievances and complaints starting at the local level to ensure quicker and pragmatic solutions to disputes.

39. The project promotes implementation of the National Policy on Gender aiming not only at implementing the constitutional principles of equity and respect of human rights, but also at activating the national and international government commitments for the promotion of equity and gender. Given the importance of the traditional participation of Nigerien women in natural resource management and in assuring household food security during times of crises, rural activities will explicitly support a gender-sensitive approach, specifically: (i) participation of women in the consultations leading to decisions on rehabilitations and investments; (ii) engagement of women's labor force (e.g. cash-for-work) and (iii) scaling-up the successful experience of providing irrigated land to vulnerable groups including women. To ensure compliance with these objectives the Project Implementation Units will have staff experienced in community participation and gender.

Annex 8 Synergies with Other Ongoing Engagements

Niger: Disaster Risk Management and Urban Development Project

1. Because of its crosscutting nature, the project contributes to a large number of cross-cutting high-level objectives and complements ongoing activities supported by other partners and the Government of Niger. The National Steering Committee (NSC) will establish a mechanism, as part of its communication and outreach strategy, to promote synergies and collaboration among all relevant programs, projects and stakeholders.
2. World Bank Country Partnership Strategy: The project is squarely aligned with the second pillar of the World Bank Country Partnership Strategy, “reducing vulnerability”, and proposes a combination of investments, policy reforms and technical assistance tackling the key underlying causes of vulnerability. This involves interventions in risk identification, risk mitigation, preparedness and emergency response, while accounting for gender-differentiated impacts of risk.
3. World Bank Strategy for Africa²⁶: The project is consistent with the Pillar 2 of the World Bank Strategy for Africa, addressing vulnerability and resilience to macroeconomic and idiosyncratic shocks such as health, natural hazards, diseases, food shortages, conflicts, political violence, and climate change.
4. Africa Regional Disaster Risk Reduction Strategy: The project supports implementation at the national level, of the 2004 Africa Regional Disaster Risk Reduction Strategy and its related 2011 Extended Program of Action, contributing to eradicate extreme poverty and keep countries in a sustainable development path by mainstreaming DRM considerations in the region’s national development programs.
5. World Bank African Strategy for Climate Adaptation²⁷: The project is aligned with both core principles of the World Bank African Strategy for Climate Adaptation, namely: “supporting ongoing development efforts while making them more resilient to climatic risks” and “linking development, climate change adaptation, and disaster risk reduction as one integrated agenda”.
6. New Partnership for Africa’s Development: The project will help achieve the objectives of the Comprehensive Africa Agriculture Development Program (CAADP) of the New Partnership for Africa’s Development (NEPAD), mainly its Pillar 1²⁸ that focuses on scaling-up of sustainable land and water management practices.
7. Economic and Social Development Plan: The project contributes to Niger Economic and Social Development Plan (PDES) 2012-2015, developed as a unifying framework for all sectoral policies and strategies undertaken by the Government, and through dialogue with technical and

²⁶ *Africa’s Future and the World Bank’s Support to It*, March 2011

²⁷ *Making Development Climate Resilient - A World Bank Strategy for Sub-Saharan Africa*, report # 46947-AFR, October 2009

²⁸ *The CAADP Pillar 1 Framework: Tool for use by Countries in Mainstreaming and Upscaling of Sustainable Land and Water Management in Africa’s Agriculture and Rural Development Agenda*, September 2009

Annex 8 Synergies with Other Ongoing Engagements

financial partners. A key message of the PDES is the Government's awareness of the country's high vulnerability to adverse natural events and the effects of climate change, and recognition that developing mechanisms for climate change adaptation is an urgent need. Accordingly, the PDES instructs the integration of adaptation measures into the policies for economic and social development in order to reduce the vulnerability of populations to the negative impacts of climate change and strengthen their resilience to climate change, food crises, and natural disasters.

8. Niger Strategic Investment Framework for Sustainable Land Management: Furthermore, the project is synergetic with the Niger Strategic Investment Framework for Sustainable Land Management (CSIF-SLM), which aims at disseminating proven sustainable land management practices in Niger in order to restore and strengthen the productivity of natural resources and to build the capacities of stakeholders.

9. National Adaptation Program of Action: The project is also fully aligned with Niger's National Adaptation Program of Action (NAPA)'s priority adaptation activities that contribute to the alleviation of adverse effects of climate change on the most vulnerable populations. The project supports NAPA's overall objective of contributing to the alleviation of the adverse effects of climate variability and changes on the most vulnerable populations in order to achieve sustainable development; and NAPA's specific objectives: (i) identify priority activities focusing on urgent and immediate needs for adaptation to adverse effects of climate variability and changes; and (ii) build the adaptive capacities of the affected communities in the vulnerable areas. In particular, the project directly contributes to mitigate the impacts that floods and excessive run-off during torrential rainfalls have on natural ecosystems, agricultural lands; and critical infrastructure; threatening the lives and livelihoods of vulnerable populations.

10. Niger's Strategic Program for climate Resilience (SPCR): The project aligns with and supports SPCR's second pillar, namely to carry out activities aimed at reducing the vulnerability of households and farmer/pastoral organizations to climate change and building their resilience. Particularly, the project directly contributes to Priority 3, through investments related to sustainable land and water management in geographical areas which are vulnerable to climate risks.

11. Nigeriens feed Nigeriens Initiative: The project will directly contribute to the Nigeriens feed Nigeriens Initiative (3N), specifically its second and fourth objectives: "Increase the resilience of poor households by increasing their income" and "Enhance national and local capacity to anticipate, prevent and manage food crises". It will adopt the following of its six implementation principles, i.e.: (i) concentrating the support at the municipality level; (ii) effective involvement of the beneficiaries in the planning and implementation of activities; (iii) scaling up sustainable management of natural resources, (iv) improving adaptation to climate change, and (v) mobilizing the rural youth.

12. National Policy on Gender: The project promotes implementation of the National Policy on Gender aiming not only at implementing the constitutional principles of equity and respect of human rights, but also at activating the national and international government commitments for the promotion of equity and gender. Given the importance of the traditional participation of Nigerien women in natural resource management, rural activities will explicitly support a








Annex 8 Synergies with Other Ongoing Engagements

gender-sensitive approach, specifically: (i) participation of women in the consultations leading to decisions on investments implemented by the municipalities; (ii) engagement of women's labor force and (iii) scaling-up the successful experience of providing irrigated land to vulnerable groups including women.

13. Technical and Financial Partners' engagements: The project will draw synergies from the ongoing support to the Government by the United Nations Development Program and the European Union. The EU supports Household Economy Approach to food security early warning until end 2015 and is expected to provide institutional support to multi-hazard early warning and to multi-hazard early warning communication until end 2014. In consultation with key stakeholders (e.g. CNEDD, UNDP, GIZ, EU), the GIZ climate proofing tool was used to reinforce the CNEDD capacities through specialized workshops, and to elaborate comprehensive guidelines to mainstream climate change issues in sectoral and local policies. During implementation the project will work with the UNDP funded 'Scaling up Community-Based Adaptation' project, to seek any potential complementarities for on the ground activities particularly in the context of strengthen the responsiveness at the commune-level to enhance climate resilience. Similar linkages can also be drawn to the FAO funded 'Integrating Climate Resilience into Agricultural and Pastoral Production for Food Security in Vulnerable Rural Areas through the Farmers Field School Approach' project, which is looking at mainstreaming CCA issues into agricultural policies and programming.

14. Overall the project will complement ongoing initiatives implemented by the World Bank in Niger. Its implementation arrangements for the municipality level activities are aligned with the third phase of the on-going Community Action Program, funded under the Sahel and West Africa Program (SAWAP) with an envelope of US\$ 48 million, supporting the leadership of local governments and the participation of civil society and private sector in all the aspects of local development. Close relationships will be established with the Bank Safety Nets Project, whose main objective is to increase access of the poor people to cash transfer and "cash for work" programs; with the Community Action Project for Climate Resilience (of which objectives are to improve the resilience of the populations and of production systems to climate change and variability in 36 targeted municipalities; and with the Community-Based Disaster Reduction Project, aiming at developing and strengthening community-based resilience capacity by strengthening local civil society organizations.

NIGER DISASTER RISK AND URBAN DEVELOPMENT PROJECT

-  INTERNATIONAL WATERWAYS IN THE PROJECT AREA THAT TRIGGERS OP 7.50
-  MAIN CITIES AND TOWNS
-  REGION CAPITALS
-  NATIONAL CAPITAL
-  MAIN ROADS
-  REGION BOUNDARIES
-  INTERNATIONAL BOUNDARIES



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