



# Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 27-Oct-2021 | Report No: PIDA31080



**BASIC INFORMATION**

**A. Basic Project Data**

Country Mali	Project ID P173389	Project Name Mali Emergency and Resilience Project	Parent Project ID (if any)
Region AFRICA WEST	Estimated Appraisal Date 11-Nov-2021	Estimated Board Date 23-Nov-2021	Practice Area (Lead) Social Protection & Jobs
Financing Instrument Investment Project Financing	Borrower(s) Republic of Mali	Implementing Agency Unité de Gestion du PRRE	

Proposed Development Objective(s)

The Project Development Objective is to improve inclusive access to basic social services and socio-economic infrastructure in selected fragile communities.

Components

- Inclusive access to basic services
- Socio-economic infrastructure for resilient livelihoods
- Project management and management of government shock-response systems
- Contingent Emergency Response

The processing of this project is applying the policy requirements exceptions for situations of urgent need of assistance or capacity constraints that are outlined in OP 10.00, paragraph 12.

Yes

**PROJECT FINANCING DATA (US\$, Millions)**

**SUMMARY**

<b>Total Project Cost</b>	250.00
<b>Total Financing</b>	250.00
<b>of which IBRD/IDA</b>	250.00
<b>Financing Gap</b>	0.00

**DETAILS**

**World Bank Group Financing**



International Development Association (IDA)	250.00
IDA Credit	125.00
IDA Grant	125.00

Environmental and Social Risk Classification

High

Decision

The review did authorize the team to appraise and negotiate

Other Decision (as needed)

## B. Introduction and Context

### A. Country Context

- Mali is a fragile, low-income country with high demographic growth and an undiversified, mostly informal economy, based on rainfed agriculture and agropastoralism.** With an annual per capita income of about US\$870 in 2019, Mali is among the 25 poorest countries in the world. The proportion of the Malian population living under the national poverty line is 42 percent in 2018/19, equivalent to 8.3 million poor using the West African Economic and Monetary Union (WAEMU) household survey. Mali’s population is estimated at 20 million (2020) with a high average annual growth rate of nearly three percent and a median age of 16 years. Most of the Malian population lives in the south of the country close to the Senegal and Niger rivers, 57 percent of the population resides in rural areas, and 12 percent in the capital city of Bamako. Access to basic services and infrastructure is low and highly unequal. Human capital indicators are very low, with large gender gaps. Structural transformation has stalled, and the structure of the economy remains undiversified with low levels of productivity (80 percent of jobs are informal) and a high dependence on agriculture (62 percent of jobs and 43 percent of Gross Domestic Product (GDP)). Gold and cotton account for 70 and 15 percent of total exports, respectively, making the economy vulnerable to commodity price shocks.
- Given Mali’s dependence on rainfed agriculture and pastoralism, the country, especially the south, is at risk of several climate related hazards, most notably droughts, floods, and locust invasion.** These hazards are a natural occurrence,<sup>1</sup> but nevertheless pose serious constraints to development and food security, and their intensity and frequency are likely to increase with climate change. Erratic rainfall, increased crop pests, rainfall shortages, and breaks during critical growing periods, as well as

<sup>1</sup> World Bank Climate site for Mali <https://climateknowledgeportal.worldbank.org/country/mali>.



desertification over the last 50 years contribute to the persistently high rates of malnutrition and poverty. The most highly climate-stressed regions of the country are in the south and center where agriculture is concentrated, including Sikasso, Mopti, and Ségou. Not only are these regions critical to the country's continued food security, they are also endowed with many ecosystem services which are deteriorating, have high population densities and high levels of poverty. In addition, in a context of rapid urbanization in these regions, inadequate solid waste and drainage management exacerbate sanitary risks during the rainy season and flood events, especially in densely populated areas and slums. This contributes to the persistence of many endemic communicable diseases and increases the risk of epidemics.

3. **After the 2012 conflict, between 2015 and 2020, Mali generated some positive economic and social development under challenging conditions.** It restored macroeconomic stability through average annual growth exceeding 5 percent (about 2.1 percent in per capita terms), higher tax revenues (except in 2018), and lower inflation. The fiscal balance also improved, and the banking sector remained stable. GDP per capita increased from US\$680 (in constant 2010 US\$) in 2013 to US\$793 in 2019, restoring its gap with the rest of Sub-Saharan Africa to pre-2012 levels. Access to electricity, drinking water, and sanitation improved in both urban and rural areas. Health indicators such as infant and maternal mortality rates and stunting improved, which indicates better access to health care.
4. **However, underlying constraints of poor governance, low productivity, and uninsured risks remained high and poverty did not decline substantially.** The economy did not diversify, and growth was not inclusive which widened inequality. Despite averaging 5 percent GDP growth, the growth elasticity of poverty was only -0.4, substantially worse than the average -1.9 elasticity for Sub-Saharan Africa. Governance and fragility indicators deteriorated. Continued conflicts and insecurity expanded geographically from the north to the central regions, hampering economic activity and development. Security and national defense shares of total expenditure increased, crowding out priority social and development spending (health care, education, and social protection).
5. **The economic, social, and political context has worsened due to the recent escalation of conflict, COVID-19 pandemic, and coups.** An uncertain political period started in 2020 with demonstrations against the government and *coups d'état* in August 2020 and May 2021. Starting mid-2020, the COVID-19 crisis brought the economy to a standstill (0.04 percent projected growth) because of lower global demand, supply chain disruptions, and containment measures. The first coup and related economic sanctions combined with the dismal performance of cotton production (expected to contract by 75 percent) have further deteriorated this outlook, and real GDP contracted by 2.0 percent in 2020.
6. **Economic growth is expected to gradually return to pre-pandemic levels by 2022, but the country faces significant downside risks, related to the political situation, rising insecurity, and a possible reversal of the recent trend of favorable terms of trade.** The fiscal deficit increased to 5.5 percent of GDP in 2020 (compared with the pre-COVID projection of 3.5 percent) due to COVID-induced spending pressures, a shortfall in domestic revenues, and the reduction of external support following the August coup. The fiscal deficit is projected to remain at above five percent of GDP in 2021 due to a weaker revenue outlook and a permanent increase in wage bill before slowly converging back to the WAEMU ceiling of three percent by 2024. As a result, budget composition deteriorated as current expenditure surged and capital spending remained limited, falling short of supporting investment and growth. Public debt rose in 2020 to accommodate the higher financing needs and will stabilize in the



medium-term. The risk of debt distress remains moderate. The International Monetary Fund (IMF) had resumed its engagement with the country and adjusted the ongoing program (Extended Credit Facility Agreement, ECF) to allow space for economic recovery, with emphasis on high-quality fiscal adjustment and good governance.

- 7. These risks are especially high in the southern regions, which concentrated the higher growth achieved between 2012 and 2019.** The main crops, including cotton, rice, sorghum, and maize, are grown in the southern regions and around the Niger River basin where farming is most productive due to favorable rain conditions. The decrease in remittances and cotton production were an important negative shock for households. Major non-agricultural activities are also concentrated in the south. For example, gold mining, the main source of export revenue, takes place in the south and south-west, while Bamako, located in the south, concentrates more than 40 percent of the country's GDP. The western and southern regions are not generally considered to be high threat/risk areas in terms of violent extremism although, given the proximity to Mopti region and the border with Burkina Faso, there is potential for spillover into these regions and there are existing security concerns regarding banditry and opportunistic crime. Extension of insecurity there could severely threaten food security and economic growth as has already happened in Mopti.<sup>2</sup>

## B. Sectoral and Institutional Context

### Conflict is straining an already fragile system

- 8. The Sahel Regional Risk and Resilience Assessment (RRA) shows that the roots of the conflict can be traced to a breakdown in the social contract, growing competition over resources, weak institutions, inequality, actual or perceived marginalization, and underlying social tensions.**<sup>3</sup> Frustrations focus on government institutions when they fail to provide the conditions for inclusive economic development, i.e. to protect, render justice, guarantee equitable human capital development, address rural isolation, and manage natural resources in an inclusive fashion. These drivers are exacerbated by climate change and population growth, which have stressed livelihoods and exacerbated competition for water and land between user groups (fishing, agriculture, pastoralists). Increased access to weapons and persistently high levels of youth unemployment also contribute to fragility. State institutions are also facing growing social unrest and discontent with the central Government across the country. In 2020, rising discontent culminated in a military coup in August and a second coup took place in May 2021. The coups are likely to have further undermined public trust in national institutions.
- 9. Since the socio-political crisis of 2012, Mali has faced complex and protracted fragility coupled with high vulnerability.** The 2015 peace agreement to end the conflict in the north of the country provided short-term relief but the security situation there has remained volatile, and insecurity spread first to central Mali, with the regions of Mopti and Ségou bearing the brunt of violence and an increase in inter-ethnic tensions, and recently to the Sahel Alliance's Southern Prevention Arc (Kayes, Koulikoro,

<sup>2</sup> The *cercles* of Koro, Bankass, Bandiagara, and Douentza were most affected, with numerous areas showing important decreases in cropland under cultivation. Source: <https://www.ennonline.net/fex/64/wfpsatelliteimagery>

<sup>3</sup> Sahel Regional Risk and Resilience Assessment (P170410), World Bank, 2020.



and Sikasso), especially in border areas (Figure 1). The RRA shows that the transmission of violence is by proximity and primarily through the rural space. The lines between different types of conflict – extremist violence, clashes between different self-defense groups, inter-ethnic and intra-ethnic conflict, banditry, and competition to control smuggling and trafficking routes – are increasingly blurred. This fits with a wider trend in the Sahel region involving “a hybridization of affiliations and types of violence.”<sup>4</sup>

10. **Against this background, the number of internally displaced people (IDPs) has steadily increased in the past three years**, with over 372,000 at end-April 2021, 60 percent higher than the 2012 level.<sup>5</sup> In the process of displacement, IDPs often lose their productive assets, livelihoods, and access to services. These populations, primarily women (55 percent) and children (63 percent of all IDPs are under-18) find themselves trapped on a pathway towards deeper poverty with uncertain support from the communities in which they seek refuge.<sup>6</sup> In many cases, they have suffered from severe violence. The situation is potentially developing into a medium to long-term challenge with the displaced currently having little or no prospect for a sustainable return.

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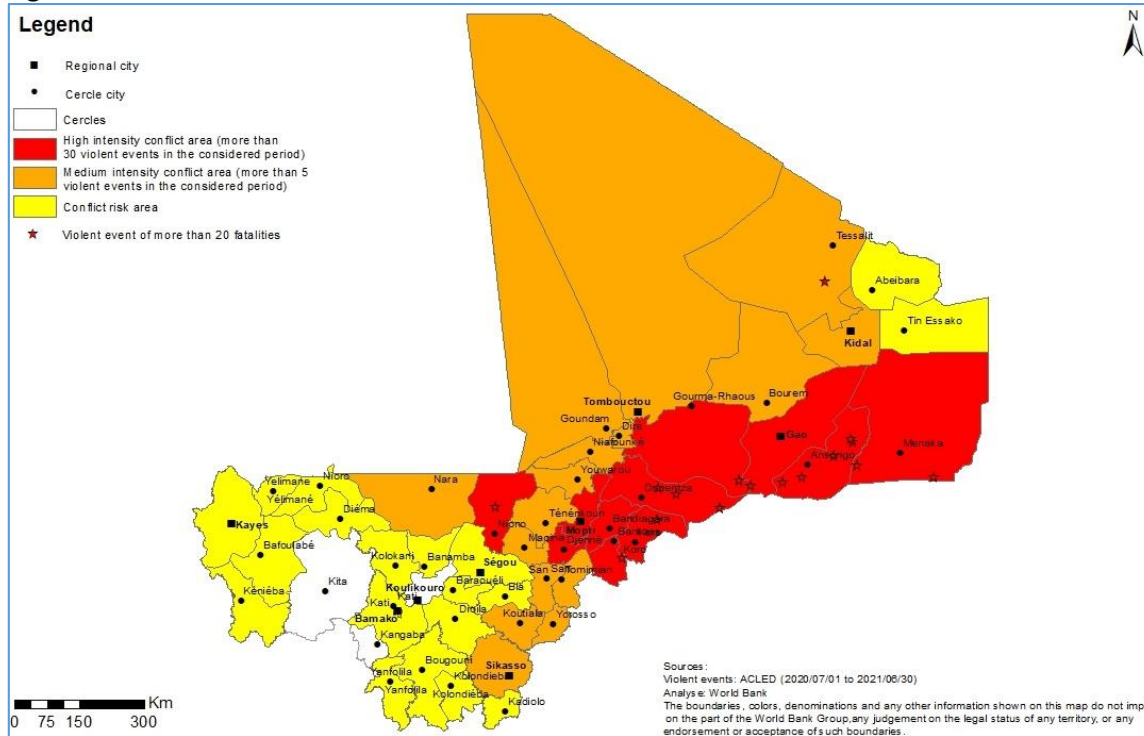
<sup>4</sup> RRA.

<sup>5</sup> <https://r4sahel.info/en/situations/sahelcrisis>, accessed June 27, 2021. The trend over 2019-2021 is an additional 100,000 IDPs annually (<https://r4sahel.info/en/situations/sahelcrisis/location/8695>).

<sup>6</sup> DNDS and IOM. 2021. Evaluation des Besoins Socio-Economiques des Populations Déplacées et Communautés Hôtes. Projet “Réconciliation Communautaire et Renforcement du Vivre Ensemble au Centre du Mali” sur financement PBF (PAM-OIM-FAO) dans les régions de Mopti et Ségou. Avril 2021, mimeo, 27 pp. For Ségou, Sikasso, Kayes, and Koulikoro, the IDPs are 60 percent female.



**Figure 1. Mali: violent events June 2020-June 2021**



Source: staff analysis using ACLED data.<sup>7</sup>

**11. While men and boys are more directly affected by armed groups’ activities, women and girls bear the brunt of economic and social hardship.** Again, the recent crisis is exacerbating long-standing gender gaps: for example, in 2019, only 43 percent of young women aged 15-24 were literate compared to 58 percent of young men, only 58 percent of women participated in the labor force while 81 percent of men did, 45 percent of women had suffered physical or sexual violence and in 2017, 52 percent of girls were married by age 18.<sup>8</sup> Despite many attempts by the government to address gender disparities, discriminatory social and traditional practices remain anchored in the social fabric. Changes to the Family Code have been discussed repeatedly – notably to raise the age of marriage (now officially 16 for girls and 18 for boys) and to give women increased access to land—but have failed in parliament (women hold less than 10 percent of seats there). Structural impediments to women’s empowerment are now amplified by the actors in conflict who deliberately seek to further reduce women’s status, agency, and human capital.<sup>9</sup>

Fragility and conflict have exacerbated challenges in service delivery

<sup>7</sup> Raleigh, Clionadh, Andrew Linke, Håvard Hegre, and Joakim Karlsen. (2010). “Introducing ACLED-Armed Conflict Location and Event Data.” *Journal of Peace Research* 47(5) 651- 660.

<sup>8</sup> 2018/19 Demographic and Health Survey

<sup>9</sup> Walther, O. (2020), « Femmes et conflits en Afrique de l’Ouest », Notes ouest-africaines, N°28, Éditions OCDE, Paris.



**12. While access to some basic social services has improved, levels of access remain low, progress is uneven, and recent gains are under threat:<sup>10</sup>**

- a. **Access to education services:** Between 2014 and 2018, the proportion of households with at least one child (between 6 and 16 years) not attending school declined from 62 percent to 41 percent<sup>11</sup>. Education has been strongly decentralized since 2002, but with uneven results as the spending per student is highest in Bamako and lowest in poor regions such as Ségou, Sikasso, and Koulikoro, which also have much higher student-teacher ratios. Net enrollment in primary school remains low at 51 percent with gender and location gaps (69 percent for urban children and 49 percent for rural ones, 53 percent among boys and 49 percent among girls, ages 7 to 12). The primary enrollment rates remain low in Ségou (58 percent), Sikasso (49 percent), and Kayes (57 percent) and are somewhat higher in Koulikoro (71 percent) but still far from universal primary education. Net enrollment is even lower in secondary at 30 percent (33 percent among boys and 26 percent among girls, ages 13 to 18). Gender parity is lowest in Kayes and Sikasso (0.83 and 0.84 girls per boy, respectively). The Mali Poverty Assessment shows that having an appropriate school in a locality or neighborhood increases the likelihood of enrollment by eight percentage points, that residing in rural or conflict areas reduces the likelihood of enrollment, as does the time pressure of household chores on girls and young women's opportunities to learn or earn a living.<sup>12</sup>
- b. **Access to health services:** Between 2014 and 2018, the share of households with a member who fell sick in the last 30 days but was unable to consult with a health care professional increased from 21.7 percent to 37 percent. This situation is more acute in rural areas than urban areas and in some regions such as Koulikoro and Sikasso. Factors linked to the degradation include household financial constraints, inequitable distribution of health staff who are concentrated in major urban areas, and a lack of infrastructure. Public resources in health are below expenditure needs, leaving frontline health facilities to rely on user fees. These result in forgone medical treatment and self-medication among some, and risk pushing others into poverty.<sup>13</sup> The share of births at home decreased from 43 to 33 percent between 2013 and 2018 but remains much higher in rural areas (39 percent) than in urban ones (7 percent) and is higher than average in Kayes and Koulikoro (44 and 43 percent, respectively) and in the North. In 2018, only 45 percent of children 12-23 months had received complete vaccinations, a slight decrease from 48 percent in 2006. Vaccination coverage was very low in the North and lower than average in Kayes (41 percent). High fertility rates and limited access to healthcare lower health outcomes, particularly for children. Rural under-five mortality (123 per 1,000 live births) is nearly double the urban level (69), and stunting rates are highest among children of poor households or those living in rural areas. Factors implicated in stunting rates include inadequate nutrition, agricultural supply shocks, and consumption

<sup>10</sup> All data in this paragraph come either from the Mali Poverty Assessment (2020; P171551) or the 2018/19 Demographic and Health Survey for regional disaggregation, except for the primary enrollment rates.

<sup>11</sup> SCD 2021 team calculations using LSMS 2014 and WAEMU 2018/19

<sup>12</sup> The Mali Poverty Assessment shows that girls aged seven to twelve enrolled in school engage in seven hours per week of domestic work (compared to four hours for boys of the same age/school enrollment status). Among girls ages 16–18, the average time spent on childcare, water and wood collection, housework, and shopping is 11 hours per week for those in school and 23.5 hours for those not in school.

<sup>13</sup> Public Expenditure Review (2020), report number AUS0002156





- seasonality in children's early years as does exposure to conflict. Conversely, access to clean water and improved sanitation in rural Mali has been shown to reduce child stunting.
- c. **Access to basic infrastructure:** In 2018, 31 percent of households did not have access to an improved drinking water supply (38 percent in rural areas and 5 percent in urban ones). Sixty-one percent of households had a limited installation to wash hands. While the share of households with access to a latrine had increased, 11 percent of rural households and one percent of urban ones still practiced open defecation. The share of households without access to safe waste disposal remained constant, at 60 percent, between 2014 and 2018 and was higher in rural areas (74 percent). In rural areas, 62 percent of households do not have access to electricity (15 percent in urban areas) and 90 percent use fuel wood to cook (36 percent). In 2017, only 22 percent of rural population was within two kilometers of an all-season road. In Sikasso for example, many rural roads are impassable during the rainy season, leaving about 74 percent of villages isolated. However, it is also the country's biggest production basin for mango, whose harvest time coincides with the rainy season.<sup>14</sup>
13. **Growing insecurity has a detrimental effect on service delivery.** As of May 2021, 1,573 schools in the country and over 80 health centers in the north and center were closed, due to insecurity. From March to May 2021, 10 percent more schools closed. While most school closures are in the North, five percent of schools closed in Ségou and nine percent of the schools in Koulikoro's cercles also closed. The primary reason given is threats from armed groups.<sup>15</sup> Even temporary school closures can have long-term effects on human capital with increases in girls' early marriages, child labor, and heightened risks of recruitment in armed groups. Twenty percent of primary care facilities (CSCOMs) are not fully functional (five or less of nine essential services available) with areas more affected by conflict having higher proportions of facilities affected.

Shocks contribute to rising actual and perceived poverty and inequality, with new fault lines in the south

14. **Uninsured shocks are multiple and frequent.** About 83 percent of the country's households reported that they had been affected by either covariate (natural, economic, and violence) or idiosyncratic (demographic and economic) shocks in the last three years preceding the 2018/2019 harmonized WAEMU household survey. This is nearly twice as high as the Sahel's average. Overall, Malian households contend most frequently with drought or irregular rainfall (51 percent of households). About one-quarter of households report facing covariate economic shocks (i.e., changes in prices for inputs, outputs, and food), followed by violence-related shocks such as armed conflict or insecurity (22 percent), and farmer-pastoralist conflicts (six percent). Households in rural areas are particularly vulnerable to adverse events, which hampers poverty reduction since farmers prefer low-risk and low-productivity activities. Idiosyncratic shocks are also frequent especially in cereal and livestock livelihood zones and about one-third of households report demographic shocks (i.e., illness, death, divorce).
15. **Households' coping strategies are limited, with long-term welfare impacts.** Malian households primarily rely on their savings and their relatives or friends. Poor households are marginally more

<sup>14</sup> Source: rural access study financed by Mali Second Transport Sector Project (P090075).

<sup>15</sup> Data for Ségou are only for Ségou cercle and for Koulikoro are only for Banamba and Nara. Source:

<https://www.humanitarianresponse.info/en/operations/mali/document/cluster-education-situation-des-ecoles-mali-mai-2021>.



likely to sell their livestock in response to a shock than their nonpoor counterparts, which can have detrimental long-term welfare effects, especially for households in the pastoralism and transhumance zone. Social protection services such as cash transfers or food distribution cover less than 5 percent of the population: regular cash transfers reach 5,100 households in Kayes, 5,500 in Koulikoro, 3,240 in Sikasso, and 3,750 in Ségou).

16. **Poverty rates were high and will increase with the crisis linked to the twin shocks of COVID-19 pandemic and coups.** Estimated poverty numbers have increased from 8.3 to 9.5 million due to the COVID-19 shock. While consumption drops were most severe in urban areas, the new poor were more numerous in rural areas. The ongoing pandemic is increasing the intensity of poverty for the country's poorest households and pushing many households in the intermediate welfare deciles into poverty, reversing the past decade's progress. Potential impacts of the July-August 2020 and May 2021 coups could also be long-lasting. Preliminary results analyzing the 2012 coup show that the onset of the coup is estimated to have lowered real GDP per capita by five percent in the first year. By 2019, the gap had widened to 12.6 percent.<sup>16</sup> These findings suggest that the 2012 crisis and coup had a large short-term effect on the economy which the country has not been able to catch up after nine years, when the August 2020 coup took place.
17. **The south and center concentrate the population and the poor.** Overall, about 80 percent of the Mali's poor population lives in Koulikoro, Mopti, Ségou, and Sikasso. Poverty rates were highest in Sikasso (63 percent in 2019), where households depend on cotton farming, high in Ségou (53 percent) and Mopti (61 percent) where families mostly depend on rainfed sorghum and millet cultivation while in Kayes, where households depend on remittances and livestock rearing, poverty is lower (33 percent). Sikasso and Kayes were strongly hit by the economic impacts of the COVID-19 pandemic with the fall in cotton prices and remittances, respectively.<sup>17</sup>
18. **Perceptions of poverty and inequality are even higher than estimated rates.** The limited ability to cope with shocks contribute to a perception of poverty higher than the estimated rate: in 2018/19, 61 percent of Malians ranked themselves as poor (52 percent and 64 percent in urban and rural areas, respectively), higher than the poverty headcount rate of 42 percent. Consistent with the increase in inequality since 2016, sentiments of inequality are high, with 23 percent of the population reporting that they are worse off than their neighbor, and 63 percent reporting that they are worse off than residents in the capital city of Bamako (Figure 2).<sup>18</sup>

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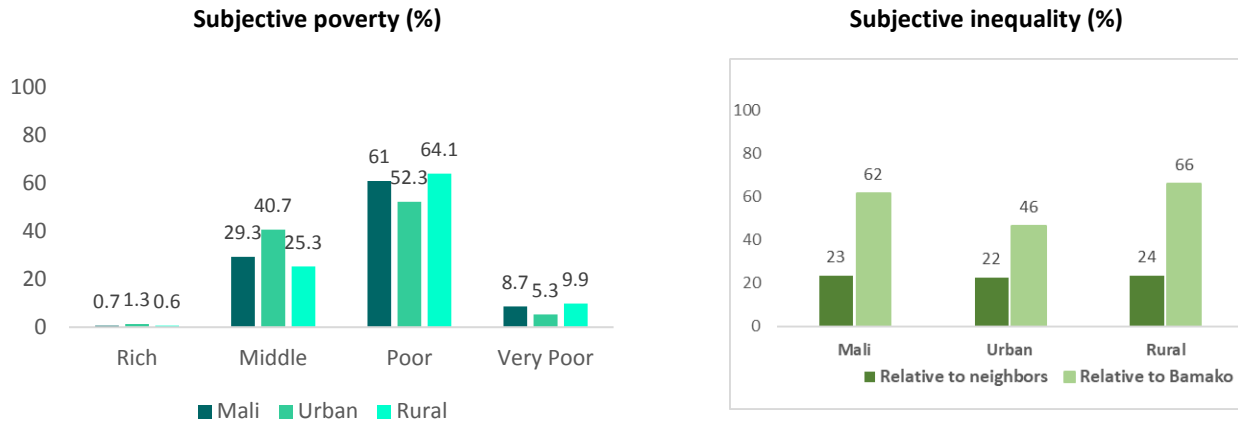
<sup>16</sup> The IMF (2019, April Regional Economic Outlook) estimates that the Malian GDP could have been about 20 percent higher in the absence of conflict by 2017. Although they used a synthetic control method, these estimates have some drawbacks. These are: (i) the pre-treatment period is only 4 years, which is similar the post-treatment period; (ii) the choice of variables does not reflect the particularities of each country; and (iii) a robustness test was not carried out.

<sup>17</sup> Mali Poverty Assessment (2020; P171551).

<sup>18</sup> Mali Poverty Assessment (2020; P171551).



Figure 2. Subjective wellbeing



Source: Mali Poverty Assessment 2021 (P171551).

19. **The combination of high vulnerability and poverty, low access to services and poor governance result in one of the lowest levels of human capital in the world, further dampening the country’s growth prospects.** It is estimated that per capita income in Mali is 41 percent lower than it could be due to stunting.<sup>19</sup> With a Human Capital Index (HCI) of 0.32 in 2020, Mali ranked 172 of 174 countries.<sup>20</sup> Mali’s human capital achievement is lower than would be expected for its level of GDP per capita. The primary factors for Mali are the probability of survival to age 5, expected years of schooling, learning at school, and adult survival rates. Non-monetary indicators of poverty and welfare, particularly for education and health, are among the lowest in the world, and most Sustainable Development Goals appear hard to reach. Mali ranked 184 out of 189 countries on the 2020 UN Human Development Index.
20. **Municipal level vulnerability is strongly linked to insecurity; an increase would have dire consequences in the south.** Resource transfers lag the decentralization and devolution of responsibilities, even after the renewed decentralization pressure in the Peace and Reconciliation Agreement of 2015. Local authorities and deconcentrated technical units have overlapping competencies. As a result, when they exist, local socio-economic and cultural development plans (PDESC) and three-year investment plans (*Plan Triennal d’Investissement*, PTI) remain largely unfunded. The municipality censuses of 2006, 2008, 2013, and 2017 allows the construction of a local development index that can be analyzed over time. This composite index summarizes indicators of infrastructure such as roads, access to information (radio, television, etc.), health and education facilities, the capacity of local governments, and the presence of economic activities. An analysis of differences in municipal development, which distinguishes the effect of time and location from that of the civil conflict, finds that the 2012 coup d’état was detrimental for local development, lowering the local development index in municipalities affected by the conflict by 9.4 percent. Municipal level

<sup>19</sup> Galasso, Emanuela; Wagstaff, Adam (2018), “The aggregate income losses from childhood stunting and the returns to a nutrition intervention aimed at reducing stunting (English)”. Policy Research working paper no. WPS 8536 Washington, D.C.: World Bank Group. <http://documents.worldbank.org/curated/en/528901533144584145/The-aggregate-income-losses-from-childhood-stunting-and-the-returns-to-a-nutrition-intervention-aimed-at-reducing-stunting>

<sup>20</sup> [https://databank.worldbank.org/data/download/hci/HCI\\_2pager\\_MLI.pdf](https://databank.worldbank.org/data/download/hci/HCI_2pager_MLI.pdf)



vulnerability is also correlated with low household welfare: poverty was much higher in high-conflict municipalities than in at-risk municipalities (55 and 38 percent, respectively). After 2012, these effects were concentrated in the north where population density was low but would impact a much larger proportion of the population in the south.<sup>21</sup>

Given the fragility context, refocusing development efforts needs a spatial lens

21. **Population growth, climate change, and growing insecurity have brought questions of economic geography to the center of attention in Mali and in the Sahel.** The 2009 World Development Report (WDR) highlighted that transformations along the dimensions of density (higher densities as cities grow), distance (shorter as workers and businesses migrate closer to density), and division (lower economic borders and access to markets to take advantage of scale and trade in specialized products) are essential for development. Pressures to create jobs and provide housing and services have grown in more densely populated southern parts of the country. At the same time, low levels of wealth, fiscal resources, service delivery, and weak institutions make it more challenging to address regional disparities and target public resources where it would be more efficient and equitable to increase productivity and livability for Malian residents.<sup>22</sup> As a result, despite their relative density, the southern regions remain distant, in the language of the WDR, with small and weakly-connected groups of economic actors and increased divisions into perceived or actual factions. This translates into a pattern of unplanned urbanization in secondary or very small cities, whose potential as economic nodes remains unfulfilled due to connectivity challenges and lack of economic integration with hinterland agricultural areas.<sup>23</sup>
22. **Secondary cities in the center and south have a significant potential role in building resilience of communities,** reinforcing spatial equality, and preventing the further spread of violence provided they manage service and infrastructure provision challenges.<sup>24</sup> Urbanization rates are high and secondary cities attract those who are displaced.<sup>25</sup> Migrants, the forcibly displaced and IDPs often locate in settlements in poorer areas, where land is cheaper, including on precarious land in outskirts or informal settlements within the city, with poor/limited access to services and insecure tenure. Both push (conflict/forced displacement, food insecurity, and climate change) and pull (jobs, education, quality of life, and security) factors into urban areas may further exacerbate already low levels of public services.
23. **However, physical connectivity is low, hampering backward linkages with agricultural production and forward linkages with markets.** The modal share of roads in transport is 90 percent and growing, although there are fluvial and rail options.<sup>26</sup> However, road connectivity within the country remains

<sup>21</sup> Mali Poverty Assessment (2020; P171551).

<sup>22</sup> World Bank (2015) The Geography of Poverty in Mali.

<https://openknowledge.worldbank.org/handle/10986/26077?show=full&locale-attribute=en>.

<sup>23</sup> Sahel: Sahel, The Urban Link: Transforming Rural Economies and Addressing Fragility (P175684). Most communes in the proposed project areas are rated as having “medium” or better economic potential (as compared to other third-level administrative divisions in Burkina Faso, Chad, Mali, and Niger).

<sup>24</sup> Sahel RRA.

<sup>25</sup> In April 2021, 46 percent of IDPs were in urban areas, 32 percent were in rural areas near a town, and 22 percent were in isolated rural areas. Source: Direction Nationale du Développement Social, UNHCR, and IOM (2021), “Matrice de Suivi des Déplacements », at [https://dnds.ml/media/reports/DTM\\_AVRIL\\_2021.pdf](https://dnds.ml/media/reports/DTM_AVRIL_2021.pdf).

<sup>26</sup> Fluvial options are the Niger River from Koulikoro to Gao and the Senegal River from Kayes to the border with Senegal. Rail is the Dakar (Senegal)-Bamako line.



inadequate with poor development and maintenance especially in rural areas, and transport prices to reach international markets via the nearest seaports (Conakry, Dakar, and Abidjan) are among the highest in the world. Poor road access negatively affects the development of agricultural value chains in southern high agricultural productivity zone. As mentioned above, Sikasso is the country's biggest production basin for mango, whose harvest time coincides with the rainy season when 74 percent of villages remain isolated due to impassable roads.<sup>27</sup> Mali's exporters and processors have great difficulties in securing an adequate mango supply to meet demand. The value chain for cotton, along with other promising high-value crops, face similar constraints.

### C. Proposed Development Objective(s)

Development Objective(s) (From PAD)

The Project Development Objective is to improve inclusive access to basic social services and socio-economic infrastructure in selected fragile communities.

#### Key Results

*Inclusive access (detailed indicators are at the intermediate outcomes level)*

- a. Direct project beneficiaries (number) of which female, children, youth, IDPs and refugees
- b. Beneficiary satisfaction with project methods and results (percentage) *Citizen engagement indicator*

#### *Infrastructure*

- c. Local public infrastructure rehabilitated/constructed under the project functioning a year post-intervention (percentage)

### D. Project Description

**24. Identification of intervention areas initially and over time.** The RRA identifies proximity as the principal spatial factor and the rural space as the area of transmission/contestation, so the targeting for prevention is focused on these neighboring areas where the State is still present in rural areas. In resilience areas, where the State is no longer present in rural areas, the focus will be on points of concentration such as the EU-supported Secured Development and Governance Hubs (*Pôle Sécurisé de Développement et Gouvernance*, PSDG) in Ségou.<sup>28</sup> The base unit for targeting is a *cercle*.<sup>29</sup> The targeting is done based upon three broad factors: the current and recent previous states of the *cercle*, the current and recent previous states of its neighbors, and qualitative factors. Those *cercles* with the highest priority (P1/dark blue in Figure 3 below) with the communes for resilience (Bla and Baraouéli) will form the project's initial intervention areas and the project will begin identifying possible interventions in the second tier *cercles* (P2/blue in Figure 3 below) for the following years'

<sup>27</sup> Source: rural access study financed by Mali Second Transport Sector Project (P090075).

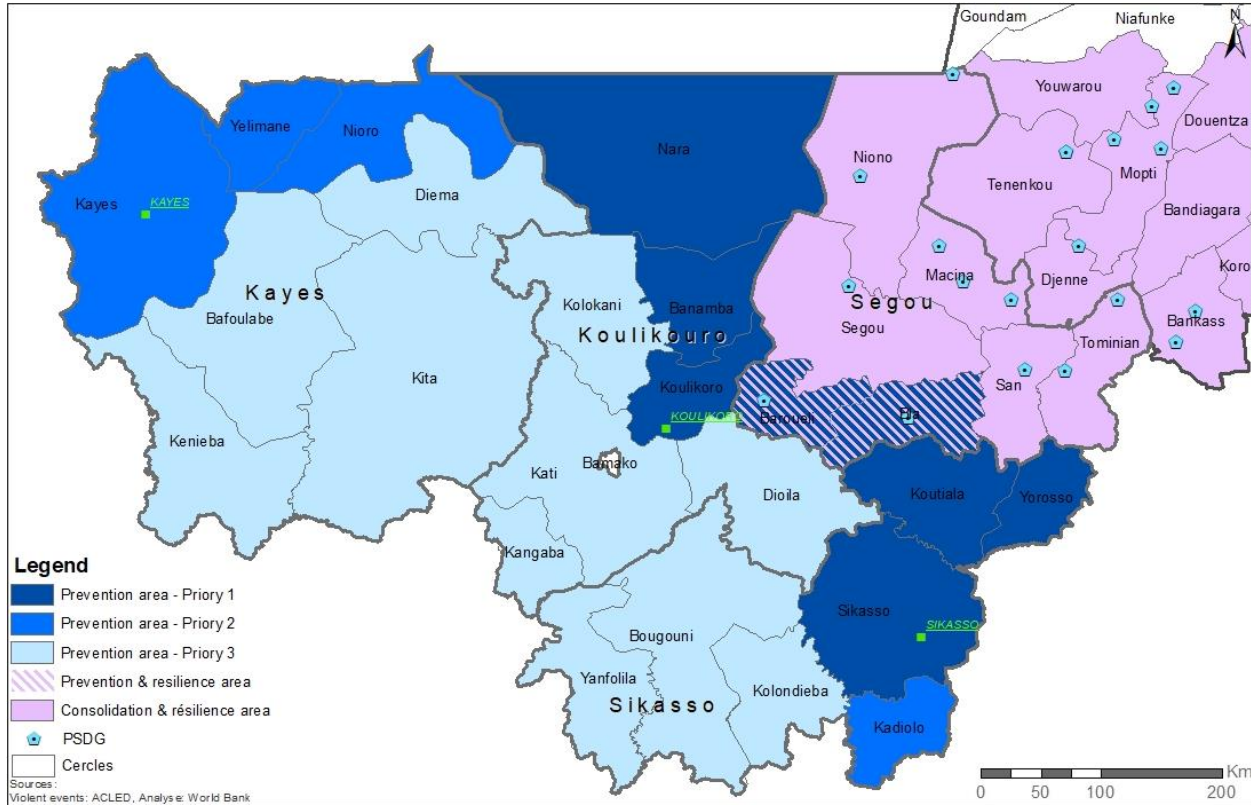
<sup>28</sup> The figures regularly released in the report of the United Nations Secretary General on the deployment of civil servants in conflict-affected areas are consistently low. The communes of Bla and Baraouéli will be the first points of concentration.

<sup>29</sup> Mali is administratively divided into regions, *cercles*, and *communes*. This level of analysis mirrors that for violence (Figure 1).



interventions to continuously prepare future activities rather than starting anew each year.<sup>30</sup> The identification process will be repeated every six months to enable project course corrections related to security.

**Figure 3. Map of primary project intervention areas, June 2021**



**25. First project intervention principle: inclusive community selection of activities.** Based upon the experiences of the PRRE, PAAR, and PACUM projects, communities develop PDESC and PTI based upon the process shown in Figure 4 and detailed in Box 1. This approach has notably helped the PAAR attenuate local security risks. Selection will start in cercles that have PDESC, in all others, the first step will be to develop these documents through the process described in the first panel of Figure 4; the lower panel shows the selection and implementation of activities.<sup>31</sup> Activities will be prepared as soon as they are identified and will overlap with the phases. The semesterly update process serves to accelerate the identification and preparation phases to continually prepare new activities in response to the changing situation rather than waiting for the end of a year to start a new preparation cycle.

<sup>30</sup> As of July 2021, the highest priority *cercles* for the first year are Nara, Banamba, and Koulikoro (all in Koulikoro region), Koutiala, Yorosso, and Sikasso (all in Sikasso region). The cercles of Baraouéli and Bla (Ségou region) were identified as areas of prevention and resilience with a focus on secondary cities

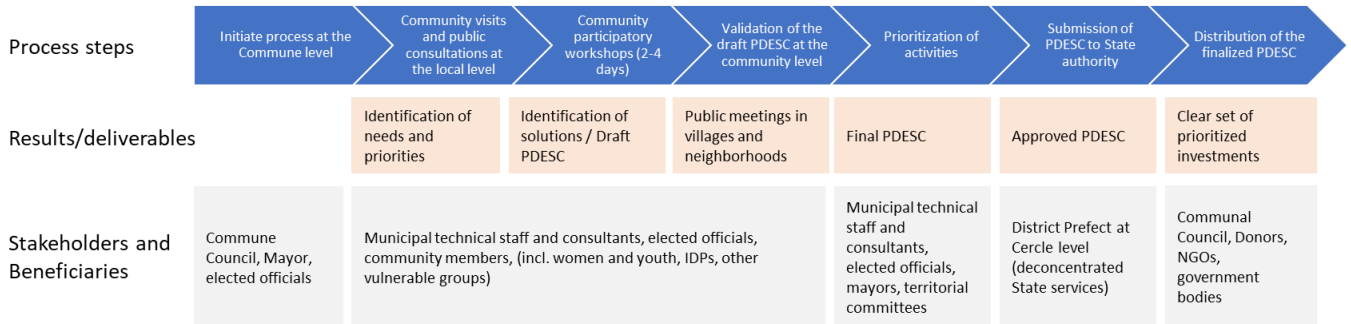
<sup>31</sup> Available information suggests that PDESC development can take as long as six months, but there may be possibilities for acceleration of the process including by using experienced NGOs rather than only government staff. In cases with existing PDESC that are expired, the focus will be on updating them inclusively rather than starting again from zero.



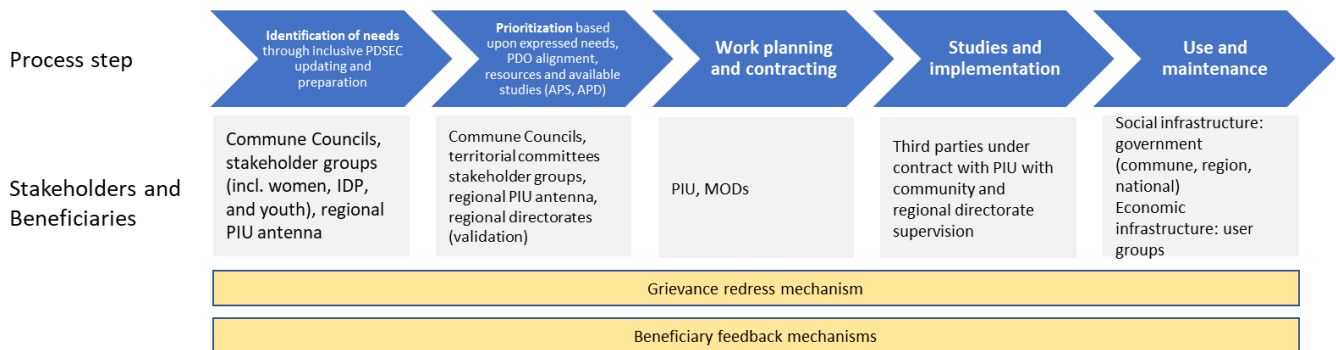


**Figure 4. Typical implementation cycle for project-financed activities**

Design of PDESC at Commune level



Selection of project activities based on PDESC



26. **Second project intervention principle: security responsiveness.** Per the Security Management Plan (SMP) escalation procedures, the project design allows the activities in a locality to be adjusted as a function of the security situation. For example, activities such as spot road works that take some time and are immobile (e.g. bridge/culvert repair) outside a village may cease (restart) if the security situation worsens (improves) even through other activities outside (e.g. community health workers) or inside the village will be continue. This is consistent with the FCV strategy’s bias to staying engaged.

27. **Third project intervention principle: Delegated Contract Management.** Based upon the experiences of the PRRE, PAAR, and the Emergency Social Safety Net projects, implementation will largely rely on delegated contract management (*maîtrise d’ouvrage déléguée*, MOD) agencies and will use an experienced project coordination unit (PCU).<sup>32</sup> The MOD agencies will be supervised by the PCU, local authorities, and local communities. MOD agencies will be selected using methods in line with the emergency nature of the project, and subject to meeting eligibility and performance criteria, and fiduciary requirements. Working in close collaboration with deconcentrated agencies of the national government, the MODs involved in supporting productive investments or human development services will provide advice and support NGOs, community-based organizations (CBO), and households.

<sup>32</sup> The PCU has successfully implemented the PRRE in the higher-insecurity regions of the North and Center of Mali since 2014.



28. **Fourth project intervention principle: Phased engagement.** The first phase of interventions is mitigation of impacts from fragility and insufficient State presence, while the later phases support adaptation. There will not be a clear transition between the phases, which will happen as a function of when preparatory activities are completed. The security-driven update also enables more rapid updates of possible activities. The initial phase of roughly six months is emergency response, recovery, and trust-building and will focus on “quick wins” in components 1 (e.g. emergency cash transfers and community health workers) and 2 (e.g. solar streetlights, sports fields, and minor rehabilitation). The second phase, focusing on consolidation, will last roughly nine to eighteen months. Examples of activities/outputs of this phase include second-chance schooling (with a waiver for school lunches and potentially building on the cash transfers and the Unified Social Registry to increase incentives), rehabilitated and new schools (for children to continue learning), and economic and community infrastructure that would complement both productive inclusion and create opportunities for development of young adults’ civil works skills in partnership between the skills development of component 1 and the civil works in component 2.<sup>33</sup> For areas where the State had a limited rural presence, the consolidation phase will be accompanied a focus on service delivery in rural areas. A final phase will cover those interventions that require a longer period for maturation and completion.

**Table 1. Examples of intervention phasing**

Engagement	First six months	Months six to twelve	Months 12-18+
Education	Second-chance schooling /skills development (including on civil works with local labor requirements for men and women – with mobile daycare)		Students return to school using project-supported infrastructure where relevant
Social protection	Emergency cash transfers Local labor contracting in civil works for men and women – with mobile daycare)		Productive inclusion
Social infrastructure	Quick wins (e.g. streetlights and sports fields) and stakeholder groups (e.g. youth associations)	Rehabilitation and construction of small infrastructure, incl. schools and health facilities	Operation and maintenance (O&M) of facilities
Health	Community health workers selection/training and APUHC deployment	Preventive and curative nutrition interventions for children and pregnant/lactating women	Increased availability of care through improved facilities and APUHC incentives for their staff
Economic infrastructure	Initially studies and safeguards, later procurement	Rehabilitation or construction of markets, slaughterhouses, cereal storage facilities, etc.	<ul style="list-style-type: none"> <li>• O&amp;M of facilities</li> <li>• Continuation of more complex works</li> </ul>

<sup>33</sup> This was done in partnership between the Mali Skills Development and Youth Employment Project (P145861) and the PRRE and is consistent with findings from a recent impact evaluation in the Democratic Republic of Congo that shows short-term labor-intensive public works have little long-term impact whereas sustained engagement in civil works with skills development and incentivized savings through sustained engagement in labor-intensive public works seem to have some better results, including for women.





**Box 1: PDESC (Economic and socio-cultural development plans) process and analysis**

Box 1: PDESC (Economic and socio-cultural development plans) process and analysis

The PDESC is a community centered five-year development program established through a community participatory process. Required by law, it is prepared by territorial authorities and follows a standard set of procedures for all communities, with a common frame of reference for planning/programming aimed at meeting the concerns of citizens, mainly those related to sustainable development issues, particularly those related to climate change (CC), gender, migration, food and nutritional security, and conflict prevention and management, as outlined in the updated 2018 PDESC Manual<sup>2</sup>. During this process, visits and public meetings are organized in the neighborhoods and villages, to which all residents are invited. The results of these activities are compiled into an assessment that highlights the needs and priorities expressed by the populations, including women, youth, and other existing vulnerable groups. Individual neighborhood and village assessments are summarized in a draft PDESC during a multi-day workshop organized and led by the local territorial authorities (including elected members and technical staff of the Commune and members of the territorial committees). The draft plan is formally presented during a series of public meetings at the neighborhood and village level. Based on this final public consultation, the finalized document is prepared and submitted to the District Prefect, the central government authority at the Cercle level. Once approved, the plan is distributed to external funding partners (e.g., donors, NGOs) and government bodies to attract financial and technical support. As such, this final plan presents a set of holistic solutions that are all climate sensitive and adapted and representative of the communities' immediate and development needs. Figure 4, below, shows this process graphically

While territorial authorities are responsible for the planning and development of the economic, social, and cultural sectors which ultimately results in the production of the PDESC, coordination between communes and administrative levels (commune, cercle and region) is ensured through its territorial committees. They provide oversight, monitoring, and coordination of development programs, including the PDESCs. These committees bring together local government officials, civil society, and representatives of the DTS of the central government and are a core element of Mali's decentralization institutional framework. They are established at the local government level (CLOCSAD), at the cercle level (CCOCSAD), and at regional level (CROCSAD) to ensure coherence of proposed investments with sector policies at each level of government.<sup>2</sup>

The PTI available for the urban areas of Bla, Koulikoro Koutiala, and Sikasso include 141 activities for US\$37.6 million. Activities that appear often include water (production, storage, and distribution), waste management, urban roads, construction and upgrading of schools and health facilities, and public infrastructure such as community centers and sports and recreation facilities. Among the PDESC for the 65 rural communes, a total of 304 activities, valued at US\$10 million are identified for the first year. Activities that appear often include upgrading and construction of facilities (including equipment), public infrastructure, agriculture-related activities, commerce (e.g. market stalls and markets, but also transformation equipment), training, collective activities (e.g. strengthening the CCOCSAD or forming women's groups), forest-related investments, paddy investments, and roads.

<sup>1</sup> Established at the local government level (*Conseils communaux*), at the cercle level (*Conseils de Cercle*) and at regional level (*Conseils régionaux*)

<sup>2</sup> Communal/Local/Regional Development Action Steering, Coordination and Monitoring Committee (*Comité Communal/Local/Regional d'Orientation, de Coordination et de Suivi des Actions de Développement*, CCOCSAD/CLOCSAD/CROCSAD) defined in *Décret N°08-095/P-RM of February 21, 2008*.

**Component 1: Inclusive access to basic services (US\$123 million)**

**29. This component supports access to social services and economic opportunities in a progressive manner from mitigation (sub-component 1a) and care to adaptation and prevention (sub-component 1b).** Immediate interventions under this component will provide a package of interventions to preserve options for human capital and household resilience by smoothing and increasing household consumption and mitigating conflict impacts. Depending upon progress and the security situation, additional medium-term interventions will focus on further strengthening human



capital, from health and nutrition to schooling and jobs, and increasing household resilience. This component will also support basic treatment for GBV victims and GBV prevention activities as well as specific interventions to strengthen women's and girls' empowerment. Inclusive access means that the component interventions will seek to ensure that vulnerable groups such as young children, pregnant and lactating women, IDPs, GBV survivors, and people from ethnic minority groups can access the benefits and services provided.

*Subcomponent 1a: Protecting human capital (US\$ 77.6 million)*

**30. Addressing acute needs while laying a foundation for later.** Interventions under this component will provide a package of services with rapid impact focusing primarily on the most vulnerable to preserve their human capital options. They will support the resilience of individuals and households by protecting against further depletion of human capital. Interventions are further described in Annex 3 and will include:

- a. preventive and curative nutrition interventions for pregnant/breastfeeding mothers who are underweight (including curative moderate acute malnutrition (MAM) treatment and supplementation) and for infant and young children (include treatment of severe acute malnutrition (SAM) for 0 to 59 months old and of MAM for 6 to 59 months old, preventive supplementation, and mother nutritional surveillance of children) based on the ECHO-funded package in Mali and lipid nutrition supplements implemented elsewhere in the region. Malnutrition in Mali results from a complex interaction between food insecurity (especially in zones of drought and/or conflict), feeding practices, access to sanitation, and high morbidity. The target population includes 2,500 MAM pregnant and lactating women and supplementation for 28,000 pregnant and lactating women, 22,000 SAM children, 34,000 MAM children, supplementation for 38,000 children, and maternal nutritional surveillance for 180,000 children.
- b. basic services for GBV survivors (including physical and mental health services, counseling, and basic need kits for approximately 16,000 survivors,
- c. second-chance education for school drop-out children aged 8-12 consisting of the Malian accelerated schooling curriculum which seeks to provide children with an intensive 9-month curriculum to bring them back into regular schools in age – appropriate grades (target 40,000 children) and basic life and technical competencies for youth aged 13-16 with support to job search (20,000 youth), and
- d. emergency cash transfers to 40,000 women/main care providers to support household consumption and prevent negative coping strategies including further school drop-out, child marriage, and unsustainable agriculture practices. The proposed project will ensure that recipients' households are registered in in the Unified Social Registry (RSU), the IDP database, or the refugee database as relevant.

**31. Gender considerations.** The sub-component seeks to address women's relatively lower autonomy and voice through targeted emergency cash transfers to women to support household consumption,



GBV services to survivors, additional support for human capital interventions particularly for increased participation in education and paid work.<sup>34</sup>

32. **This subcomponent will finance**, inter alia, emergency cash transfers and payment fees to payment agencies, mobile phones; medical commodities, training, and support for community detection and treatment of malnutrition; financing for support to gender-based violence survivors; and support for education, particularly second-chance education for school-aged children and basic skills development for teenagers including strengthened packages of support and incentives for girls.

*Subcomponent 1b: Investing in the foundations of human capital (US\$45.4 million)*

33. **Supporting resilience and autonomy.** Interventions under this sub-component will extend and deepen those of subcomponent 1a to increase individual and household resilience. In health, interventions will focus on increasing the coverage of community health workers' (CHW) and their package of services including malnutrition surveillance, access to modern contraception, and strengthened GBV (including female genital mutilation (FGM)) prevention and referral services. The extension of CHW coverage would reach approximately 1.5 million individuals. Recruitment, training, and monitoring of CHW with dedicated supervision would follow the proactive community case management model developed since 2008 by the Ministry of Health and Social Development with technical assistance from an international NGO. The social protection activities will provide direct support through productive inclusion activities supported by the project. Productive inclusion activities will include community childcare to help women to participate in economic activities and to provide basic early childhood development services to young children.
34. **The project will finance transfers to support the productive inclusion of poor women and youth, aged between 16 and 25 years old, by starting or strengthening self-employment/business activities** Project Implementation Manual (PIM). Based on experiences in other countries in the Sahel, beneficiaries will receive a cash grant to provide start-up and/or working capital which will be complemented by a menu of technical and soft skills training, capacity building and business development support. This will help support the diversification of income sources and providers at household-level, thereby contributing to climate adaptation. At least 70 percent of those participating in productive inclusion activities will be women, but young men will also be eligible.
35. **The project will support the provision of childcare as one of the productive inclusion activities and as a support to women's labor force participation in some of the works supported under Component 2.** Earning enough money to support their children while taking care of them is a challenge for many women. Building upon the experience of the Burkina Faso Social Safety Nets project (P124015), the project will support mobile childcare facilities that will provide employment for some women, especially mothers of young children or older women, support women engaged in some of the infrastructure or productive inclusion across sites to facilitate their participation, and to provide stimulation and nutrition monitoring services to the children.

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<sup>34</sup> Women represented 55 percent of IDPs nationwide and 60 percent in the primary project regions at end-April 2021. Source: [https://dnds.ml/media/reports/DTM\\_AVRIL\\_2021.pdf](https://dnds.ml/media/reports/DTM_AVRIL_2021.pdf).



36. **Gender considerations.** Interventions under this sub-component, particularly those related to productive safety nets will primarily target women and adolescent girls increasing their (economic) empowerment through the ability to earn more but also through life skills. The preliminary results of the impact evaluation in Niger show good value-for-money and positive impacts on household resilience and economic diversification.<sup>35</sup> The provision of childcare services potentially addresses a barrier for mothers’ participation in paid employment and may provide a source of employment for specifically vulnerable women such as pregnant and lactating or older women. In addition, the extension of reproductive health services (access to information and contraception) through CHW has the potential to help address some of the underlying causes of maternal mortality.

37. **This subcomponent will finance**, inter alia, commodities, materials, training, community health worker (CHW) remuneration, and supervision for malnutrition prevention and curative care, and expansion of the CHW package; medical commodities; materials and services for GBV prevention; household RSU information update if information is older than three years; cash transfers and fee payments to payment agencies; materials, consulting services for accompanying measures and training, capacity-building, and business development support for productive inclusion including materials, training, staff costs, and consulting services for childcare provision.

38. **Component 1’s provisional allocation of resources is described in Table 1.**

**Table 1: Provisional budget for Component 1**

Interventions	Provisional budget (US\$ million)	Target
<i>1a. Protecting human capital</i>	77.6	
Emergency cash transfers	36.8	40,000 households
Nutrition packages	21.1	Varying by age group
Services to GBV survivors	2	16,000 survivors
Second-chance education	17.7	40,000 children 8-12 and 20,000 teens 13-16
<i>1b. Laying the foundations</i>	45.4	
Community health workers	32.5	1.5 million people covered
Productive inclusion	12.4	40,000 women and youth
GBV prevention	0.5	50 communes
<i>Total</i>	123.0	

39. **Component 1 complements current interventions by filling gaps not addressed by other projects.**

- a. In **education**, the proposed project will support implementation of the Second Ten-year Education Sector Development Program (*Programme Décennal de Développement de l’Education II*) for out-of-school children through an Accelerated Schooling Strategy/Pathway that will enable them to rejoin the formal educational system supported by the Mali Improving Education Quality and Results for All Project (MIQRA; P164032). It will also support skills development for adolescents to support their labor market insertion, building on the

<sup>35</sup> Premand, Patrick; Stoeffler, Quentin. 2020. Do Cash Transfers Foster Resilience? Evidence from Rural Niger. Policy Research Working Paper Number 9473. World Bank, Washington, DC. © World Bank. <https://openknowledge.worldbank.org/handle/10986/34774> License: CC BY 3.0 IGO.



- experience of the Skills Development and Youth Employment (PROCEJ, P145861) and in geographic and age complementarity to the Promote Access to Finance, Entrepreneurship and Employment (PAFEEM, P168812) project.
- b. In **health**, the project's interventions at the community level and on GBV extend the reach of facilities supported by the Mali Accelerating Progress Towards Universal Health Coverage Project (APUHC; P165534) and depends upon it for supervision and referral pathways.<sup>36</sup> The GBV interventions partially cover a gap in service and will be complementary to the EU-funded Spotlight program.
  - c. In **social protection**, the existing Emergency Social Safety Net *Jigisemijiri* project (P127328) project and the pipeline Support to the Adaptive Social Safety Net System (P174451) will undertake enrollment in the Unified Social Registry (RSU) and extend regular cash transfers to eligible households in the target areas. To support empowerment of women, emergency cash transfers will be given to women.<sup>37</sup> Together, this will provide a densification of social safety net interventions in the Southern Prevention Arc.

## Component 2: Socio-economic infrastructure for resilient livelihoods (US\$110 million)

40. **This component will support the physical availability of basic services, and social and economic infrastructure.** The objective is to strengthen economic and social resilience of targeted communities to prevent further contagion of insecurity within an already-fragile context and subject to the ongoing effects of climate change such as recurring droughts and flooding. The process, as laid out in Figure 4, starts with a neutral approach in which all possible stakeholders including potentially marginalized groups such as IDPs, women, and youth are included in the consultative process to define the priorities for their communities. Selection of activities to be financed will primarily be guided by the community based and climate change adapted PDESCs which prioritize issues related to sustainable development, gender, migration, food and nutritional security, and conflict prevention and management. Project activities may also be identified and selected on an emergency basis in order to alleviate immediate needs from the communities.
41. **Implementation will be primarily through MODs with provisions to increase local engagement.** As with the PRRE project, the PCU will delegate implementation to the MODs, which are specialized agencies that will handle the procurement and oversight of the contracts in this component. The PCU will focus on coordination, contract management, and results monitoring. Where possible, labor-intensive public works will be used with provisions for the (i) participation of women through the

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<sup>36</sup> The APUHC operation may be restructured for greater geographic overlap with the proposed project so that the community health workers supported under this proposed operation can be supervised and supported by APUHC-supported health facilities that may be rehabilitated or extended by this operation and to extend the reach of the facilities. The proposed restructuring is also aligned with the Prevention and Resilience Allocation action plan drawn from the first Transitional Government's Priority Action Plan.

<sup>37</sup> This will help build the evidence to pivot cash transfers from providing regular cash transfers to male heads of households and income-generation grants to male and female beneficiary household members in the existing Emergency Social Safety Net (P127328) project, and an experiment in the Drylands Development Project (P164052) to provide both regular cash transfers and income-generation grants to women.



*crèches mobile* model developed in Burkina Faso and (ii) for the participation of youth in skills development training such as that financed under sub-component 1a.

42. **Implementation of climate adapted solutions.** While the project recognizes the complexity of the implementation context and the need for simple and quick actions, selected activities will make use and integrate, where possible, innovative and climate adapted solutions to reduce GHG emissions and energy requirements. For example, project activities will integrate proven sustainable and adapted local construction techniques as low cement ratio building materials to reduce GHG emissions; passive lighting and cooling building designs for its socioeconomic infrastructure (schools, health dispensaries, markets, community centers, etc.) adapted and resistant to the ongoing effects of climate change in the region (extreme weather patterns as draughts and flooding); the project will only make use of renewable solar energy technology for its public and socioeconomic infrastructure further reducing the needs for fossil fuel generated electricity; the project will also implement sustainable surface water management systems as green drainage and integrated stormwater systems to combat increased erosion and flooding caused by extreme weather events; sustainable sanitation strategies (as composting toilets and phytoremediation wastewater treatment) will be implemented to further reduce water consumption and mitigate against flooding, while fighting against the proliferation of water and vector-borne pathogens.

*Sub-component 2a: Investing in priority activities and programs (US\$15 million)*

43. **This sub-component finances the first phase of engagement to deliver “quick wins” and to prepare future phases.** Intended to help build confidence of the beneficiaries for the project while addressing urgent community needs, this sub-component will support the implementation of priority activities that can be classified as “no-regret” and quick to implement with high positive impacts on the community. Activities will be derived from existing PDESC documents and selected through an inclusive consultation process that will prioritize activities as a function of their urgency, community impact and ability to mitigate against climate shocks. These activities include inter alia: rural improved water points and wells, water provision of basic WASH facilities (latrines, water fountains, etc.), rehabilitation of basic drainage infrastructure, rehabilitation of social infrastructure including solar electrification (schools, health facilities, community centers, etc.), and construction of small recreational spaces, implementation of solar streetlights. This sub-component will also finance preparation of technical, feasibility, and safeguards studies for sub-component 2b.

*Sub-component 2b: Investing in the infrastructure for basic service delivery (US\$70 million)*

44. **This sub-component will finance the second phase and third phases of engagement: the construction/rehabilitation of educational facilities, health, and community facilities, the provisioning of equipment to allow their intended optimal uses, and the construction of economic infrastructure, leisure, and recreational areas.** Activities financed in this sub-component will derive primarily from those identified in the updated PDESCs and will use the studies financed under sub-component 2a. As with sub-component 2a, activities will be selected through an inclusive consultation process prioritized by overall community reach and positive impacts, and its ability to mitigate against climate shocks while providing climate adaptability. This sub-component will improve people's access to basic social and economic infrastructure such as education and health facilities and equipment, schools, markets, *marâchage*, intra-urban all-weather roads and spot repairs, and liquid/solid waste management. This sub-component will also allow financing of larger scale regional investments that





go beyond the community scale of the PDESC as irrigated perimeters, primary agricultural transformation facilities, etc. The design of these larger scale projects may be guided through inputs from regional planning authorities as the Regional Development Agencies (*Agences de développement régionale, ADRs*). All activities included in this sub-component will be screened and adapted to work towards climate adaptability of the local communities while integrating innovative and climate solutions to reduce GHG emissions and energy requirements. For instance, the implementation of irrigated perimeters allows for multiple communities to have access to productive land otherwise affected by climate change induced water shortages and draughts. Social infrastructure as schools, clinics and community buildings will integrate building designs, technologies and systems to reduce cement requirements and dependency on fossil fuels. It will also provide support for replanting of trees and anti-erosive measures. Most activities in this sub-component will be executed nine to 18 months after a community begins its interactions with the project, subject to the security situation remaining acceptable.<sup>38</sup>

*Sub-component 2c: Investing in economic revitalization (US\$ 25 million)*

45. **This sub-component aims to strengthen economic activities carried out by local communities.** Based upon communities' requests, the financed activities aim to revitalize, increase production, capacity and resilience of small collective income generating activities. Complementary to sub-component 1b which aims to provide cash grants for start-up and/or working capital to strengthen self-employment/business activities, this sub-component will provide inter alia equipment and small civil works as small-scale transformation facilities and equipment (agro-food production and transformation, artisanal production), storage, packaging and distribution equipment, etc., rehabilitation/upgrading of production facilities, as well as basic services extensions to the collective income generation facilities (water points, solar energy generation and lighting, etc.). Capacity building activities of community organizations/associations receiving support, including specific trainings for income generation and management, will be shared with sub-component 1b. The eligibility criteria for these activities will be detailed in the PIM, including criteria to ensure that women and/or vulnerable group-run activities are supported and that activities integrate climate informed and adapted measures.
46. **This component will finance,** inter alia, civil works, goods, non-consultant services, equipment, and consultant's services. These will be in the form of technical studies and associated consulting services (sub-component 2a), construction materials and inputs, basic equipment for health, education and community facilities, solar panels, technical assistance, and supervision services for works (all sub-components), capacity-building and training (sub-component 2c).
47. **Component 2 interventions complementarity with current interventions.** The proposed activities to build/rehabilitate education and health facilities complement interventions supported in the MIQRA and APUHC projects. The spot road rehabilitation will complement the large-scale road construction and rehabilitation interventions in the on-going PAAR project. In agriculture, planned project support for climate-adapted granaries and small-scale solar-powered transformation machinery under sub-component 2c will complement the activities of the on-going Drylands Rural Development project (P164502). The support for secondary cities is consistent with the results of the Sahel: Urban Link

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<sup>38</sup> If the security situation degrades, per the SMP escalation procedures, the activity will cease. If possible, this will be done in a way to be able to restart more efficiently when the situation allows it.



report (P175684) and complements urban investments in Bamako through the Bamako Urban Resilience Project (P171658). This operation will not engage in large-scale transport, energy, landscape management, agriculture, or livestock activities because they are covered under other exiting or planned operations and may require longer investment cycles than this operation's intended durations. Coordination of the interventions will be done through the project steering committee that includes relevant ministries and between project units and teams.

**Component 3: Project management and management of government shock-response systems (US\$17 million)**

48. **This component ensures project implementation and strengthens government systems to: (i) respond to citizens' requests and (ii) learn from implementation.** Subcomponent 3a describes the support for the project management unit. Sub-component 3b seeks to address perceived or actual exclusion as an important conflict driver (Sahel RRA) through citizen and stakeholder engagement processes, targeted improvement of local and regional government capacity, and support for conflict monitoring. It also includes implementation learning through impact and process evaluations.

*Subcomponent 3a: Managing project activities (US\$4 million)*

49. **This sub-component will ensure smooth implementation of all project activities** in accordance with the Bank's policies and guidelines. The PCU has seven years of experience with the PRRE project and will also implement the regional Three Borders (P173830) operation in the more fragile central and northern regions. The central PCU costs will be shared with the Community-Based Recovery and Stabilization Project for the Sahel (P173830) based upon a formula to be determined in the PIM. PCU staffing will be reinforced according to the increasing demands related to both projects. Regional antennae in the four targeted regions will be covered under project management and operating costs.

50. This sub-component will finance: (i) consultant services project management and operating costs of the project management unit at the central and regional levels and the implementing agencies including Delegated Contract Management Agencies in Components 1 and 2; (ii) preparation of environmental and social documents, monitoring, and disclosure, (iii) fiduciary management and technical assistance; (v) implementation potential resettlement action plans; (vi) remote and third-party monitoring; and (vii) auditing.

*Subcomponent 3b: Strengthening government, community and citizen engagement, and shock monitoring (US\$ 13 million)*

51. **This subcomponent supports effective engagement by governments and stakeholders and knowledge production and use.** It will focus on measures to ensure inclusive and effective stakeholder participation, to increase the capacity of local and regional governments to engage with citizens, to support local governments and communities in managing and maintaining their new services and infrastructure, and to manage risks.





52. **Government strengthening.** The regional PCU antennas will provide technical and material support to the governorates, deconcentrated technical staff, and regional development agencies as part of the validation of the communities' investments. These will, in part, support regional implementation platforms where major investments will be coordinated.<sup>39</sup> A needs assessment will be conducted as part of the initial engagement to determine what support may be required, which may take the form of (i) training, technical assistance, and provision of equipment and goods to improve communes' management of inclusive processes to develop/update PDESC and PTI so that they explicitly integrate conflict and climate shock adaptation and mitigation measures; and (ii) elaboration and operationalization, including technical assistance, of rules and procedures governing decentralization and local government finance and conducting public consultations. The provision of this public good will strengthen coordination possibilities by making information available and could increase alignment of investments with local priorities. Such a tool would be particularly relevant in the Alliance Sahel context to strengthen the integrated territorial approach with other donors and not only within the Bank's portfolio.
53. **Ensuring and facilitating citizen and civil society engagement throughout the sub-project lifecycle.** This sub-component will contribute to strengthening the technical and institutional capacity of local actors for better management of the infrastructures financed by the project and supporting inclusive citizen participation of different stakeholder groups. Activities in this sub-component will support inclusive engagement at all steps by: (i) developing of citizen engagement tools and facilitating the processes to ensure all groups, including vulnerable or marginalized ones, participate in the PDESC and PTI processes; (ii) supporting for social cohesion dialogue; (iii) training civil society organizations and community leaders in local development issues, management of neighborhood infrastructure, and equipment to support the functionality of investments; (iv) supporting the establishment of collaboration mechanisms between community-based organizations and local governments, and (v) establishing and adapting beneficiary feed-back mechanisms, GRM, and SEA/H and GBV reporting mechanisms with both physical and digital entry points. Target groups for inclusion are traditionally excluded groups, in particular youth, women, and ethnic minorities. The process is expected to contribute to re-building trust between citizens and the State through improved alignment of interventions with citizens' requests and accountability of the State to its citizens.
54. **Strengthening information for decision-making and resilience through third party monitoring and remote monitoring tools.** To mitigate security constraints to supervision, the project will finance both third party monitoring and remote monitoring tools. To increase government's ability to identify and respond to potential violent shocks or disengagement of the population, the project will support the extension of the regular SIPRI evaluations that are done in the Center of Mali as part of setting-up a conflict early warning and monitoring system.<sup>40</sup> The subcomponent will also finance monitoring and impact evaluations of specific activities of the project to learn lessons to adapt the interventions and for future interventions in Mali and elsewhere.<sup>41</sup>
55. **The sub-component will finance inter alia** training, technical assistance, and provision of equipment and goods including hardware and software for assistance in municipal management; capacity-

<sup>39</sup> The project may also support the development of regional websites on which PDESC and PTI may be posted. This would build on the good practice of Kayes: all PDESC for the region are posted on their website -- <http://www.adrkayes.com>.

<sup>40</sup> <https://sipri.org/research/conflict-peace-and-security/africa/mali>

<sup>41</sup> See paragraph 84 for more details.



building for inclusive planning and management of existing community-based organizations; training for community facilitators, mediators, and emerging leaders for PDESC/PTI development; materials and process development for beneficiary feed-back mechanisms, and GRM; quantitative data collection and analysis for SIPRI evaluations, specific impact evaluations, and M&E.

**Component 4: Contingent Emergency Response Component (CERC; US\$0)**

56. **A CERC will be included under the project** in accordance with World Bank IPF Policy paragraph 12 on “Projects in Situations of Urgent Need of Assistance or Capacity Constraints”. This will allow for rapid reallocation of project proceeds in the event of a natural or man-made disaster or crisis that has caused, or is likely to imminently cause, a major adverse economic and/or social impact. A CERC operations manual will be prepared to support crisis management.

Legal Operational Policies

	Triggered?
Projects on International Waterways OP 7.50	Yes
Projects in Disputed Areas OP 7.60	No

Summary of Assessment of Environmental and Social Risks and Impacts

The activities to be financed by the project are expected to have limited environmental and social impacts. Most of them are small-scale, and intended to improve social cohesion and inclusion as well as support sustainable livelihoods in this very complicated region. However, these activities may generate environmental and social risks related to irrigation, water and sanitation, infrastructure rehabilitation, SEA/H, social cohesion and conflict and damage to personal property. Key risks are: environmental pollution (water and soil) by solid waste (excavation, demolition, oils, etc.); noise machinery pollution; environmental degradation by the demolition and construction products; soil erosion and pollution; air pollution (flight of dust); disruption of socioeconomic activities during the works; loss of property and sources of income; nuisance due to activities and site waste; risks of disease development among populations and workers; risks of social conflicts in the event of non-use of local labor or discrimination during the recruitment process; risk of insecurity for workers and their equipment following the darkness in certain neighborhoods targeted by the Project; risk of involuntary resettlement of populations; risks of social conflicts with the unauthorized occupation of private plots and associated facilities; risk of work-related accident to project staff and communities and inappropriate behavior by workers towards communities; SEA/SH risks; risk of fire or explosion of fuel storage tanks; Risks of exploitation of children on construction sites; security risks in some project areas; risk of COVID-19 contamination on construction sites if barrier measures are not observed and risk of damage to cultural heritage during excavations.

The Government has prepared an Environmental and Social Management Framework (ESMF) to establish procedures for screening sub-projects, mitigation measures and implementation arrangements. The impacts will be managed during project implementation in accordance with the ESMF that will guide the preparation of Environmental and



Social Impact Assessments/ Environmental and Social Management Plans (ESIAs/ESMPs) for the subprojects. ESMF will be publicly disclosed in-country and on the Bank's website prior to appraisal. The ESMPs will clearly define mitigation and management measures, including roles and responsibilities, schedule, costs, implementation procedures and incident reporting that are specific to each subproject.

A SEA/H risk assessment has been carried out by the Bank team and key mitigation measures incorporated into the project design and reflected in the ESMF.

Labor Management Procedures (LMP) has been prepared as per ESS2 as well as a Security Risk Assessments as per ESS4. They will be publicly disclosed in-country and on the Bank's website prior to appraisal.

The project Environmental and Social Commitment Plan (ESCP) has been prepared. It reflect the key milestones for the preparation and implementation of each of these instruments. The ESCP outline the Borrowers' commitments to screen all sub-projects further during implementation and prepare the requisite E&S instruments, such as Environmental and Social Management Plans (ESMPs), and the management of SEA/SH risks. Elaborated ESCP will be publicly disclosed in-country and on the Bank's website prior to appraisal.

During the preparation of these instruments, the Borrower conducted a number of consultations with various stakeholders, including groups of women, youth, and adolescents and other vulnerable and disadvantaged members of the community. Meaningful and inclusive consultations will continue throughout the life cycle of the project. Additionally, the project prepared Stakeholder Engagement Plan (SEP), including a grievance mechanism. The SEP will be updated as necessary during project implementation.

To provide guidance for the preparation of any resettlement action plan (RAP) in the case of unavoidable negative impacts on private property, a resettlement policy framework (RPF) has been prepared and outline the principles and procedures for involuntary resettlement and/or compensation of project-affected people, and establishes standards for identifying, assessing and mitigating negative impacts of project supported activities. They include the following topics: (a) assessment of national regulatory and institutional frameworks; (b) likely categories of affected assets and parties, including an entitlement matrix; (c) eligibility criteria and a compensation framework consistent with ESS5 and national legislation; (d) measures to assist vulnerable groups; (e) a consultation framework to enable the continuous participation of the affected populations in the preparation of specific resettlement plans; (f) an institutional framework for the implementation of the RPF; (g) a grievance mechanism; (h) and a monitoring and evaluation framework as well as a budget. Elaborated RFP will be publicly disclosed in-country and on the Bank's website prior to appraisal.

## **E. Implementation**

### Institutional and Implementation Arrangements

55. The project implementation arrangements for the PUR are based on those of the Emergency Reconstruction and Economic Recovery Project (PRRE). The Ministry of Economy and Finance (MEF) will be the government entity responsible for the overall coordination and supervision of the project. The institutional arrangement for the project will include (a) a Steering Committee; (b) a central Project Coordination Unit (PCU), located in the MEF, for national level coordination, implementation and management of the project; (c) regional PCU implementation units (regional



antennas, RAs) in the regional capitals of Kayes, Sikasso, Koulikoro and Ségou, for coordinating project activities at the regional, *cercle* and local *commune* levels; and (d) a set of delegated contract management agencies (*Maîtres d'ouvrage délégués*, MODs) to implement project activities including new MODs for sectoral activities not originally covered by PRRE.

56. **The Steering Committee** will be chaired by the Minister of Economy of Finance or his representative, the Secretary General, and will include, among others, the ministers from the PRRE Steering Committee and all ministries involved (e.g. Education, Health and Social Affairs, and Water). The Steering Committee will provide overall supervision of the project, ensure coherence of the project activities with the sector strategies, and convene intersectoral coordination for the subcomponents of other ministerial departments. The committee will also approve the annual budgeted work plans.
57. **The PCU of the Emergency Reconstruction and Economic Project (PRRE) will be repurposed to implement the proposed project** and the Community-Based Recovery and Stabilization Project for the Sahel (Three Borders: P173830). This PCU, active since 2014, has three advantages: prior successful experience with multisector interventions in difficult areas, a functioning multisectoral steering committee, and an institutional home in the MEF which will facilitate coordination. It will focus on coordination, reporting, and complex procurement arrangements. The RAs will be staffed based upon the provisions of the project manual.
58. **The PCU will manage the project at the national level**, ensuring the timely availability of funds transfer, maintaining project accounts and producing financial reports, monitoring and evaluating program implementation and impacts, and reporting results to various stakeholders as detailed in the Project Implementation Manual, in accordance with WBG guidelines and procedures. While the community and local governments will play a role in identifying and prioritizing the investments (under Components 1 and 2), the PCU is responsible for the overall project implementation, including through delegating execution to MODs or implementing partners like NGOs, national agencies, private/local contractors, and UN agencies, etc. The PCU will rely on its RAs for coordinating project activities, working closely with government entities at the regional and local government (*cercle, commune*) levels. In addition, given security related access restrictions, the PCU will recruit a Third-Party Monitoring agency (TPM) to ensure compliance to the implementation guidelines to be specified in the PIMs.
59. As with the PRRE, the PCU will be headed by a project coordinator, supported by a core team of specialists in procurement, financial management (FM), environmental and social (E&S) risk management, communications, and M&E. They will be supported by a team of technical specialists (e.g. in infrastructure and natural resource management, community mobilization, conflict prevention, livelihoods, territorial development) that will be financed by IDA, and seconded staff, as relevant, from different ministries. Aside from key cross-cutting functions like the project coordinator and the head of finance, there will be distinct staff for this project and for the Three Borders Project to ensure sufficient capacity to implement both. Given the coordination problems among levels of government, a decentralization specialist will support the project in the first years.
60. **The MODs will coordinate the implementation and management of components 1 and 2.** The PRRE experience has demonstrated that capacity for delegated implementation is available in



Mali for community engagement, infrastructure, and income-generation activities. The on-going HD projects have also worked with successful service providers for second-chance education, supervision of community health workers, technical assistance to income-generation activities and households, and payments. Delegated management contracts will be signed between the PCU and MODs which will outline the scope of the roles and responsibilities for the agencies involved in the project implementation. Distinct MODs are expected to be used for the following interventions: education, social protection (identification of beneficiaries, productive inclusion), and most infrastructure investments.

61. **Communication strategy.** A Communications Specialist (within the PCU) will manage the overall communications aspect for the project. The main objectives are to (a) facilitate the flow of information between the various agencies involved in project implementation with the view of creating an environment of transparency and accountability (with regard to flow of funds, activities to undertake, outputs, and outcomes) and facilitate strategic decisions at all levels; and (b) ensure that the project’s main objectives and progress being achieved are well-communicated to the direct beneficiaries, and to the general public at large taking into account suggestions, comments, and ideas received as feedback from project beneficiaries. The strategy should cover the period before, during, and after project implementation activities in an area.

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