



THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP

FOR OFFICIAL USE ONLY

Report No: PAD3682

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED GRANT

IN THE AMOUNT OF SDR 92.7 MILLION
(US\$130.8 MILLION EQUIVALENT)

OF WHICH SDR 77.2 MILLION (US\$109 MILLION EQUIVALENT) FROM THE
WINDOW FOR HOST COMMUNITIES AND REFUGEES

TO THE

REPUBLIC OF UGANDA

FOR THE

ROADS AND BRIDGES IN THE REFUGEE HOSTING DISTRICTS / KOBOKO-YUMBE-MOYO
ROAD CORRIDOR PROJECT

SEPTEMBER 24, 2020

Transport Global Practice
Africa Region

This document has a restricted distribution and may be used by recipients only in the performance of their official duties. Its contents may not otherwise be disclosed without World Bank authorization.

CURRENCY EQUIVALENTS

(Exchange Rate Effective July 31, 2020)

Currency Unit = Ugandan Shillings (UGX)

UGX3687 = US\$1

US\$1 = SDR 0.70767903

FISCAL YEAR

July 1 - June 30

Regional Vice President: Hafez M. H. Ghanem

Acting Country Director: Camille Anne Nuamah

Regional Director: Riccardo Puliti

Practice Manager: Benedict L.J. Eijbergen

Task Team Leader(s): Pratap Tvgsshrk, Ivan Emmanuel Mwondha

ABBREVIATIONS AND ACRONYMS

AfDB	African Development Bank
ARSDP	Albertine Region Sustainable Development Project
CERC	Contingent Emergency Response Component
CFR	Central Forest Reserve
CoC	Code of Conduct
COVID -19	Corona Virus Disease
CPF	Country Partnership Framework
CRRF	Comprehensive Refugee Response Framework
CSC	Construction Supervision Consultant
CSO	Civil Society Organization
DA	Designated Account
DESS	Department of Environmental and Social Safeguards
DRC	Democratic Republic of Congo
DRDIP	Development Response to Displacement Impacts Project
DSC	District Security Committee
EIRR	Economic Internal Rate of Return
ERW	Explosive Remains of War
ESCP	Environmental and Social Commitment Plan
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
ESF	Environment and Social Framework
EU	European Union
E&S	Environmental and Social
FCV	Fragile Conflict Violence
FDI	Foreign Direct Investment
GBV	Gender Based Violence
GDP	Gross Domestic Product
GoU	Government of Uganda
GMC	Grievance Management Committee
GRM	Grievance Redress Mechanism
GRS	Grievance Management System
IED	Improvised Explosive Devices
IFR	Interim Financial Report
IPV	Intimate Partner Violence
JICA	Japan International Cooperation Agency
Km	Kilometer
KYM	Koboko-Yumbe-Moyo
LIC	Low Income Country
LMP	Labor Management Plan
MFD	Maximizing Finance for Development
MoFPED	Ministry of Finance, Planning and Economic Development
MoGLSD	Ministry of Gender, Labour and Social Development

MoLG	Ministry of Local Government
MoLHUD	Ministry of Lands, Housing and Urban Development
MoWT	Ministry of Works and Transport
NDP	National Development Plan
NEMA	National Environmental Management Agency
NERAMP	Northeastern Road Corridor Asset Management Project
NGO	Non-Governmental Organization
NR	National Road
NSP	Nominated Service Provider
OPM	Office of the Prime Minister
PAP	Project Affected Person
PDU	Procurement and Disposal Unit
PIU	Project Implementation Unit
PPSD	Project Procurement Strategy Document
PSC	Project Steering Committee
PSI	Project Safety Impact
RAMS	Road Asset Management System
RAP	Resettlement Action Plan
ReHOPE	Refugee and Host Population Empowerment
ROW	Right of Way
RSW	Sub-Window for Refugees and Host Communities
RSSAT	Road Safety Screening and Analysis Tool
SEA	Sexual Exploitation and Abuse
SEP	Stakeholder Engagement Plan
SH	Sexual Harassment
SIDA	Swedish International Development Cooperation Agency
SOP	Standard Operating Procedures
SPD	Standard Procurement Document
STA	Settlement Transformation Agenda
STEP	Systematic Tracking of Exchanges in Procurement
TAC	Third-party Audit Consultant
TOR	Terms of Reference
TSDP	Transport Sector Development Project
UDHS	Uganda Demographic and Health Survey
UNHCR	United Nations High Commissioner for Refugees
UNRA	Uganda National Roads Authority
UPDF	Uganda Peoples' Defense Forces
URF	Uganda Road Fund
USAID	United States Agency for International Development
US\$	United States Dollar
UXO	Unexploded Ordinances
VAC	Violence Against Children
WHO	World Health Organization
WHR	Window for Host Communities and Refugees



TABLE OF CONTENTS

DATASHEET	1
I. STRATEGIC CONTEXT	7
A. Country Context.....	7
B. Sectoral and Institutional Context.....	12
C. Relevance to Higher Level Objectives.....	16
II. PROJECT DESCRIPTION.....	20
A. Project Development Objective	20
B. Project Components	21
C. Project Beneficiaries	30
D. Results Chain	30
E. Rationale for Bank Involvement and Role of Partners	31
F. Lessons Learned and Reflected in the Project Design	32
III. IMPLEMENTATION ARRANGEMENTS	33
A. Institutional and Implementation Arrangements	33
B. Results Monitoring and Evaluation Arrangements.....	34
C. Sustainability.....	35
IV. PROJECT APPRAISAL SUMMARY	36
A. Technical, Economic and Financial Analysis	36
B. Fiduciary.....	37
C. Legal Operational Policies.....	41
D. Environmental and Social.....	41
V. GRIEVANCE REDRESS SERVICES	47
VI. KEY RISKS	47
VII. RESULTS FRAMEWORK AND MONITORING	51
ANNEX 1: Implementation Arrangements and Support Plan	59
ANNEX 2: Project Climate Co-Benefits	71
ANNEX 3: Project Location Map	80



DATASHEET

BASIC INFORMATION

Country(ies)	Project Name	
Uganda	Uganda: Roads and Bridges in the Refugee Hosting Districts/Koboko-Yumbe-Moyo Road Corridor Project	
Project ID	Financing Instrument	Environmental and Social Risk Classification
P171339	Investment Project Financing	High

Financing & Implementation Modalities

<input type="checkbox"/> Multiphase Programmatic Approach (MPA)	<input checked="" type="checkbox"/> Contingent Emergency Response Component (CERC)
<input type="checkbox"/> Series of Projects (SOP)	<input type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Performance-Based Conditions (PBCs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input checked="" type="checkbox"/> Fragile within a non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input checked="" type="checkbox"/> Responding to Natural or Man-made Disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on Enhanced Implementation Support (HEIS)

Expected Approval Date	Expected Closing Date
10-Sep-2020	31-Dec-2025

Bank/IFC Collaboration

No

Proposed Development Objective(s)

The Project Development Objectives are to enhance: (a) road transport connectivity in select refugee hosting districts of Uganda; and (b) the capacity of Uganda National Roads Authority to manage environmental, social and road safety risks.



Components

Component Name	Cost (US\$, millions)
Road Upgrading Works	145.80
Institutional Strengthening	3.00
Road Safety	2.00
Contingency Emergency Response	0.00

Organizations

Borrower: Republic of Uganda
 Implementing Agency: Uganda National Roads Authority

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	150.80
Total Financing	150.80
of which IBRD/IDA	130.80
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	130.80
IDA Grant	130.80

Non-World Bank Group Financing

Counterpart Funding	20.00
Borrower/Recipient	20.00



IDA Resources (in US\$, Millions)

	Credit Amount	Grant Amount	Guarantee Amount	Total Amount
Uganda	0.00	130.80	0.00	130.80
National PBA	0.00	21.80	0.00	21.80
Refugee	0.00	109.00	0.00	109.00
Total	0.00	130.80	0.00	130.80

Expected Disbursements (in US\$, Millions)

WB Fiscal Year	2020	2021	2022	2023	2024	2025	2026
Annual	0.00	3.00	12.00	30.00	33.00	32.80	20.00
Cumulative	0.00	3.00	15.00	45.00	78.00	110.80	130.80

INSTITUTIONAL DATA

Practice Area (Lead)

Transport

Contributing Practice Areas

Climate Change and Disaster Screening

This operation has been screened for short and long-term climate change and disaster risks

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

Risk Category	Rating
1. Political and Governance	● High
2. Macroeconomic	● Substantial
3. Sector Strategies and Policies	● Moderate
4. Technical Design of Project or Program	● Substantial
5. Institutional Capacity for Implementation and Sustainability	● High
6. Fiduciary	● Substantial
7. Environment and Social	● High



8. Stakeholders	● Substantial
9. Other	● Substantial
10. Overall	● High

COMPLIANCE

Policy

Does the project depart from the CPF in content or in other significant respects?

Yes No

Does the project require any waivers of Bank policies?

Yes No

Environmental and Social Standards Relevance Given its Context at the Time of Appraisal

E & S Standards	Relevance
Assessment and Management of Environmental and Social Risks and Impacts	Relevant
Stakeholder Engagement and Information Disclosure	Relevant
Labor and Working Conditions	Relevant
Resource Efficiency and Pollution Prevention and Management	Relevant
Community Health and Safety	Relevant
Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Relevant
Biodiversity Conservation and Sustainable Management of Living Natural Resources	Relevant
Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Not Currently Relevant
Cultural Heritage	Relevant
Financial Intermediaries	Not Currently Relevant



NOTE: For further information regarding the World Bank’s due diligence assessment of the Project’s potential environmental and social risks and impacts, please refer to the Project’s Appraisal Environmental and Social Review Summary (ESRS).

Legal Covenants

Sections and Description

The Recipient shall prepare and furnish to the Association not later than March 31 of each Fiscal Year during the implementation of the Project (starting in Fiscal Year 2020-2021), a work plan and budget containing all activities proposed to be included in the Project during the following Fiscal Year, and a proposed financing plan (including the portion of Counterpart Funds to be provided) for expenditures required for such activities, setting forth the proposed amounts and sources of financing. (See Section 1.D.1 of Schedule 2 to the Financing Agreement)

Sections and Description

Without limitation upon the provisions of Section 5.03 of the General Conditions, the Recipient shall, in each Fiscal Year (“FY”) commencing FY2020/2021: (a) through UNRA, establish and thereafter maintain at all material times during the implementation of the Project, a budget line item for costs of land acquisition, resettlement and rehabilitation as well as for shifting utilities (Resettlement Activities) under Part 1(d) of the Project; and (b) through Ministry of Finance and Economic Planning, allocate a portion of Counterpart Funds required for said Resettlement Activities under said Part 1(d) of the Project as indicated in the respective Annual Work Plan and Budget. (See Section 1.E.7(a) of Schedule 2 to the Financing Agreement)

Conditions

Type	Description
Effectiveness	The Association is satisfied that the Recipient has an adequate refugee protection framework
Effectiveness	The Recipient has prepared and adopted the Project Implementation Manual, in form and substance satisfactory to the Association.
Effectiveness	The Subsidiary Agreement has been executed on behalf of the Recipient and Uganda National Road Authority.
Disbursement	No withdrawal shall be made under Category (2) until: (i) the Recipient has declared a disaster, emergency or catastrophic event through the relevant national authority; (ii) the Association and the Recipient have agreed in writing to address such disaster, emergency or catastrophic event under Part 4 of the Project and in accordance with the provisions of the Agreement; and (iii) Recipient has adopted an CERC Manual in accordance with the provisions of Section I.C.3 of Schedule 2 to the Agreement.





I. STRATEGIC CONTEXT

A. Country Context

- The Ugandan economy is steadily growing but not at the target levels envisaged under the National Development Plans (NDP) in line with Uganda's Vision 2040.** Uganda's Gross Domestic Product (GDP) was US\$27.5 billion in 2018¹. During the NDP I (2010/11 – 2014/15) and NDP II (2015/16 – 2019/20), the economy grew at an average rate of 5.5 percent and 4.7 percent respectively, which was below the target rate of 7.2 percent and 6.3 percent respectively. The Corona Virus Disease (COVID-19) pandemic is expected to significantly reduce growth in FY2020. Also, expenditure levels are expected to increase significantly as the government puts in place programs and measures to mitigate the impact of COVID-19 on the economy and support recovery.
- Uganda's population is fast-growing, predominantly young and rural, with prevailing social and economic inequalities. There is significant inequality between regions in Uganda and the sustained conflict in the North inclusive of the West Nile Sub-Region held the region back by several years.** The country's population has been growing by more than 3 percent per annum over the last three decades². Nearly 80 percent of the population are under the age of 30. By FY17/18, per capita income for the Northern region had been estimated at around US\$210³, less than a third of the national per capita levels of US\$799, while the poverty level was 33 percent⁴. As the effects of the COVID-19 pandemic unfold, in terms of domestic demand and supply shocks, it is expected to put more pressure on inflation and poverty levels.
- The macroeconomic impact of COVID-19 and locusts on the Ugandan economy will be significant, creating both economic disruptions and financing imbalances that will need to be addressed urgently.** The timing of the invasion of locusts, coinciding with the start of the main cropping season will affect staple food crop production, with associated devastating consequences on food access and availability and loss of livelihoods. The main transmission channels for the impact of COVID-19 on the economy are through lower exports, tourism, remittances, as well as a sizable deceleration in Foreign Direct Investment (FDI) inflows and government project financing, creating a significant external imbalance.
- Uganda's growth is set to collapse in the wake of Covid-19.** The Covid-19 pandemic, combined with the desert locust invasion in the second half of FY20, exacerbated the slowdown that had commenced in the first half of FY20 caused by heavy rains and flooding. Covid-19 mobility restrictions are having an effect on domestic demand, while the global economic slowdown is expected to reduce exports, tourism, remittances, and cause a sizable deceleration in FDI inflows and government project financing.⁵ Earlier growth estimates for FY20 and FY21 have been revised downwards from approximately 4 percent to between 2.9 and 3.7 percent. The decline in real GDP growth could be even larger if the Covid-19 outbreak continues to weigh on the global and regional economy into the second half of 2020 and early 2021, and/or

¹ <https://data.worldbank.org/country/uganda>.

² <https://data.worldbank.org/country/uganda>.

³ USAID, Estimating District GDP in Uganda, Nov 2017

⁴ Poverty Maps of Uganda, Uganda Bureau of Statistics

⁵ In the wake of Covid-19, exports are expected to decrease in response to shrinking global demand and border restrictions, travel to Uganda and tourism revenues will decline sharply, remittances from Europe, the Middle East and Africa will fall, and FDI into the nascent oil industry and the mining and manufacturing sectors will almost certainly be delayed.



if Uganda faces a more widespread pandemic that requires extended periods of mobility restrictions. Preliminary estimates suggest that Covid-19 could add as many as 3 million poor in Uganda and increase poverty incidence by as much as 8.2 percent.

5. **The deterioration in macroeconomic conditions due to the COVID-19 pandemic will lead to liquidity constraints and a rapid rise of non-performing loans in the financial sector.** Stress in global financial markets has already surged to historical levels and market volatility has already spurred demand for liquidity. In the immediate term, households and Small and Medium Enterprises in Uganda will face a sharp reduction in income due to business closures under lockdown; disruption in supply chains, deliveries and payments; a fall in tourism; a fall in consumption and investment, among others, all leading to extensive job losses.
6. **As the COVID-19 pandemic unfolds, the immediate focus of the Government of Uganda (GoU) is rightly on public health imperatives, viz., enforcing social distancing, increasing testing and enhancing capacity for medical care. Once the pandemic curve is brought to a manageable level, economic recovery is expected to be one of the top priorities of the government, as will the preparation to deal with similar emergencies in future.** The proposed Project will assist Uganda's economic recovery process by supporting many vulnerable people (refugees and host communities) in the refugee hosting districts of the West Nile sub-region. Besides assisting these communities with inclusive improved all-season access to opportunities, services and markets, the Project will generate employment opportunities.
7. **Uganda is the land "bridge" for the rest of the Great Lakes region⁶, connecting its landlocked neighbors to the coastal countries.** Regional integration is indispensable for Uganda and provides great opportunity to foster trade with its neighbors. Uganda is ranked 102 in the Logistics Performance Index 2018 and infrastructure and tracking and tracing are the two areas it is ranked very low with a ranking of 124 and 123 respectively⁷. The efficiency of the transit traffic performance in the major road corridors is critical for supporting and sustaining competitive international trade in the sub-region as well as supporting the refugee settlements and host communities through the facilitation of logistics services from the various humanitarian agencies. Inefficiencies in logistics systems can have dire consequences especially during emergency situations like the spread of a pandemic (e.g. COVID-19) when uninterrupted flow of essential goods like food and medical supplies is imperative.
8. **Uganda has a longstanding history of hosting refugees, since 1942 and is currently hosting the largest number of refugees in Africa and the third largest number in the world.** By the end of February 2020, there were 1.4 million refugees and asylum seekers in Uganda and their numbers have been increasing since October 2018. South Sudanese (62 percent) make up the largest refugee population followed by refugees from the Democratic Republic of Congo (DRC) (29 percent), Burundi (3.4 percent), Somalia (2.8 percent) and others (2.8 percent) from Ethiopia, Eritrea, Rwanda and Sudan.⁸ Uganda is experiencing both protracted and ongoing forced displacement trends. The country experienced a significant increase in refugee numbers in July 2016 resulting from the inflow of refugees from South Sudan. Those newly arrived refugees were settled alongside local host communities in designated refugee settlements in the West Nile sub-region in the

⁶ Consists of Burundi, Democratic Republic of Congo, Kenya, Malawi, Rwanda, Tanzania and Uganda

⁷ <https://openknowledge.worldbank.org/bitstream/handle/10986/29971/LPI2018.pdf>

⁸ Office of the Prime Minister (OPM), Government of Uganda, February 2020 available at: <https://ugandarefugees.org/en/country/uga>



Northern region of the country. The table below shows refugee populations in refugee hosting districts in the West Nile sub-region, which is 57.4 percent of total refugee population in Uganda.

Refugee and Host Population in the West Nile Sub-region of Uganda

District	Host Population	Refugee Population	Percent of Total Refugee Population in Uganda
Yumbe	663,600	232,109	16.5
Adjumani	235,900	213,580	15.2
Arua	915,200	183,438	13.0
Obongi	48,300	122,645	8.7
Lamwo	143,800	53,334	3.8
Koboko	258,000	5,423	0.4
Total	2,264,800	810,529	57.4

9. **The West Nile sub-region is among the poorest and most underdeveloped areas of the country.** A historical lack of development in these areas combined with the significant increase and continued inflow of refugees, has added to levels of poverty and increased pressures on existing public services and infrastructure. For instance, the poverty rates in Adjumani and Yumbe districts reached 38 percent and 30 percent in 2016/17, which is considerably higher than the national poverty rate of 21 percent for the same year. This poses significant development challenges to both refugees and host communities. Post COVID-19, with the loss of lives and the decline in economic activity, poverty, inequality, and unemployment levels are expected to rise sharply.

10. **The GoU has made self-reliance central to Uganda’s refugee response with a focus on development interventions targeting refugee hosting districts.** Central to this refugee model is creating economic opportunities in and around the areas hosting refugees to benefit refugees and host communities. However, most refugee hosting areas are in rural and remote locations that increase the challenges for local economic development. About 54 percent of refugees still depend on humanitarian assistance as their main source of livelihood.⁹ Many refugees and hosts have limited access to productive employment, income-generating opportunities and lack human capital. Social impacts are circumscribed by the underlying poverty and vulnerabilities exacerbated by weak basic social services delivery, poor infrastructure, and limited market opportunities in the refugee hosting settlement areas that impacts refugees and host communities alike.¹⁰ Nonetheless, refugees present an untapped source of human capital. Refugees are active economic actors, entrepreneurs, with diverse economic lives engaged in a variety of income generating businesses. As refugees live alongside local hosting communities, there is clear economic interdependence between the co-habiting communities and evidence of trade activity between settlements, the wider Ugandan market and cross border trade. Traders from South Sudan and DRC visit the settlements regularly to supply as well as source goods and services. This presents an opportunity for local economic development that can address market constraints. The provision of an all-weather road transport infrastructure will help ease the burden

⁹ World Bank 2019, Informing the Refugee Policy Response in Uganda, Results from the Uganda Refugee and Host Communities 2018 Household Survey

¹⁰ <https://www.worldbank.org/en/topic/fragilityconflictviolence/brief/ugandas-progressive-approach-refugee-management>



on the other sectors by enhancing connectivity of the host population and refugees to markets. The existing road infrastructure in West Nile Sub-Region is of poor quality and not motorable especially during rains. Access to health facilities and referral medical units is also encumbered by the dilapidated road network.

11. **Uganda was ranked 127th out of 162 countries in the 2018 Gender Inequality Index¹¹.** Prevalence rates of gender-based violence (GBV) in Uganda are high. According to the Uganda Demographic and Health Survey (UDHS)¹², 56 percent of women have experienced spousal violence and 22 percent sexual violence. The figures for Violence Against Children (VAC) are also high, with 59 percent of females and 68 percent of males reporting experiencing physical violence during childhood.¹³ Adolescent girls in Uganda are more likely to be poor, miss out on school and are at a greater risk of contracting HIV.¹⁴ Of Ugandans ages 13-17 years, one in four girls and one in ten boys reported sexual violence in 2015.¹⁵ Nearly a quarter of teenage girls in Uganda become pregnant.¹⁶ The intersection with poverty and lack of access to education is the greatest risk to violence against adolescent girls, particularly in rural areas. Refugee women/girls are at high risk of several forms of GBV including sexual exploitation and abuse (SEA), rape, forced and child marriage and intimate partner violence (IPV)¹⁷. Socio-cultural norms, economic insecurity, alcohol and substance abuse, weak law enforcement, limited response services and capacity and, weak social support systems were identified as the key drivers of GBV in the refugee camps. Studies also reveal that women in the refugee camps are vulnerable to different forms of violence, including continuation of sexual violence cases against women coming from South Sudan¹⁸. Analysis from a qualitative study showcased that GBV increases during harvest time and when families receive cash payments, driven by conflicts over the use of income.¹⁹ GBV is also linked to women and girls (particularly refugees) acquiring fuel.
12. **Gender inequalities are prevalent in refugee camps in Uganda.** Women and children comprise 82 percent of Uganda's overall refugee population, about 56 percent of refugees are below the age of fifteen, and 25 percent are younger than five years of age²⁰. School enrollment and retention rates among girls in the refugees hosting districts are exceptionally low, a result of their domestic responsibilities, child marriage, teenage pregnancy, long distances to schools, and lack of sanitation facilities and supplies, among other factors²¹. A quantitative data collection in 18 refugee settlements across Uganda reveals that the capacity of younger people to engage in the labor market and become employable depends on their level of education. Around 77 percent of women have only reached primary education which means that young women are less likely to compete in the labor market. The lack of formal jobs in refugee settlements leads

¹¹ This index reflects gender-based inequalities in three dimensions – reproductive health, empowerment, and economic activity. http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/UGA.pdf.

¹² Uganda Demographic and Health Survey (2016), Uganda Bureau of Statistics (UBOS) and ICF.

¹³ Uganda Violence Against Children Survey, Ministry of Gender, Labour and Social Development (2015).

¹⁴ UNICEF: Situation Analysis of Children in Uganda, , Ministry of Gender, Labour and Social Development, 2015

¹⁵ Government of Uganda: Violence Against Children Survey (VACS) Report, , Ministry of Gender, Labour and Social Development, 2018

¹⁶ Uganda Demographic and Health Survey (2016), Uganda Bureau of Statistics (UBOS) and ICF

¹⁷ UNHCR, 2016, 5-Year Interagency SGBV Strategy, Uganda

¹⁸ Northern Uganda and West Nile Humanitarian Development Report – Second Issue- January-February 2018, UN Agencies.

<http://ug.one.un.org/sites/default/files/documents/UNACNorthern%20Uganda%20and%20West%20Nile%20Humanitarian%20and%20Development%20Report%20-January-February%202018.pdf>, p. 2.

¹⁹ South Sudan Regional Refugee Response Plan, UNHCR, 2018

²⁰ Informing the Refugee Policy Response in Uganda: Results from the Uganda Refugee and Host Communities 2018 Household Survey. Washington DC, World Bank, 2019.

²¹ Uganda's Education Response Plan for Refugees and Host Communities. Ministry of Education and Sports, 2018



women to support their family incomes through their involvement in the informal economy, such as selling wood or providing casual labor. Besides this situation creating a double burden on their work, these activities put women at risk by making them travel to unsafe areas or at dangerous times, such as through refugee settlements and surrounding areas, where demand exists for domestic work.²² Women also face more financial barriers compared to men: while men have more potential to earn an income, women are often responsible for care activities at home and spend less time for paid employment.²³ Due to COVID-19, gender impacts will be substantial as even more women derive their livelihoods disproportionately from the informal economy. Mobility restrictions combined with economic stress and isolation could increase GBV.

13. **Uganda has achieved significant progress in addressing risks of GBV in the country portfolio.** Sixteen projects have been retrofitted to address risks of GBV including SEA. Development Response to Displacement Impacts Project – P152822 (DRDIP) has specific measures to identify, mitigate and respond to GBV and VAC in both refugees and hosting communities. All the GBV retrofitted projects have developed a GBV action plan that is being implemented, have staff/workers/community members trained on GBV/SEA risk mitigation, GBV/SEA entry point created and provision of GBV prevention and response services within the project. DRDIP has also supported an analytic study to better understand GBV services and gaps across refugee and host communities which the project will utilize to ensure contextualized activities. To manage GBV risks, the Project incorporates lessons learned from the implementation of the World Bank Good Practice Note Addressing Gender Based Violence in Investment Project Financing involving Major Civil Works in Uganda where significant progress has been made in preventing and mitigating risks of SEA/Sexual Harassment (SH) in 16 projects.
14. **In accordance with the Refugee Act (2006) and Refugee Regulations (2010), the GoU has developed national frameworks with an inclusive approach, granting refugees freedom of movement and the right to work, establish business, and access public services such as education, on par with nationals.** NDP II provides for refugee management and protection as a priority in development planning. Refugee response is coordinated by the Office of the Prime Minister (OPM) and guided by the Comprehensive Refugee Response Framework (CRRF), launched by the OPM and the United Nations High Commissioner for Refugees (UNHCR) in March 2017. To bridge the gap between humanitarian and development approaches, the Refugee and Host Population Empowerment (ReHoPE) policy framework was launched in 2017 by the GoU in collaboration with United Nations agencies and the World Bank. It provides guidance for a comprehensive response to address refugees' and host communities' needs and to build the capacity of hosting districts in planning and providing services to refugee and host communities.
15. **The World Bank, following consultation with UNHCR, has determined that Uganda's refugee protection framework remains adequate for the purpose of accessing financing from IDA Window for Host Communities and Refugees (WHR).** Uganda is recognized globally as having one of the most aligned refugee policies with the Global Compact on Refugees. Not only is Uganda a state party to international or regional instruments protecting refugees, its laws, policies and practices are largely consistent with international refugee law, guaranteeing non-refoulement and adequate protection for refugees and asylum seekers. Uganda has ratified the 1951 Refugee Convention and the 1967 Protocol relating to the Status of Refugees, albeit with seven reservations to the former. The country has also ratified the 1969 OAU Convention

²² World Bank. Uganda Development Response to displacement Impacts Project. Understanding and Addressing Gender-Based Violence in Livelihood Subprojects, p. 1.

²³ Bridging the Mobile Gender Gap for Refugees, Mobile for Humanitarian Innovation, 2019.



Governing the Specific Aspects of Refugee Problems in Africa as well as nine core international and regional human rights instruments relevant for refugee protection. These are domesticated into Uganda's legal system through the 2006 Refugee Act and its 2010 Regulations as well as other laws which accord protection to life and liberty of all persons, such as the Bill of Rights in the 1995 Constitution and the Penal Code Act. The Refugee Act guarantees refugees' fundamental rights, including the rights to: work; enjoy freedom of movement; own property and access social services.²⁴ The Refugee Regulations stipulate the integration of refugee matters in national development plans and that refugee concerns are taken into consideration in the initiation and formulation of sustainable development and environmental plans.²⁵ Uganda's asylum policies and protection framework advance the integration of refugees and fosters an enabling environment for them to live in safety, dignity and in harmony with host communities. Uganda is also implementing the CRRF in accordance with the New York Declaration for Refugees and Migrants that is guiding and framing all refugee related activities. These combine with the aim to ensure that the refugee response provides support to both refugees and host communities putting them on a path to self-reliance and by bridging humanitarian and development ways of working.

B. Sectoral and Institutional Context

16. **The transport sector contributes to about 3 percent of the country's GDP. Road transport is the dominant mode of transport carrying about 95 percent of freight traffic and 99 percent of passenger traffic and the traffic volume on the network has been growing at a rate of about 6 percent per year.** Uganda's road network of 151,000 kilometers (km) consists of primary network of 20,856 km of National Roads (NRs) and secondary network of about 130,000 km of District, Urban, Community and Access Roads. Eighty percent of the total traffic is carried by the NRs, which constitute only 13.8 percent of the total road network. The Ministry of Works & Transport (MoWT) is responsible for policy, planning and regulation of the road sector. The Uganda National Roads Authority (UNRA), which was established in 2006 and operationalized in 2008, manages the construction and maintenance of the NRs and the respective district, municipal and local authorities manage the secondary network.
17. **Only 3.3 percent of the road network is paved; 52 percent are gravel roads and about 45 percent are earthen roads, which do not provide all-weather connectivity and are difficult to maintain.** Only about 100-400 km of gravel NRs are being upgraded every year to paved roads. Some of the river crossings on NRs do not have bridges and traffic movement on these highways is dependent on the ferry crossings, which operate for only few hours in a day.
18. **The road network is prone to disruption by floods, is not resilient, and has only a few redundancies²⁶ but uncertainty about the future and limited resources make it difficult to plan robust mitigating measures.** Uganda is exposed to a variety of natural hazards (droughts, flooding, landslides, and heat waves). Each year, floods impact nearly 50,000 people and over US\$62 million in GDP. Uganda experiences both flash floods and slow-onset floods. Areas most prone to floods are the capital city, Kampala, and the northern and eastern areas of the country.

²⁴ Article 29 (i) Refugee Act 2006

²⁵ Article 61, Refugee Regulations 2010

²⁶ Redundancies are alternate routes



19. **According to UDHS, distance to health facilities in Uganda was reported as a serious problem to access health facilities and this is more acute in refugee-hosting districts in the West Nile sub-region.** Mortality rate is still an issue in Uganda. Fertility and mortality rates, from the 2016 UDHS, forecasted that 2 percent of women in Uganda would die from maternal causes at existing rates. Moreover, it is documented that health care services during pregnancy and childbirth and after delivery are important for the survival and well-being of both the mother and infant. This situation worsens when roads are affected by natural hazards. As per the UDHS, 40.9 percent of women between 35-49 years old reported that they have serious problems in accessing health facilities for themselves when they are sick because of distance to health care.²⁷ This situation worsens because of natural hazards like flooding, erosion and mudslides that disrupt roads, cause accidents or make roads impassable, and these are expected to increase in frequency due to climate change.

20. **Whereas 3,503 road fatalities were reported in the year 2016, the World Health Organization (WHO) estimated over 12,000 fatalities and a fatality rate of 29 per 100,000 population, higher than the average fatality rate of 26.6 percent for Africa²⁸.** With an average rate of 27.5 deaths per 100,000 population, the risk of a road traffic death is more than three times higher in low-income countries than in high-income countries where the average rate is 8.3 deaths per 100,000 population. The overall annual cost of road crashes is estimated at approximately 5 percent of Uganda's GDP but budget allocations for road safety have been less than one percent of the budget for transport sector. MoWT is the lead ministry responsible for road safety through the National Road Safety Council, a statutory body. A road safety performance review undertaken by the United Nations in the year 2018²⁹ has underscored that the core issue in addressing the road safety challenge in Uganda is implementation. Uganda has in place a National Road Safety Policy, a Non-Motorized Transport Policy, road design manuals taking into consideration most of the road safety aspects, road safety audit manual etc., but there is no effective implementation mechanism. Uganda currently does not have a functional Accident Database Management System³⁰ and in the absence of such a system, it is not practical to address the issue of underreporting as well as an analysis of the causes the accidents. Also, over 90 percent of the vehicles imported in Uganda are second hand and there is no clear mechanism to inspect vehicles on a regular basis. The high number of road accidents in major urban areas is also due to the rapid increase in the use of commercial motorcycles – Boda Bodas³¹. Road safety awareness and training is a critical requirement because of different driving rules (right hand drive) prevalent in the neighboring countries from where the refugees come.

21. **Resources are a constraint and the GoU has put in place the Roads Act 2019, which facilitates legal regime for tolling of roads. However, UNRA must substantially increase its project preparation and implementation capacity to carry out its current activities in a timely manner.** The Uganda Road Fund (URF), which was created in 2008 and operationalized in 2010 as a second-generation road fund, is significantly underfunded and covers only 26 percent of maintenance needs of NRs. Maintenance planning and preparation of investment plans are being done using the Road Asset Management System (RAMS) but the challenges to be addressed include collection of data and running the RAMS every year, training of staff

²⁷ <https://dhsprogram.com/pubs/pdf/FR333/FR333.pdf>

²⁸ World Health Organization, Global Status Report on Road Safety 2018

²⁹ UNECE: Uganda: Road Safety Performance Review Report

³⁰ A road crash database system was partially developed under the Transport Sector Development Project – P092837, a project funded by the World Bank. Its development could be completed and operationalized with a relatively small investment.

³¹ <https://www.grsproadsafety.org/programmes/countries/uganda/>



and retention of trained staff. UNRA's annual expenditure is about US\$630 million (about 11 percent for maintenance/operational expenditure and the rest for capital expenditure) as against the budget provision of about US\$1 billion and fund release of about US\$757 million. The sources of expended funds include US\$71 million from the URF, US\$122 million from the multilaterals, and the remaining US\$437 million from the government's budgetary sources. The funds released and spent against multilateral projects are significantly lower than the budgets allocated. For example, in the year 2017-18, 76.8 percent of budget allocation for multilateral projects was not spent because of various reasons³². UNRA is also preparing a few projects for private financing.

22. **The NRs that provide critical connectivity to the areas in the refugee hosting districts in the Northern region are unpaved, not all-weather roads and unable to cope with the growing traffic. Amid climate change, providing reliable access depends upon addressing potential impacts of extreme and routine events and building resilience.** The Northern region, which includes the West-Nile sub-region that hosts 57.4 percent of Uganda's refugees, has the second lowest density of paved roads in the country. Refugees from the countries of South Sudan and DRC constitute over 90 percent of the refugees in Uganda and these are mostly concentrated in the West Nile sub-region owing to its proximity to the Uganda's border with South Sudan and DRC. Often, heavy trucks laden with supplies are delayed because of the poor condition of the roads and bridges and their limited use during the rainy season. There are several initiatives being undertaken by GoU and other stakeholders to enhance self-reliance as well as provision of humanitarian assistance in these areas but these are constrained due to lack of all-weather transport infrastructure to enhance access, facilitate delivery of supplies, and benefit both refugees and host communities. The schools, health centers, water points etc. in the region need transport infrastructure for efficient delivery of their services. Even before the COVID-19 crisis, the delivery of basic services such as health, education, clean water and sanitation has been affected in the West-Nile sub-region, due to lack of all-weather road connectivity.
23. **The proposed Project seeks to improve transport connectivity in the refugee hosting districts in the West Nile Sub-region and facilitate trade, supplies and service provisions to the refugees by upgrading the 105 km-long Koboko-Yumbe-Moyo (KYM) road corridor.** The KYM road corridor is the lifeline for the host and the refugee population of the districts of Koboko, Yumbe and Moyo³³ and passes close to Bidibidi (the most populous refugee settlement in Africa), Lobule, and Palorinya refugee settlements³⁴ directly impacting 360,177 refugees³⁵ and indirectly benefiting 810,529 refugees within the region (Arua district is about 50 km from Koboko and connected to South Sudan by the KYM road, Adjumani district is about 30 km from Moyo and connected to DRC border at Oraba by KYM road). It is a gravel road with poor geometry in a few places; passes through low-lying areas and seasonal swamps; and constrained to provide all-weather connectivity. It has narrow, damaged and non-functional cross-drainage structures and the transport situation worsens during rainy season when some of the rivers and their tributaries flood and cut off access. This road corridor connects DRC and South Sudan through Uganda and is an alternate route to reach the

³² UNRA Diagnostic Study funded by the World Bank – DFID multi-donor trust fund

³³ The host and refugee population of Koboko district are 258,000 and 5,423 (2 percent of the host population) respectively, the host and refugee population of Yumbe district are 663,600 and 232,109 (35 percent of host population) respectively, and the host and refugee population of Obongi district, which is a new district carved out of Moyo district, are 48,300 and 122,645 (254 percent of host population) respectively – Source: <https://data2.unhcr.org/en/country/uga>

³⁴ Bidibidi resettlement concentration Zone 2, Lobule and Palorinya settlements are about 9 km, 6 km and 18 km away respectively from the KYM road and there are access roads to reach the settlements from the KYM road corridor.

³⁵ <https://data2.unhcr.org/en/documents/download/74603>



northern part of the country from Kampala and many other parts of Uganda in case of non-operation of ferry services on the River Nile for any reason. Along this road corridor, several international and national organizations are working on humanitarian assistance and social services catering to the needs of refugees and host communities, but their services are not efficiently delivered due to lack of transport infrastructure³⁶. Because of the gravel surface, there is severe dust in the vicinity of the KYM road corridor and the air quality is very poor. Results of baseline surveys for monitoring of air quality conducted at eight locations along the KYM road indicate that the trading centers and health centers close to the road registered relatively high values for particulate matter for both PM10 and PM2.5³⁷ due to dust. The average readings recorded at all the sites except Likidobo Village were above the Draft National Air Quality standards and the WHO air quality standards of 0.05 mg/m³ (24hr averaging) for PM10 and 0.025 mg/m³ (24hr averaging) for PM2.5. The Project location map is provided in Annex 3.

24. **The GoU has committed to a series of reforms, and the World Bank is supporting the implementation of these reforms through several projects reducing pressure on social services, infrastructure and natural resources across refugees and host communities.** GoU's reforms are outlined in the Letter of Government Policy³⁸ to bolster the country's protection framework, strengthen service delivery and promote medium-term socioeconomic solutions for refugees and host communities. The GoU has also taken several concrete policy and operational steps since the Refugee Sub-Window (RSW) eligibility assessment in 2017. It has established functional CRRF coordination mechanisms, with a senior-level CRRF Steering Group consisting of GoU, development and humanitarian partners meeting quarterly (the World Bank is a member). It is supported by a CRRF Secretariat which sits within the OPM. The GoU has taken substantive steps to progress CRRF implementation by strengthening access to integrated social services. Refugee Sector Response Plans have been developed for: education; health; water and environment, and drafts are being developed for: energy; private sector engagement; and jobs and livelihoods. These Plans provide agreed priorities and activities for development partners to support GoU strengthening of services, employment opportunities and safeguards to build the self-reliance of refugees and host communities. GoU is also building on the integration of refugees within the NDP II and extending this integration within the NDP III (2020/21 to 2024/25).
25. **UNRA has been implementing World Bank-funded transport projects in Uganda since 2008. Its capacity for management of social and environmental risks has substantially improved post suspension and cancellation in 2015 of the World Bank-funded Transport Sector Development Project – P092837 (TSDP).** The TSDP was cancelled due to contractual breaches related to workers' issues, social and environmental concerns, poor project performance, and serious allegations of sexual misconduct and abuse by contractor staff. At the same time, the World Bank also suspended the civil works components of two other World Bank-funded projects being implemented by UNRA, the North Eastern Road Corridor Asset Management Project – P125590 (NERAMP) and the Albertine Region Sustainable Development Project – P145101 (ARSDP). In June 2017, the World Bank lifted the suspension of the civil works components of NERAMP and ARSDP based on an assessment of progress made by the UNRA in addressing issues that led to the

³⁶ Several agencies are actively operating in the project area; War Child Canada, UNHCR, OPEC Fund for International Development, Saudi Fund for Development, Arab Bank for Economic Development in Africa, Care International, UNICEF, World Vision Uganda, JICA, the American Refugee Committee, Danish Refugee Council, International Rescue Committee, European Union Trust Fund etc.

³⁷ PM10 is particulate matter 10 micrometers or less in diameter, PM2.5 is particulate matter 2.5 micrometers or less in diameter.

³⁸ Provided by the Minister of Finance, Planning and Economic Development on 30 August 2017 as part of GoU's request for IDA18 RSW support.



suspension. The assessment found that UNRA had made progress in strengthening its capacity to manage its roads program, in areas including contract supervision and a more systematic approach to environmental and social safeguards management. The World Bank's assessment also recognized a change in culture and commitment within UNRA to engage communities and deliver projects in a way that enhances positive social impacts and addresses labor influx issues³⁹.

26. **Since 2015, UNRA has taken several steps to enhance its capacity in managing environmental and social risks, especially in the areas of institutional setup, systems and procedures, preparation of safeguards' documents, monitoring, stakeholder engagement, grievance management, and on-site engagement through Nominated Service Providers (NSPs).** As part of its institutional setup, UNRA has established an exclusive unit (Department of Environmental and Social Safeguards) to manage the environmental and social risks and its current staff⁴⁰ are 39. UNRA now has a partially operationalized Environmental, Social, Health and Safety Management System, supplemented with checklists, reporting templates and protocols. This system is now being updated to be compliant with ISO 14001:2015, with the support of the European Union (EU). UNRA is now carrying out Environmental and Social Impact Assessments and preparing Resettlement Action Plans for all its projects following a consultative process. Self-reporting by all projects on a monthly basis and quarterly monitoring by UNRA is carried out to assess the contractor's compliance to Environmental, Social, Health and Safety requirements. Collaboration with government's internal stakeholders and engagement with external stakeholders has been strengthened. UNRA has signed Memorandums of Understanding with the Ministry of Gender, Labour and Social Development (MoGLSD), Justice Centers Uganda, National Forestry Authority, and Uganda Wildlife Authority, and established referral pathways with Police. A computerized Grievance Management System (GRS) is in place and Grievance Management Committees (GMC) are functioning in UNRA's 32 projects. The project will further establish different SEA/SH entry points within the Grievance Redress Mechanism (GRM) for survivors to place complaints and be safely referred to appropriate service providers. All projects implemented by UNRA have NSPs to manage GBV, VAC, and HIV/AIDS.
27. **All the remedial actions which were identified in the Management Action Plan following the Inspection Panel Report have now been addressed in TSDP. A final report on the Management Action Plan has been submitted to the Board in May 2020.** The World Bank, on June 26, 2020, lifted the suspension of civil works in ARSDP after UNRA implemented the agreed action plan. The reason for stoppage of civil works in ARSDP was the lapse in the health and safety culture of the contractor. On June 26, 2020, the World Bank provided a conditional no-objection to UNRA to lift the 'Stop the Works' notice that was issued on November 6, 2019 for NERAMP. The reasons for the stoppage of civil works in NERAMP were non-compliances in management of environmental and social safeguards.

C. Relevance to Higher Level Objectives

28. **The Project supports the World Bank's twin goals of ending extreme poverty and promoting shared prosperity, through building resilient infrastructure in the refugee-hosting districts of West Nile Sub-region in Northern Uganda, one of the most social-economically underdeveloped regions of the country.** The project also supports the World Bank's corporate focus on fragility and conflict by attempting to reduce regional economic disparities, which risk inciting conflict.

³⁹ <https://www.worldbank.org/en/country/uganda/brief/uganda-transport-sector-development-project-fact-sheet>

⁴⁰ Includes 13 permanent staff, 20 contract staff, and 6 technical advisors



29. **The Project will address the World Bank’s high-level corporate priorities on climate change and gender.** The Project road corridor is designed to be climate resilient and operate in all-weather conditions with appropriate cross-drainage structures, bridges, road embankments and slopes. The project also aims to enhance the climate resilience of the communities through improved access to trade and services, and of the transport sector more broadly by strengthening institutional capacity, early-warning systems and road user awareness campaigns. The Project design appropriately incorporated the feedback received from the women during stakeholder consultations. The project will pay attention to the factors that might impede women from participating in productive activities and other value-added activities.
30. **The Project is aligned with the FY 2016–2021 World Bank Group Country Partnership Framework (CPF)⁴¹ for the Republic of Uganda.** The framework’s three strategic focus areas include (A) Strengthening governance, accountability and service delivery; (B) Raising incomes in rural areas; and (C) Boosting inclusive growth in urban areas. The project addresses focus areas A and B by contributing to the second CPF objective of improving social service delivery, the third CPF objective of increasing agricultural commercialization, and the fourth CPF objective of enhancing resilience of the poor and the vulnerable, by supporting transport infrastructure in some of the poorest and least connected districts of the country in which there is a significant refugee population. Specifically, the CPF supports Uganda in expanding its system of safety nets for those in poverty and providing durable development solutions to ease pressures on host communities caused by inflows of refugees from neighboring, conflict-affected countries.
31. **The World Bank Group’s program in Uganda has been adjusted in line with the institution’s response to Covid-19 as well as other crises facing the country.** This included rapidly developing several new initiatives, adjusting existing programs, and delaying planned programs to make room for higher priority operations responding directly to Covid-19. In so doing, the World Bank Group’s Covid-19 response in Uganda spans the relief, restructuring and resilient recovery phases outlined in the Covid-19 Approach Paper.
- a. In the **Relief** stage, the World Bank: immediately triggered a \$15 million Contingent Emergency Response Component (CERC) in the Uganda Reproductive, Maternal, and Child Health Services Improvement Project (URMCHIP, P155186) in March 2020; approved the Uganda Covid-19 Emergency Response Project (\$15.2 million, P174041) under the Covid-19 Fast Track Facility (FTF) which also included Uganda’s payout from the Pandemic Emergency Fund; and supported remote learning and preparations for school reopening by launching a \$14.7 million Covid-19 Response Education Project (P174033) with financing from the Global Partnership for Education. The World Bank also postponed significant portions of the FY20 pipeline to create space for an Emergency Covid-19 Economic Crisis and Recovery Development Policy Financing operation (P173906, \$300 million) focusing on expanding safety nets, cushioning the impact on businesses, as well as addressing longstanding reform issues such as increased debt transparency, improved targeting of agricultural subsidies and measures to address GBV and SEA.
 - b. To support the **Restructuring** phase, the World Bank has frontloaded \$800 million of Uganda’s IDA19 \$1.9 billion country allocation for delivery in early FY21, accessed \$209 million remaining in the country’s IDA18 RSW allocation and will program approximately \$150 million of the country’s allocation under the IDA19 WHR and a new Scale-Up Window allocation of \$150

⁴¹ The World Bank Report No. 101173-UG.



million. These resources will be used to deliver support for this operation (\$130.8 million), maintaining fiscal transfers for local service delivery (P172868, programmed for \$300 million), expanding access to finance for enterprise and employment recovery (P171607, programmed for \$200 million), accelerating digital innovations (P171305, \$200 million), and scaling up access to electricity (P166685, programmed for \$400 million).

- c. The **Resilient Recovery** phase already benefits from ongoing implementation of recently approved FY20 operations that focus on strengthening climate resilience, including the Irrigation for Climate Resilience Project (P163836, \$169 million) and the Investing in Forests and Protected Areas for Climate-Smart Development Project (P170466, \$148 million). Potential operations in FY22 (after the election period) include the Greater Kampala Metropolitan Development Program to strengthen resilience in the urban landscape and Climate Smart Agriculture and Agribusiness Development (P173296).

32. **The Project is fully consistent with the aims of interventions of IDA 19 Window for Host Communities and Refugees and broader World Bank objectives for Fragility, Conflict and Violence (FCV).** The Window underpins the development approach to forced displacement, supporting commitments by host governments to enact policy change and address the social and economic dimensions of refugee situations through interventions that aim to (a) make a shift from crisis response to managing risks, (b) support host communities and lagging regions, (c) move towards social and economic inclusion, and (d) take regional and country-level approaches. The Project interventions help in (a) mitigating the shocks caused by inflow of refugees and creating social and economic development opportunities for refugees and host communities, (b) facilitating sustainable solutions to protracted refugee situations, and (c) strengthening preparedness for increased or potential new refugee flows. The Project will construct an improved transport link between two FCV affected countries (South Sudan and DRC) and in doing so play an important role in rebuilding lives and providing economic opportunities to communities bordering Uganda by strengthening trade links between these countries and into Uganda's economic center.
33. **Upgrading of the KYM corridor complements other investments by the World Bank Group in Uganda as part of the Uganda Forced Displacement Program.** The development objective of the World Bank's forced displacement program in Uganda is to help secure the sustainability of the Government's progressive policies and practices. The World Bank's support focuses on (i) boosting resilience to refugee shocks, in part by supporting the integration of the refugee response in sectoral strategies and district development plans; (ii) promoting sustainable solutions for protracted refugee situations; and (iii) strengthening emergency preparedness and synergizing humanitarian and development interventions. The World Bank is supporting refugees and host communities in all refugee hosting districts (except Kampala) through four ongoing⁴² and three other pipeline projects⁴³. These interventions improve access to basic services, expand economic opportunities, enhance environmental management and local government capacity and enhanced adequacy and equity of fiscal transfers to Local Governments. Operations also respond directly to GoU's approach to the refugee response in Uganda and implementation of the CRRF objectives in Uganda in

⁴² Development Response to Displacement Impacts Project – P152822 (DRDIP), DRDIP - Additional Financing – P164101, Uganda Support to Municipal Infrastructure Development Project - Additional Financing – P163515, and Uganda Integrated Water Management and Development Project – P163782

⁴³ Uganda Secondary Education Expansion Project – P166570, Investing in Forests and Protected Areas for Climate Smart Development Project – P170466, Uganda Intergovernmental Fiscal Transfer - Additional Financing – P172868



enhancing self-reliance and speedy transition from humanitarian to development solutions, addressing long term needs of refugee hosting communities and mitigate shocks from refugee inflows.

34. **The proposed Project will complement a range of World Bank operations funded under the RSW for an overall portfolio supporting implementation of GoU priorities for the CRRF to build self-reliance for refugees and host communities.** Social services and community infrastructure are being strengthened and sustainably managed in the West Nile under the DRDIP and the pipeline projects (Uganda intergovernmental Fiscal Transfer Project – P172868 and Uganda Secondary Education Expansion Project – P166570). Uganda Integrated Water Management and Development Project – P163782 is transitioning humanitarian water supplies to sustainable development managed utilities. The KYM corridor will facilitate efficient access to these social services. DRDIP is also expanding economic opportunities. The proposed Project will build on this through its Livelihood Restoration Plan and supplement these activities by improving the overall employment enabling environment by facilitating access to markets. The Investing in Forests and Protected Areas for Climate-Smart Development Project – P170466 (which is currently in pipeline) plans to strengthen forestry and land degradation which will complement environmental safeguards of the proposed Project.
35. **The Project will implement the GoU policies to strengthen access to markets and meet infrastructure needs for refugees and host communities whilst progressing UNRA’s ability to meet community safeguards in refugee hosting Districts.** The Project is well aligned with the Settlement Transformation Agenda (STA)⁴⁴ integrated within NDP II that recognizes that refugee-hosting areas are in need of special attention due to the added demands of hosting displaced populations noting pressures on existing public service delivery systems and infrastructure. It will also address the priorities of linking access to markets with infrastructure outlined in ReHOPE⁴⁵ consistent with the CRRF. The Project also addresses four of the five main policy messages identified in the World Bank’s analytic study ‘Informing the Refugee Policy Response in Uganda’⁴⁶, namely: building refugee self-reliance; activating refugees into the local labor market; enhancing the productivity of refugees within the local labor market; and investing in the access to basic services in host communities to contribute to their development and peaceful co-existence. The Project will also strengthen UNRA’s capacity to work more effectively in refugee hosting areas by building its capacity to mitigate social and environmental safeguard risk associated with refugee communities. This is consistent with the overall CRRF Roadmap⁴⁷ policy aims of better integrating refugees within national systems and local government planning and operations.
36. **The Project strongly complements the interventions being undertaken by the other Development Partners in addressing the needs of refugees and host communities.** There are several institutions working in the Project area supporting the GoU in refugees’ welfare and inclusion in the host country’s socio-economic structures and betterment of the host communities. The transport infrastructure that is envisaged under the Project will enhance access, facilitate delivery of supplies, and benefit both refugees and host communities. The Project will also complement the similar transport infrastructure being planned by the other Development Partners such as the Japan International Cooperation Agency (JICA), EU, and the African Development Bank (AfDB) -- EU is financing the upgrading of the 66 km-long Atiak-Laropi road, AfDB is set

⁴⁴ As outlined by Uganda’s Minister of Foreign Affairs at ‘Uganda’s Transformational Approach to Refugees and Host Communities’.

⁴⁵ <https://data2.unhcr.org/en/documents/download/64166>

⁴⁶ <http://documents.worldbank.org/curated/en/571081569598919068/Informing-the-Refugee-Policy-Response-in-Uganda-Results-from-the-Uganda-Refugee-and-Host-Communities-2018-Household-Survey>

⁴⁷ <https://data2.unhcr.org/en/documents/details/64290>



to finance the 28 km-long Laropi-Moyo-Afoji road including the bridge across River Nile, and JICA is involved in upgrading the 24 km-long Manibe-Yumbe road.

37. **The Project is in line with the GoU's Vision 2040 and the NDP II**, which has five key priority areas and continues the strong focus on infrastructure development and commercialization of agriculture.
38. **The Project is in alignment with Uganda's policies for refugees as well as GoU priorities as identified in NDP II and NDP III.** The Project aligns with GoU's refugee policies with the objective of contributing to the implementation of the STA on the ground by addressing one of the identified constraints in delivering services to the refugee-hosting Districts in West Nile Sub-region.
39. **The Project will contribute to environmental benefits by building resilience in the transport network in the Northern region (specifically in the West Nile sub-region).** The Project road corridor is an alternate route to reach the northern part of the country (especially the Districts of Moyo and Yumbe) from Kampala and many other parts of the country in case of non-operation of ferry services on the river Nile for any reason. This will lead to shorter distances and travel times to reach the northern towns and possible reductions in greenhouse gas emissions.
40. **The Project is expected to enhance the reach of social benefits by connecting various refugee and host communities with the transport network.** This will lead to economic integration and livelihoods improvements of both the host communities and refugee settlements by improving connectivity, access to social services, improve access to markets and supply of goods and services, and job opportunities.

II. PROJECT DESCRIPTION

A. Project Development Objective

PDO Statement

41. The Project Development Objectives are to enhance: (a) road transport connectivity in select refugee hosting districts of Uganda; and (b) the capacity of Uganda National Roads Authority to manage environmental, social and road safety risks.

PDO Level Indicators

42. The PDO level indicators are:
 - (a) enhance road transport connectivity in select refugee hosting districts of Uganda
 - (i) Percentage decrease in travel time on the Project road corridor dis-aggregated by buses, motorbikes, and trucks (modes used by refugees/hosts and for trade)
 - (ii) Percentage decrease in Vehicle Operating Costs on the Project road corridor dis-aggregated by



- buses, motorbikes, cars, and trucks (modes used by refugees/hosts and for trade)
- (iii) Time of closure of Project road corridor in a year for movement of trucks (days)
- (iv) Percentage increase in trade volumes using the Project road (dis-aggregated by refugees, hosts)

(b) enhance the capacity of UNRA to manage environmental, social and road safety risks

- (v) Fully operational Environmental and Social Management System in place
- (vi) Crash data entered into system, publicly reported, and used in decision making (yes/no)
- (vii) Annual Number of fatalities or serious injuries involving construction vehicles or at construction sites

B. Project Components

43. The project will have the following components as detailed below.
44. **Component 1: Road Upgrading Works (Total US\$145.8 million; IDA: US\$125.8 million equivalent, GoU: US\$20 million).**
- 1(a) Upgrading - to bituminous paved road standard - and widening of about 105 km of Koboko-Yumbe-Moyo road corridor.
 - 1(b) Carrying out supervision of civil works under part 1(a) of the Project.
 - 1(c) Carrying out environmental and social risks management (including implementation of action plans to address among others gender-based violence, sexual exploitation and abuse, violence against children and HIV/AIDS), monitoring and evaluation, third party integrated performance audits and road user satisfaction surveys.
 - 1(d) Preparation of Project's environmental and social risk management documents as well as detailed engineering designs of civil works and carrying out land acquisition, and resettlement and rehabilitation associated with upgrading works under Part 1(a) and maintenance of the road corridor for five years post-construction.
45. This component will support civil works for widening and upgrading of the approximately 105 km-long Koboko-Yumbe-Moyo road corridor to bituminous paved road standards adopting the World Bank's guidelines and requirements with respect to the procurement, social and environmental safeguards. The works will be maintained for a period of five years post completion of construction of works. This component will also support the associated (i) construction supervision consultants, (ii) third-party audit consultants to perform semi-annual integrated performance audits covering, among others, engineering designs, management of social and environmental issues including implementation of the SEA/SH action plan, and quality assurance, (iii) safeguards management consultants for implementation of the Resettlement Action Plans, (iv) Consultants/Non-Governmental Organizations for implementation of Gender Based Violence, Violence Against Children, and HIV/AIDS action plans, (v) Road User Satisfaction Survey consultants to carry out baseline, midterm, and end-stage user satisfaction surveys - disaggregated by gender, refugees and hosts, (vi) consultants for monitoring and evaluation of Project's outcome and intermediate indicators; and (vi) preparation of environmental and social risk management documents as well as detailed engineering designs of civil works and carrying out land acquisition, and resettlement and rehabilitation.



46. The grant would finance the construction cost of civil works and costs of construction supervision consultants, third-party audit consultants, safeguards management consultants for implementation of Resettlement Action Plans, consultants/NGOs for implementation of GBV, VAC, and HIV/AIDS action plans, Road User Satisfaction Survey consultants, and monitoring and evaluation consultants during the construction period. All the remaining costs, including the costs of maintenance during the maintenance period, preparation of environmental and social risk management documents as well as detailed engineering designs of civil works, land acquisition, and resettlement and rehabilitation will be met through the government funds. The scope of civil works will include widening of formation width, pavement strengthening and widening, rehabilitation of existing structures, earthworks, construction of new pavement, structures, drainage facilities, improvement of junctions, and provision of road safety features. The designs, as a minimum, will conform to the relevant standards, codes and manuals of the MoWT and incorporate features to enhance climate resilience and road safety. Climate change adaptation measures include realigning the road network to reduce exposure to natural hazards, raising road formation levels with due consideration to maximum flood levels, adjusting the embankment slopes, enhancing drainage, improving road permeability, using under drains, introducing debris deflectors, conducting scour checks, preventing erosion, using roads for water management, monitoring conditions and establishing early warning systems, and improving pavement and bridge design. In keeping with the findings from the gender assessment and stakeholder consultations, the designs also include service roads, pedestrian sidewalks and crossings, roadside vending facilities, bus bays, speed calming measures, and lighting in urban areas. Also, to alleviate barriers for women employed in Project civil works, contractual provisions will be included to provide adequate and safe basic amenities such as separate toilets, changing rooms etc. For non-skilled labor, the Contractors shall be encouraged through contractual provisions in the bidding documents to hire such labor from the host community and refugees – including females to provide job-opportunities and reduce labor influx by external labor-force.
47. **Component 2: Institutional Strengthening (Total US\$3 million; IDA: US\$3 million equivalent).**
- 2(a) Strengthening Uganda National Roads Authority capacity for managing social and environmental risks in particular in refugee hosting districts.
 - 2(b) Reviewing and strengthening environmental, social, health and safety management system as well as supporting its piloting including annual system audits.
 - 2(c) Acquiring and using in-situ pollution monitoring equipment.
 - 2(d) Analyzing mobility patterns of – and mobility barriers for – refugees and host population (disaggregated by gender) to inform mobility plans and the design of potential pilots for refugees to benefit from road upgrading.
 - 2(e) Enhancing Uganda National Roads Authority capacity for promoting women’s (refugees and in host communities) participation in cooperatives.
 - 2(f) Strengthening skills in handling climate change and natural disasters risks in refugee hosting areas and improving contingency planning and the climate resilience of local communities (including through by enhancement of early warning systems and update of the road design manuals and specifications for civil works to account for climate change parameters).
48. This component will support Uganda National Roads Authority in (a) management of social and environmental risks with focus on managing risks in refugee areas through acquiring new skill sets required, (b) review and strengthening of Environmental, Social, Health and Safety Management System and its



piloting including annual system audits, (c) acquiring and use of in-situ pollution monitoring equipment, (d) analysis of mobility patterns and barriers disaggregated by gender for refugees and host population to inform mobility plans and the design of potential pilots for refugees to benefit from road upgrading, (e) institutional capacity building for promoting women's (refugees and in host communities) participation in cooperatives, and (f) strengthen the skills in handling climate change and natural disasters risks in refugee hosting areas, improve contingency planning and the climate resilience of local communities by enhancement of early warning systems and update of the Road Design Manuals and Specifications for civil works to account for climate change parameters.

49. **Component 3: Road Safety (Total: US\$2 million; IDA: US\$2 million equivalent).**

- 3(a) Development and operationalization of a Road Accident Database Management System.
- 3(b) Undertaking training and awareness campaigns on road safety in the Project Area.

50. This component will support the UNRA in (a) completion of development and operationalization of a Road Accident Database Management System disaggregated by gender, refugee and host community, and (b) training and awareness campaigns to the school children, motorbike drivers, truck drivers, and refugee and host population in the Project area differentiated for refugee and host community audiences. The Road Accident Database Management System will collate all data associated with road accidents including data that can be attributed to climate change such as poor visibility, slippery surface, flooding, poor riding quality of pavement surface etc.

51. **Component 4: Contingent Emergency Response Component (Total: US\$0 million; IDA: US\$0 million).** Providing preparedness and rapid response measures to address disaster, emergency and/or catastrophic events, in accordance with the applicable CERC Manual.

52. This component will support UNRA in accessing resources for eligible expenditures to provide immediate and effective response in case of an eligible emergency for the benefit of refugees and host communities upon a formal request from the Government of Uganda and will use IDA Immediate Response Mechanism.

53. **Upgrading of KYM road corridor will result in several benefits to refugees and host population in the West Nile Sub-region.** Resilience is a key feature of design solutions that will be adopted to address climate vulnerability and the Project road corridor will have road safety improvement measures (such as signs, markings, speed-calming measures, service roads and segregation of traffic in urban stretches, pedestrian facilities, well-designed junctions, crash-barriers etc.) and would lead to reduced travel time, lower breakdowns/overhaul of relief supply trucks and provision of a safe and reliable conduit for travel of goods and people all through the year. The districts of Koboko, Yumbe and Moyo are agriculture intensive and upgrading of the Project road corridor would help in quicker transport of the agriculture products to the centers of consumption in Western/Central Uganda, increase trade, and uplift the economic condition of the region. This is even more important in the wake of COVID-19 which increases food insecurity, which is already affected due to poor weather and locusts, with local shortages and price spikes of key staples. Trade with South Sudan and DRC is expected to improve because of the direct reliable connection the Project road corridor will provide. It will create direct/indirect job opportunities, improve access to health facilities and educational institutions, and enhance tourism potential in the areas traversed by the Project road corridor such as Metu Hills, Lodonga Catholic Basilica, and the River Nile. The COVID-19 pandemic has not only



highlighted the need for enhancing the resiliency and efficiency of transport connectivity between the agrarian West-Nile sub-region and the rest of the country but also the need to improve local food supply chain.

54. **The KYM road corridor will increase the livelihood opportunities within the West Nile sub region for refugees and host communities.** The economies of Koboko, Yumbe and Moyo districts are heavily dependent on agriculture. Agriculture is also the main sector of employment for both refugees and the host community.⁴⁸ Major food crops produced in these districts include sweet potatoes, cassava, maize, bananas, sorghum, beans and tobacco with a market target of up to 71 million people⁴⁹. The production potential for major food crops in Koboko is estimated at 42,000 metric tons⁵⁰, 80,000 metric tons in Yumbe⁵¹ and 40,000 metric tons in Moyo⁵². There is also evidence of existing private sector engagement in these districts. For instance, recognizing the large-scale potential for oil seed production in the West Nile region, one of the biggest private companies in East Africa often travels to settlements to source raw materials (sunflower seeds) to be used in the production of oil. In addition to agricultural activities, the population along the Project corridor is also engaged in various businesses across industries, notably general merchandise, transport services, financial sector, small trade and agri-business. The locals also engage in general retail and wholesale, metal and wood fabrication, art and crafts production, fish farming and livestock farming (i.e. animal husbandry). With the recent opening of the Yei-Juba road and improved security, business has flourished along the project nexus and has attracted many traders in the sub region. Refugees are involved in economic activities such as agriculture, retail business and providing casual labor. Indeed, the Bidi Bidi refugee settlement has various markets where refugees sell products, entrepreneurs have set up small shops to fix motorcycles, build furniture and sell goods.
55. **The KYM road corridor will improve connectivity, enhance access to market and strengthen economic growth within the West Nile sub-region which will drive more opportunities for those transitioning from education and training into employment.** Comprising of both locals and refugees from DRC and South Sudan, the population in Koboko is endowed with an industrious, skilled and productive workforce on account of the technical institutions in the district which offer training in business and accounting, information and communication technology, building and construction, engineering, office administration and public health and nursing amongst others. Similarly, technical institutions in Moyo offer training in areas of automotive repairs, building construction, electrical installation, electrical repairs and electronics, information and communication technology, tailoring, clothing, footwear and textiles.
56. **The communities impacted by the Project can be divided into three groups which will benefit in slightly different ways: host communities; refugees in settlements; and refugees living within the host communities.** All three will benefit from the increased access to markets and an improved economic enabling environment. The host community members and refugees living outside of settlements will benefit from the increased access to social services along the KYM road corridor. Refugees in the camps – who

⁴⁸ World Bank 2019, Informing the Refugee Policy Response in Uganda, Results from the Uganda Refugee and Host Communities 2018 Household Survey.

⁴⁹ www.koboko.go.ug, www.yumbe.go.ug, www.moyo.go.ug, Koboko, Yumbe and Moyo are prime investment sites based on their strategic location within a large market of the population in South Sudan, North and Eastern DRC and Uganda of approximately 71 million people.

⁵⁰ Koboko District Investment Profile – Uganda Investment Authority.

⁵¹ Yumbe District Investment Profile – Uganda Investment Authority.

⁵² Moyo District Investment Profile – Uganda Investment Authority.



receive most services in the camps, except for needing access to the Arua Regional Referral Hospital - will also benefit from the improved road, which will enable camp staff and supplies to travel in a more timely and predictable manner and improve overall service delivery in camps. Ugandan and International staff working within the settlements providing a range of social services and lifesaving interventions will directly benefit from the road.

57. **Upgrading of the KYM road corridor will likely induce some negative externalities exposing the refugee and host communities to risks.** During upgrading/construction of the KYM road corridor, there will be labor influx, movement of heavy construction equipment, dust and noise, and road safety hazards. Due to the proximity with the conflict-affected neighboring countries, the improved road may also be used for illegal activities. The likely environmental and social risks are explained in Section IV.
58. **The Project will enhance gender inclusion and promote agency of women and girls to reduce risks of violence associated with Project’s interventions.** GBV and VAC are prevalent in both refugee and host communities located along the KYM corridor. Women and girls are disproportionately affected due to their dependence level, poverty, their limited ability to protect themselves, and limited power and participation in decision-making processes (COFEM 2018).⁵³ Further, there are social risks associated with the potential labor influx to target areas during construction activities. These include the risk of exacerbating HIV transmission, GBV including sex trafficking of women, early marriage, transactional sex, IPV, sexual relations between laborers and minors even when it is not transactional and child labor. To mitigate this, the Project will ensure that a social risk management strategy is developed for the Project in addition to ensuring appropriate social controls and requisite staffing in contractor selection and supervision phases of civil works. Specifically, a GBV Risk Assessment has been carried out and a GBV Action Plan, which benefitted from inputs by Bank’s GBV Specialists has been submitted by the client. It proposes specific measures such as the recruitment of Service Provider to carry out, relevant mapping exercises, sensitization activities, and establish response mechanisms to be implemented as part of the project and prior to contractor’s deployment into the project area. In addition, the Project will benefit from lessons and good practices from previous efforts to mitigate risks of GBV implemented by the Borrower in partnership with Civil Society Organizations (CSO), local stakeholders and MoGLSD in different parts of the country. There are a range of existing Non-Governmental Organizations (NGOs) with expertise supporting GBV cases in refugee settlements in coordination with OPM and UNHCR. The Project will seek to leverage their expertise whilst sustainably strengthening national systems to prevent and support victims of GBV.
59. **The framework guiding the management of the potential Project SEA/SH risks is detailed in the project’s GBV Action Plan and proposes actions to address potential of SH and SEA due to an influx of labor in the Project area.** The preparation of the action plan was informed by UNRA’s recent experience in addressing the issue in other World Bank funded projects. It relies on the recruitment of CSOs /NGOs with proven experience and qualifications; and presence, knowledge of the culture, socio-economic realities and way of life of the people in the Project area to: (a) enhance access of survivor to GBV services including psychosocial support, case management and legal in a safe and ethical manner; (b) handle SEA and SH cases that could be derived from the Project using a survivor centered approach; (c) establish a grievance redress mechanism with different entry points for survivors to place complaints with confidentiality and through which they can

⁵³ COFEM (Coalition of Feminists for Social Change). 2018. “Why Does GBV Programming Focus on Women and Girls?” Feminist Pocketbook Tip Sheet 2.



be referred to appropriate service providers; (d) put in place GBV prevention, mitigation and response measures, including GBV cases reporting and accountability protocols, mapping GBV prevention and response services in the Project area as well as develop referral pathways; (e) support local communities and vulnerable and marginalized groups engagement and outreach activities and sensitization of Project staff; and (f) build the capacity of UNRA, government agencies and local non-governmental organizations. The bidding documents for the Project will have clearly defined requirements for the bidders on SEA/SH including the development of a Code of Conduct (CoC), training for workers and subcontractors on the contents of said CoC; and Terms of Reference (ToR) for the supervision consultant will include specific requirements to monitor that mitigation and response measures are in place and the implementing agencies will have a GBV specialist to support implementation. All these measures will be implemented at least three months before workers are deployed in the project area and prior to the commencement of civil works.

60. **Project Costs.** The following table gives the details of various activities under the Project and their estimated costs (in US\$ million).

Sr. No.	Description	Cost	Bank financing	GoU financing
Component 1: Road Upgrading Works		145.8	125.8	20
1	Civil works for widening and upgradation of KYM road corridor	118	118	0
2	Maintenance of KYM road for 5 years post construction	5	0	5
3	Construction supervision consultancy	3	3	0
4	Third-party audit consultancy	1	1	0
5	Safeguards management consultants for implementation of the Resettlement Action Plans	0.5	0.5	0
6	Consultants/NGOs for implementation of GBV, VAC, and HIV/AIDS action plans	1.3	1.3	0
7	Road User Satisfaction Survey consultancy	0.5	0.5	0
8	Monitoring and Evaluation Consultancy	0.5	0.5	0
9	Project Implementation Support Staff (specially hired for implementation of the Project for PIU)	1	1	0
10	Land acquisition, resettlement & rehabilitation, preparation of Project’s environmental and social risk management documents as well as detailed engineering designs of civil works	15	0	15
Component 2: Institutional Strengthening		3	3	0
11	Training, capacity building, consultant support (including technical advisors and communication specialists) for management of social and environmental risks in refugee areas and promoting women’s (refugees and in host communities) participation in cooperatives	1	1	0
12	Review and strengthening of Environmental, Social, Health and Safety Management System and its piloting including annual system audits	0.5	0.5	0
13	In-situ pollution monitoring equipment	0.5	0.5	0



Sr. No.	Description	Cost	Bank financing	GoU financing
14	Consultancy to study mobility patterns and barriers for women in the refugee hosting districts and the design of potential pilots for refugees to benefit from road upgrading	0.5	0.5	0
15	Strengthen the skills in handling climate change and natural disasters risks in refugee hosting areas, improve contingency planning and the climate resilience of local communities, and update of the Road Design Manuals and Specifications for civil works to account for climate change parameters	0.5	0.5	0
Component 3: Road Safety		2	2	0
16	Completion of development and operationalization of a Road Accident Database Management System	1	1	0
17	Training and awareness campaigns in the Project area (including a communication specialist)	1	1	0
Component 4: Contingent Emergency Response		0	0	0

61. **Financing Instrument.** The lending instrument for the Project is Investment Project Financing. The Project will be funded by a grant from the IDA Window for Host Communities and Refugees and the National IDA.
62. **Readiness for Implementation.** Steps have been taken to advance readiness of the Project for implementation. For the KYM road corridor, UNRA carried out the detailed feasibility study as well as the environmental and social scoping study. Environmental and social impact assessments, and the resettlement action plan have also been completed as part of the project preparation. Draft detailed engineering designs have been prepared and are being reviewed by UNRA. Invitation to bid for works for the upgrading of the KYM road (US\$ 117.5 million) is expected within a few months after the current lock down is lifted.
63. **Gender Actions.** As part of the Project design, a gender analysis has been conducted to identify gaps that the Project can contribute to close gender disparities. Among low income population, female employment rate is 64 percent compared to 79 percent of men. Females as heads of households earn 28 percent lower than men. Nearly 55 percent of the women work in agriculture and they also dominate the informal economy. These gaps are even more evident in situations of vulnerability as refugee camps. The project will support employment generation opportunities for women in refugee settlements and in host communities, both in road construction and maintenance and by promoting the development of women cooperatives. Under Component 1, women’s participation in road construction and maintenance will be promoted through specific provisions in the bidding documents, such as development of gender action plans to address women’s barriers to employment. In order to address women’s mobility constraints, which affect their access to economic opportunities, the design of the KYM corridor under this Component will include specific infrastructural facilities that have been identified during stakeholder consultations with women. These include roadside vending facilities, bus bays, lightning and provision of road safety features. Under Component 2, the Project will increase the capacity of UNRA to undertake an analysis of the mobility barriers and patterns of women in order to design mobility plans. Moreover, the Project will leverage on the activities under DRDIP to build capacity and coordination in UNRA to promote women’s participation in cooperatives so that they can benefit from increased connectivity with market opportunities. For this



purpose, stakeholder and community consultations, accompanied by a market system assessment will be conducted to inform the development of a Gender Action Plan that will define implementation. Based on the experience of DRDIP, investments can include, among others, trainings on negotiations, financial skills and business plans development for women in refugee camps and host communities, and engagement of partners through gender dialogue groups. Under Component 3, the Project will ensure that Road Accident Database Management System is disaggregated by gender, as well as by refugees/host community members.

64. **Citizen Engagement.** The Project will implement a selection of citizen engagement interventions to ensure active and focused dialogue between citizens, refugees, and UNRA. During the preparation of the environmental and social impact assessment and the detailed design, citizens and refugees were engaged and feedback from these consultations have influenced the project design. These consultations targeted current and future road users that included (i) roadside vendors – particularly women, refugees, and other members of vulnerable groups, (ii) boda-boda (motorcycle taxi) operators, Traffic Police, (iii) taxi operators, (iv) general road users, including pedestrians, and (v) all relevant stakeholders. These groups were further engaged during the UNRA led High Level Mission of February 19-20, 2020 that was meant to carry out a ground truthing exercise, and included teams from UNRA, the World Bank, OPM, UNHCR, and relevant Local Government Representatives. The Project will undertake regular citizens/refugee/road user satisfaction surveys to gauge the perception of road users and communities on the performance of the contractors and the project overall. The Project will also have a grievance redress and beneficiary feedback mechanism. To enhance transparency and accountability, the Project will use and further strengthen the earlier initiatives in UNRA including (a) procedures for redress of grievances and their monitoring, (b) web-based grievance registration system, (c) a mechanism to manage the toll-free number, and (d) sensitizing the people in the project area on the opportunity of registering grievances, including the use of billboards.
65. **Climate Change.** Having identified the key risks and impacts of climate change, the Project design has incorporated some climate risk management measures associated with changes in operations, in the infrastructure design and material choices, and through building information collection and management. Specific Project measures linked to operational changes include shortening maintenance periods to accommodate changes in precipitation and temperature, increasing monitoring frequencies to ensure structures are enduring climate change pressures, monitoring the deformations of the pavement layers, monitoring the expansion joints of bridge structures, increasing financial and technical resources for more frequent maintenance and repairs, increasing the use of sonars to monitor stream-bed flow and bridge scour. Project considerations linked to changes in infrastructure design and materials include the use of improved asphalt and concrete mixtures during the construction of the road. The flood line will be determined having accounted for climate change and this will be used to inform the Finished Road Level of the pavement as well as the soffits of the bridge decks to reduce inundation and severe flooding of low-lying infrastructure. The Project design will also entail the upgrading of existing infrastructure drainage systems such as the side drains, increasing culvert capacity and changing the bridge design to tie decks more securely to substructure as well as strengthening the foundations. The Project is designed to build information collection and management by tracking changes in maintenance needs and schedules over time as adaptation actions are implemented and monitor changing environmental conditions affected by climate (e.g., land erosion patterns, frequency and severity of inundation events, pavement deformations, and scour of side drains among others) to understand evolving adaptation needs.



66. **COVID-19 not only represents a worldwide public health emergency but has become an international economic crisis that could surpass the global financial crisis of 2008–09.** The Project will make notable contribution to two likely high priority areas of the GoU immediately during COVID-19 economic recovery phase and for preparing for similar emergencies in future as explained below.
- a) **Employment generation and aiding economic recovery.** Invitation to bid for works for the upgrading of the KYM road (US\$ 117.5 million) is expected within a few months after the current lock down is lifted. Implementation is expected to commence in about 7-8 months thereafter, and quick estimates suggest that these labour-intensive works can generate about one million person days of employment. These works are also expected to generate significant demand for local materials and services (e.g., construction materials and their transport), thereby contributing to the recovery as well as positive sentiment. The road maintenance activity can generate, on average, 50,000 person days of employment per year over a five-year period.
 - b) **Value-chain recovery and capacity enhancement.** The works contracts would be an opportunity for the local construction industry and local material suppliers to harness the economic benefits, enhance their skills up the value-chain, and contribute to the macro economic recovery of the country.
 - c) **Preparing for similar emergencies in future by reducing the transit time with DRC and South Sudan.** The upgraded KYM road corridor will reduce transit time for goods and essential emergency supplies from/to DRC and South Sudan. This will lead to enhanced capacity of the GoU to prepare for similar emergencies. The Contingency Emergency Response Component can be invoked to provide immediate support to deal with emergencies through reallocation from the balance of funds available and then replenishing them in due course.
 - d) **Enhanced access and all-weather connectivity to about 3 million people to foster trade.** About 2.2 million of host population and 0.8 million of refugees in the districts of Koboko, Yumbe and Moyo will have enhanced access and all-weather connectivity and this will lead to increased trade and economic potential of the region. The districts of Koboko, Yumbe and Moyo are agriculture intensive and upgrading of the Project road corridor would help in quicker transportation of the agriculture products to the centres of consumption in Western/Central Uganda, increase trade, and uplift the economic condition of the region. It will improve access to health facilities and educational institutions and enhance tourism potential in the areas traversed by the Project road corridor such as Metu Hills, Lodonga Catholic Basilica, and the River Nile. Trade with South Sudan and DRC is expected to improve because of the direct reliable connection the Project road corridor will provide.
 - e) **Works contracts under the Project will have built-in mechanisms to deal with health emergencies.** The works contracts will have provisions for procuring and making available required medical aids to the labour and staff of the contractors to deal with outbreak of health emergencies such as COVID-19 which shall include procuring sufficient diagnostic testing kits; obtaining protective equipment for medical personnel; training community health workers; and conducting public campaigns. The contracts under the Project will have mechanisms and mitigation measures that would deal with the risk of spreading the virus because of project activities (e.g. enhanced occupational health and safety measures, transmission control protocol during contract implementation, workers leave and treatment options).



- f) **Project implementation arrangements will aid in raising awareness to deal with health emergencies.** Nominated Service Providers that will be procured under the Project will aid in public campaigns (to refugees and hosting communities), which shall include creating awareness of contagion and disseminating information on good practices regarding personal and public hygiene.

C. Project Beneficiaries

67. **The primary Project beneficiaries of Component 1 are the inhabitants (host population and refugees) of the districts of Koboko, Yumbe and Moyo⁵⁴.** The host population and the refugee population of these districts are 969,900 and 360,177 respectively and these will directly benefit from improved transport connectivity. The upgrading of the Project road will improve the livelihoods of inhabitants of these agriculture-intensive districts by enhancing access to markets, create direct/indirect job opportunities, improve access to social services and enhance private sector investment. The other Project beneficiaries are the road users and those involved in trade through the Project road between Uganda, DRC and South Sudan as well as refugees and host community in neighboring refugee hosting districts of Arua, Adjumani and Lamwo. This overall indirect beneficiary population of refugee and host community members within all the refugee hosting districts in the West Nile sub-region are 810,529 and 2,264,800 respectively.
68. **The direct project beneficiary of Component 2 is UNRA. Staff of UNRA will benefit from the new skills acquired in management of environmental and social safeguards.** UNRA is implementing projects which are funded by several development partners and through GoU budgetary allocations. Additionally, UNRA is also preparing a few projects for private financing. Institutional strengthening of UNRA on environmental and social aspects, managing climate change and disaster risks, road safety, and gender aspects would help in better addressing these issues in all projects implemented by UNRA throughout the country.
69. **Component 3 will benefit the agencies involved in road safety management, the road users and the inhabitants of the three districts of Koboko, Yumbe and Moyo.** The activities under component 3 will benefit other government agencies (traffic police, transport department, health department) in addition to the road sector agencies. The road safety campaigns will benefit the road users and inhabitants of the three districts of Koboko, Yumbe and Moyo.
70. **Component 4 will benefit the agencies involved in disaster management and the local population in the project influence area** by facilitating access to rapid financing by allowing reallocation of uncommitted project funds in the event of a natural disaster.

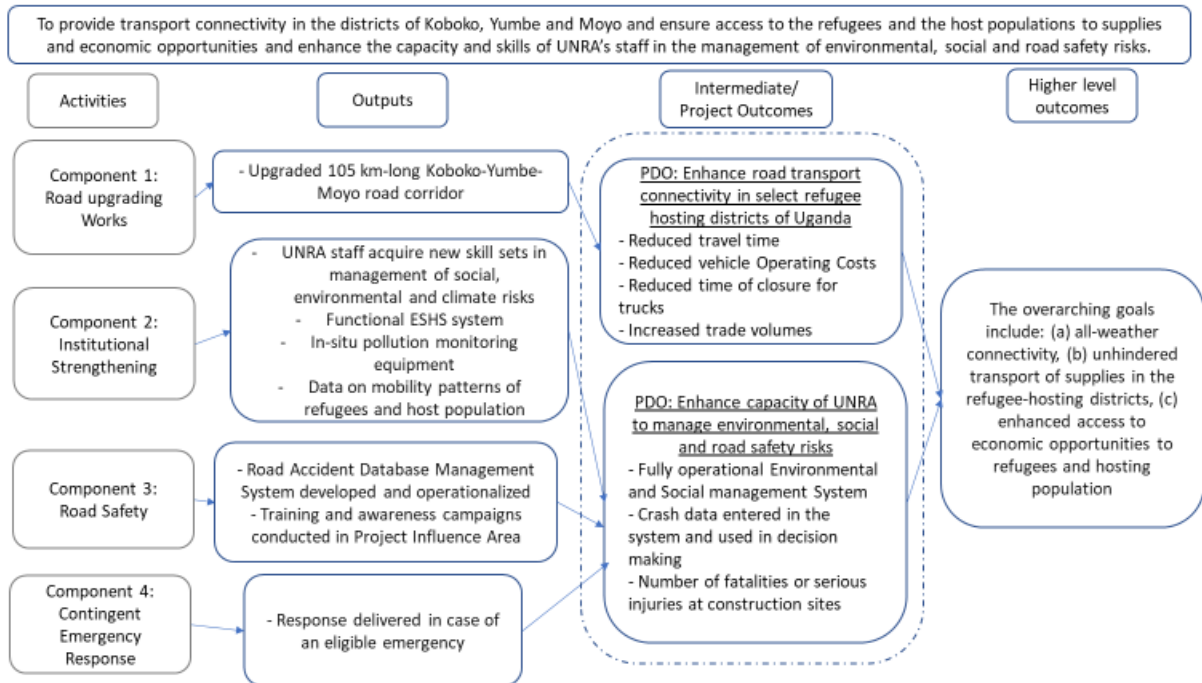
D. Results Chain

71. **Theory of Change:** The change management theory that delivers the results chain is presented in the figure below. The challenge to provide transport connectivity in the districts of Koboko, Yumbe and Moyo and ensure access to the refugees and the host populations to supplies and economic opportunities is lack of an all-weather road corridor in the area. This is also compounded by the lack of adequate maintenance of the road infrastructure and the need to enhance the capacity and skills of UNRA's staff in the management of environmental, social and road safety risks. The Project includes maintenance of the road for five years post construction with government funds, which the government has committed, as the challenge associated

⁵⁴ Now Obongi District following the split of the former Moyo District into Obongi and Moyo



with the financing of road maintenance is key to the Theory of change. This operation contributes to the overarching goals by addressing these constraints. The critical assumptions to achieve the theory of change are: (i) adequate finances are provided by the GoU during construction and maintenance periods, (ii) UNRA manages the environmental, social and road safety risks with enhanced focus.



E. Rationale for Bank Involvement and Role of Partners

72. **The World Bank has been a key player in the development of Uganda’s road sector, financing projects, facilitating donor coordination and supporting key sector diagnostic studies.** The World Bank has been engaged in the country’s road sector since 1965, financed 10 projects in the sector and is currently Chair of the Uganda Transport Sector’s Development Partner’s Group whose main objective is to promote donor effectiveness in the sector.
73. **The World Bank is also a key player on forced displacement issues within Uganda, sitting on the CRRF Steering Group and co-chairing the CRRF Development Partners Group.** The transition from humanitarian support to refugees to more development ways of working across refugees and host communities sees GoU and other partners looking to the World Bank for its finance and expertise in providing longer-term infrastructure solutions within refugee hosting areas and ways to building economic growth.
74. **The World Bank’s involvement in the Project offers significant value added as it will bring in global experience, especially in building resilient infrastructure and managing risks in a fragile, conflict, and violence environment.** The World Bank’s support would also bring in experiences in resource mobilization for the sector, maintenance management, road safety interventions and better social and environment



safeguard management. The World Bank's focus on poverty and inclusive growth would ensure that wider economic benefits are generated for local communities.

75. **The Project will closely collaborate with other Development Partners active in the transport sector and others with experience in mitigating key risks to successful project implementation such as incidents of sexual exploitation and abuse.** UNHCR, AfDB, EU, and JICA are active development and humanitarian partners in Uganda. EU, AfDB and JICA are financing road transport infrastructure in the West Nile sub-region. EU is financing the upgrading of the 66 km-long Atiak-Laropi road, AfDB is set to finance the 28 km-long Laropi-Moyo-Afoji road including the bridge across River Nile, and JICA is involved in upgrading the 24 km-long Manibe-Yumbe road.
76. **The Project will learn from the experience of the Gender Coordination Group, which brings together various stakeholders engaged in the refugee response as well as civil society organizations.** The Project will actively coordinate with partners with ongoing development programs addressing sexual exploitation and abuse in Uganda, such as the United States Agency for International Development (USAID), the Swedish International Development Cooperation Agency (Sida), UN Women and UNICEF. The project will also coordinate efforts with UN agencies on the implementation of the plan on Prevention of Sexual Exploitation and Abuse by the United Nations Country team in Uganda, which includes measures for management, reporting and prevention of SEA in humanitarian and development settings. The project will also benefit from DRDIP's analysis and tools to mitigate risk of GBV and VAC in districts hosting refugees.

F. Lessons Learned and Reflected in the Project Design

77. **Lessons learnt from implementation of past and ongoing transport projects in Uganda have been incorporated in the Project design.** The ongoing NERAMP has suffered implementation delays because of the lack of advanced readiness regarding the detailed design of civil works and timely preparation of safeguard documents. For the KYM road corridor, UNRA initially carried out the detailed feasibility study as well as the environmental and social scoping study inhouse before commissioning the services of independent consultants to carry out the environmental and social impact assessments, the resettlement action plan and the detailed engineering design as part of the project preparation.
78. **In complex projects, a thorough assessment of all aspects relating to the implementing agency's capacity including safeguards is essential, with credible measures to address any weaknesses identified.** This is one of the lessons learnt from implementation of TSDP and has been addressed in the Project design through adequate implementation arrangements that ensure capacity to manage safeguards is in place before implementation commences and that qualified social and environmental staffs are assigned to the Project.
79. **Failure to put in place robust community engagement processes weakens the ability to anticipate potential social impacts and respond appropriately when problems arise.** This is another lesson learnt from implementation of TSDP as there was no grievance redress mechanism in place on that project. Extensive stakeholder consultations and engagements during the preparation of environmental and social impact assessment of the KYM road corridor coupled with a strong grievance redressal mechanism are key features of the proposed Project.



80. **UNRA's capacity for management of social and environmental risks has substantially improved post suspension and cancellation in 2015 of the World Bank-funded TSDP.** UNRA has taken several steps to enhance its capacity in managing environmental and social risks, especially in the areas of institutional setup, systems and procedures, preparation of safeguards documents, monitoring, stakeholder engagement, grievance management, and on-site engagement through NSPs. The World Bank's assessment post suspension found that UNRA had made progress in strengthening its capacity to manage its roads program, in areas including contract supervision and a more systematic approach to environmental and social safeguards management. The World Bank's assessment also recognized a change in culture and commitment within UNRA to engage communities and deliver projects in a way that enhances positive social impacts and addresses labor influx issues.
81. **There have been a range of lessons learned from the increasing World Bank forced displacement portfolio in Uganda including expanding evidence-based decision making, the importance of coordination and risk management on refugee protection issues.** Strengthened data across refugees and host communities in the West Nile Sub-Region through World Bank analytics have given better understanding of development barriers, challenges to productive employment, access to social service issues and safeguarding risks (particularly protection risks like GBV). The experience with the range of development and humanitarian actors involved in the CRRF in Uganda has also highlighted the importance of coordinated and aligned approaches. The World Bank's role in providing CRRF solutions to major infrastructure bottlenecks when undertaken in coordination with these actors through formal mechanisms like the CRRF Steering Group is clear, as is the importance of working closely with partners like UNHCR in maintaining the protection framework necessary for this work to be effective. Having a dedicated and Uganda based World Bank staff focusing on coordinating the forced displacement portfolio has strengthened project design and planning, policy dialogue, ensured that refugee needs, and experiences are well reflected in projects as well as relationships with a broad range of actors in the refugee response.

III. IMPLEMENTATION ARRANGEMENTS

A. Institutional and Implementation Arrangements

82. The Project will be implemented by UNRA. A Project Steering Committee (PSC); comprising of the representatives from the OPM; Ministry of Finance, Planning and Economic Development (MoFPED); MoWT; MoGLSD, Ministry of Local Government (MoLG), and Ministry of Lands, Housing and Urban Development (MoLHUD); and the Executive Director, UNRA will be constituted under the stewardship of the OPM for project oversight. UNRA will implement the project through a Project Implementation Unit (PIU), which is like a Project Support Team. UNRA will have the overall responsibility for all aspects of the Project including financial management, procurement, contract monitoring, environment and social safeguards, road safety, institutional strengthening, and contingent emergency response. The PIU will be headed by a Project Director and supported by environmental, social, road safety and technical specialists; and Finance and Accounts staff. UNRA will have an office at the Project site, which will be responsible for the execution of civil works and for day-to-day contract management as Employer. The site office will be headed by a Project Manager and supported by environmental, social, road safety and technical specialists; and Finance and Accounts staff. All these site office staff will stay in a town along the KYM road corridor to ensure adequate and timely coverage of all related issues. The PIU will be staffed primarily from the existing



resources/staff of UNRA and supplemented by hiring consultants for construction supervision, third-party audit, management of social and environmental risks, and monitoring and evaluation. Project activities will be implemented in collaboration with the respective partner agencies, e.g., OPM; MoWT; MoGLSD, and MLHUD. At the national and district level the PIU will liaise closely with OPM (and through them UNHCR) on all refugee related issues to ensure appropriate engagement and consultation at all stages of planning and implementation whilst mitigating the protection risks. The PSC will periodically review, resolve emerging issues, and provide necessary guidance to the PIU.

83. UNRA will engage a Third-party Audit Consultant (TAC), who will perform semi-annual integrated performance audits covering, among others, engineering designs, management of social and environmental issues including implementation of SEA/SH action plan, and quality assurance. Construction Supervision Consultants (CSC) will provide regular supervision of the works contracts. Consultants/non-governmental organizations will aid UNRA in implementation of resettlement, GBV, VAC, and HIV/AIDS action plans. The Road User Satisfaction Survey consultant will carry out baseline, mid-term, and end-stage user satisfaction surveys. Monitoring and evaluation consultants will develop methodologies, collect data, carry out required surveys, and measure the values of outcome and intermediate indicators. Consultants procured under the Project will carry out the studies and/or training under Components 2 and 3. The World Bank, through meetings with UNRA and the implementation support missions, will regularly monitor the progress of all the activities supported under the Project and the Project's compliance to environmental, social, technical, health, and safety requirements. The World Bank will also work closely with the UNHCR to continually monitor the protection environment throughout project implementation. Details of the implementation arrangements and the Implementation Support Plan are provided in Annex 1.
84. A Project implementation manual will be prepared. It will contain detailed arrangements and procedures for implementation of the Project including inter alia: (i) implementation arrangements including delineation of roles and responsibilities of various entities, institutions and agencies involved in Project implementation and their coordination; (ii) the procurement procedures and standard procurement documentation; (iii) disbursement arrangements, reporting requirements, financial management procedures and audit procedures; (iv) procedures for preparing and reviewing a consolidated annual work plan and budget for each Fiscal Year; (v) the Project performance indicators and monitoring and evaluation arrangements; (vi) arrangement and procedures for mitigating environment and social risks and impacts; (vii) grievance redress mechanism; (viii) information, education and communication of Project activities; and (ix) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.

B. Results Monitoring and Evaluation Arrangements

85. **Results Framework.** The Results Framework lists the indicators to monitor Project outputs and outcomes. Data will be disaggregated by gender and refugee/host community wherever feasible. UNRA and the World Bank will jointly assess the achievement of the PDO at least twice a year as part of the World Bank's implementation support missions. UNRA will prepare quarterly progress reports describing the progress of activities under the Project and the result indicators, the status of legal covenants, compliance with the environmental and social safeguards, implementation of gender actions, disbursements, results of satisfaction surveys, and citizen engagement, and share with the World Bank. In addition to the quarterly



reports, UNRA will also prepare and share with the World Bank a mid-term report and the Borrower's Implementation Completion Report.

86. **Monitoring of civil works** will be done primarily by the CSC and the PIU and report for further monitoring and contract management by UNRA.
87. **Third-Party Auditing will be done by the TAC**, which will report to the Head of the PIU and recommend measures to be taken to improve performance. The TAC's report will also be reviewed by the PSC. The audit reports of TAC will be available on the website of UNRA for citizen engagement.

C. Sustainability

88. **The Project is designed to ensure sustainable management of the Project-supported investments and climate-resilient designs.** Sustainability of project assets is a risk due to inadequate levels of maintenance funding by the government. To ensure adequate level of maintenance for the Project investments, the Project includes five years maintenance of the assets. The Project will adopt climate-resilient designs and climate-adaptable interventions that contribute to robust investment decisions, leading to sustainable infrastructure with all-weather connectivity and reduced long-term risk of damage from natural disasters.
89. **Through the Transport Sector Working Group, the Development Partners are placing emphasis on maintenance of assets in their dialogue with the GoU.** The government is using the IT-based road asset management system for prioritization of the needs and allocation of constrained revenues. The current road maintenance financing can only meet about 26 percent of the needs, leaving a big chunk of the road network unattended to⁵⁵. By FY2018/19, again due to inadequate spending on public roads over the years, the maintenance backlog was estimated at 51,725 km of roads, and this would cost approximately US\$300m to meet⁵⁶. Based on the current allocation, it would take the agencies an estimated minimum of three years if all the funds were expended on clearing the backlog. Through a dialogue platform of the Uganda Transport Sector Development Partner's Group and the Donor's Economic Group, there is now a commitment from the government to increase funding to the URF by about US\$70m per year until the optimal allocation is reached.
90. **The GoU is keen to mobilize additional revenues through user charges and is in the process of operationalization of its toll policy.** The Project road corridor connects three of the refugee hosting districts in the West Nile Sub-Region, that are amongst the poorest and lagging areas in Uganda and carries medium level of traffic. It is expected that the traffic on this corridor will be public transport from and to other districts and across the country, traders travelling between settlements and cross-border traders, private sector companies that regularly deliver goods and or source raw materials from the refugee settlements. It is also expected that this corridor will be utilized by humanitarian agencies providing supplies to the refugee settlements. As such, levy of road user charges and private financing are not feasible. However, the GoU is in the process of operationalization of a toll policy, which will facilitate revenue mobilization and funding of the sector. The World Bank is in a strategic dialogue with UNRA on addressing these financing challenges. This would enhance the government's ability to devote more resources for upgrading and maintenance, either directly or through securitizing the future revenue streams from additional avenues.

⁵⁵ MoWT (2018), Annual Sector Performance Report.

⁵⁶ URF (2014); 5 – Year Road Maintenance Strategic Plan 2014/15 – 2018/19.



IV. PROJECT APPRAISAL SUMMARY

A. Technical, Economic and Financial Analysis

Technical

91. The existing KYM road corridor is a 6-7 m wide gravel road, traverses predominantly flat to rolling terrain, and is classified as an International Trunk Road. This road passes through the towns of Koboko, Yumbe and Moyo; and the minor towns of Ludonga and Kuru. It has poor vertical and horizontal geometry at some locations and generally runs on a ridge or catchment divide and, in an area, drained by River Kochi, River Newa, and River Ofua. It is crossed by rivers at seven locations, and three of these are major crossings and one is a valley swamp crossing. Structures at all these locations (except for two bridges) are in dilapidated condition. There are 109 existing culvert crossings, and all of these have pre-existing drainage defects and are not functional. There is no longitudinal drainage.
92. UNRA has carried out the feasibility study and preliminary design and commissioned international consultants for the preparation of detailed designs for the KYM road corridor using their own funds. The work of carrying out the detailed designs, which got impacted by COVID-19, is nearing completion. The draft detailed designs have been carried out by the consultants and these are being reviewed by UNRA. The detailed designs are carried out, as a minimum, in accordance with the standards for Class II paved roads prescribed by the MoWT through the Uganda Road Design Manual. The upgraded road will have a 7 m wide carriageway and 2 m wide shoulders on either side. The towns of Koboko, Yumbe and Moyo will also have 5.5 m wide service roads and 2.5 m wide footpaths on either side; and the minor towns of Ludonga and Kuru will also have 3 m wide service roads and 2.5 m wide footpaths on either side. The upgraded road will have an Asphalt Concrete pavement and all non-functional culverts and damaged bridges will be replaced. The designs have been subjected to a road safety audit and incorporate road safety measures which include the improvement of junctions, pedestrian facilities, crash barriers, speed calming measures, street lighting, signs and markings, improvement of geometrics of the road alignment, widening of all narrow culverts, improvement of sight distances along the alignment, replacement of railings/parapets of existing bridges with crash barriers, and parapet walls. The design of the KYM road corridor was assessed using the World Bank's Road Safety Screening and Analysis Tool (RSSAT) to determine the Project Safety Impact (PSI) when the road is opened to traffic (i.e., in 2024). The annual fatality rate on this road is about 0.1 fatalities per km (140 fatalities per billion vehicle-km), which is categorized as 'high' based on international standards. The analysis shows that the PSI will be 0.82 when the road is operational. The safety features built into the design of the road are expected to reduce overall road fatalities on the KYM road by about 18 percent compared to the existing conditions.

Economic Analysis

93. The KYM road corridor has been subjected to economic evaluation using the Highway Development and Management Model, a globally accepted analytical tool for the economic analysis of highways with investment alternatives, which simulates life cycle conditions and costs and provides economic decision criteria for multiple road design and maintenance alternatives. The approach used is the cost-benefit analysis of 'with project' or 'without project' scenarios. In the 'with project' scenario, the project



improvements comprise upgrading the gravel road to paved road standards. Frequent routine and periodic maintenance operations that are traditionally carried out by road agencies to keep the road functional and operational do constitute the interventions for the 'without-project' scenario. The analysis, as part of feasibility study, is carried out based on homogenous road sections, in terms of physical characteristics, traffic and road conditions. Transport costs consist of both the cost of providing and maintaining the road infrastructure and the user cost of operating the vehicles. The user cost of operating the vehicles include vehicle operating cost (i.e., fuel, tyres, depreciation, etc.), the travel time cost for both passengers and cargo due to road condition and traffic congestion, costs to the economy of road accidents (i.e., loss of life, injury to road users, damage to vehicles and roadside objects), and the costs of social and environmental effects comprising of vehicle emissions, energy consumption, and traffic noise. The main project economic benefits are savings in vehicle operating costs, travel time costs, road safety costs, and maintenance costs resulting from the road improvements. Project benefits also include savings due to reduction in accident costs and carbon emissions. The upgraded KYM road corridor will result in reduced travel time for all types of vehicles including buses and motorbikes predominantly used by the refugees and the host communities, and the trucks used for trade. Similarly, the upgraded KYM road corridor will result in reduced vehicle operating costs for all types of vehicles including buses and motorbikes predominantly used by the refugees and the host communities, and the trucks used for trade, thereby making the cost of travel cheaper.

94. The cost-benefit analysis indicates that the Economic Internal Rate of Return (EIRR) for the upgrading option of Asphalt Concrete pavement (with 50 mm Asphalt Concrete, 200 mm of Aggregate Base Course, and 250 mm of Granular Subbase) is 19.7 percent when a discount rate of 12 percent is used. A sensitivity analysis has been carried out by increasing or decreasing the critical factors. For the scenario with a 20 percent increase in construction costs, the EIRR is 16.3 percent. For the scenario with a 20 percent decrease in traffic volume, the EIRR is 14 percent. However, if both scenarios are combined, the EIRR is 9.9 percent.
95. Reduced travel time and reduced congestion is expected to lower carbon emissions. Based on current and future traffic forecasts, upgrading of the KYM road corridor is expected to reduce GHG emissions by 42,884 tons CO₂, for the 30 years of operation.

B. Fiduciary

(i) Financial Management

96. The project's financial and other resources will be managed through the existing financial management arrangements in UNRA as established under the Directorate of Corporate Services in the Finance/Accounts department regarding record keeping, accounts, reporting and disbursements. The project planning and budgeting process is mainstreamed into the UNRA procedures. The UNRA Board of Directors has the responsibility of approval of policy, work plans and budget of the entity operations while Bank project budgets are approved in liaison with the World Bank. UNRA will dedicate a project accountant to oversee day-to-day financial transactions and ensure proper reporting and controls are in place for the project using Pastel Accounting System while the GoU IFMIS is used for counterpart funding. The Executive Director of UNRA will be the Accounting Officer assuming the overall responsibility for accounting for the project funds. During the assessment, some risks have been highlighted which include: (i) insufficient funds for compensation of PAPs, (ii) late submission of audit reports, (iii) weak controls in the Pastel system, (iv) cost



escalations in road construction, and (v) delays in implementing audit recommendations. Mitigation measures have been outlined to address these issues as detailed in Annex 1.

97. **Funds Flow and Disbursement Arrangements.** For purposes of implementing the project, funds from the World Bank will flow into the UNRA project Designated Accounts as per categories of funding in US\$ at the Bank of Uganda. Project operations accounts denominated in local currency will also be opened in the same bank to facilitate local payments. UNRA has established a financial management and accounting system, which will facilitate the use of report-based disbursement where cash flow forecasts based on work plans are submitted for a period of six months every quarter along with Interim Financial Reports (IFRs).
98. **Financial Reporting Arrangements.** The format of IFR reports is similar to the current Bank project being implemented by UNRA. Formats of the quarterly financial reports are to be generated from the financial management system and are agreed upon between UNRA and the World Bank. The financial reports will be designed to provide quality and timely information to the project management, implementing agency, and various stakeholders monitoring the project's performance. The quarterly IFRs that will be produced by UNRA are: (i) a statement of sources and uses of funds for the reported quarter and cumulative period (from project inception) reconciled to opening and closing bank balances, and (ii) a statement of uses of funds (expenditure) by project activity/indicator/component comparing actual expenditure against the budget, with explanations for significant variances for both the quarter and cumulative period. In addition to these IFRs, UNRA will also have to submit to the World Bank the Designated Account (DA) Activity Statement and DA Bank Statements in order to support report-based disbursement. The annual financial statements should be prepared in accordance with International Accounting Standards for external audit. These Financial Statements will comprise of: (i) A Statement of Sources and Uses of Funds / Cash Receipts and Payments, (ii) A Statement of Affairs/ Balance Sheet, (iii) Statement of Fund Balance, (iv) Designated Activity Account Statement, and (v) Notes to the Accounts.
99. **Internal and External Audits.** UNRA has a Directorate of Internal Audit headed by a Director assisted by two Audit Managers and three financial internal auditors. The UNRA internal audit directorate reports to the Audit Committee of the Board and its operations are guided by the Internal Audit Charter and Internal Audit Policy and Procedures Manual which are appropriate. The Auditor General is primarily responsible for auditing of all government projects. The audit may be subcontracted to a firm of private auditors, with the final report being issued by the Auditor General, based on the audit work carried out by the subcontracted firm. The private firms to be sub-contracted should be acceptable to the World Bank, following a review of audit firms in Uganda. In case the audit is subcontracted to a firm of private auditors, IDA funding may be used to pay the cost of the audit. The audits are done in accordance with International Standards on Auditing. UNRA will submit the project Audit Report together with the Management Letter to the World Bank within six months after the end of each financial year. The appropriate terms of reference for the external auditor have been agreed between the World Bank and UNRA. The audit reports that will be required to be submitted by UNRA and the due dates for submission are December 31st of each year given that the accounts will be prepared for the year ended 30th June. The conclusion of the assessment is that the financial management arrangements for the project have an overall residual Substantial risk rating. The existing financial management arrangements satisfy the World Bank's minimum requirements under the World Bank Policy/Directives: Investment Project Financing and are adequate to provide, with reasonable assurance, accurate and timely information on the status of the project resources required by IDA.



(ii) Procurement

100. UNRA will carry out procurement under the proposed Project in accordance with the World Bank’s “Procurement Regulations for IPF Borrowers” (Procurement Regulations), dated July 2016 and revised August 2018, and the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated July 1, 2016, and other provisions stipulated in the Financing Agreement.
101. **Procurement Capacity Risk Assessment summary.** A procurement capacity and risk assessment was carried out by the World Bank on March 5, 2020. UNRA⁵⁷ as an agency has a long experience of implementation of World Bank projects, though inadequate staff skills and numbers were always a challenge. During the preparation of the TSDP project in 2012, the UNRA Procurement function was upgraded from a department under the Directorate Finance and Administration to a full-fledged Directorate of Procurement⁵⁸ resulting in closer oversight and timely reporting to the Top management. UNRA receives the largest share of the Uganda budget of UGX 4 trillion (US\$ 1.11 billion), 90 percent of which is expended through procurement. However, In 2015, UNRA was restructured to improve governance and accountability and as a result many of the staff were replaced including all staff of the Directorate of Procurement, which resulted in the loss of staff who had been trained and had gained experience in Bank procurement procedures. UNRA has beefed up its Procurement Unit and assigned two staff to provide dedicated support to the Project, though the two staff have very limited⁵⁹ experience with IDA projects. UNRA staff thus have limited proficiency in IDA procurement management which may result in delays due to the learning curve. UNRA will hire a Short-term Consultant proficient in IDA procedures to support the Project. Though the works under the project are similar to those normally handled by the agency, UNRA will have to enhance its technical capacity by hiring staff to fill the gaps in skills and numbers to ensure adequate in-house capacity to supervise the contractors and consultants.
102. UNRA is currently implementing two bank funded projects, ARSDP and NERAMP. Both projects have suffered delays due to multiple suspensions arising from the Contractor’s noncompliance to Environmental and social safeguards. However, while the ARSDP has made substantial progress of 76 percent though physical progress is behind schedule by five months, the Contractor for NERAMP (an OPRC) is only carrying out routine maintenance activities and pre-construction activities including preparation of safeguards documents since signing of the contract in October 2018. It was also noted that there are variations and design changes during implementation resulting in cost and time overruns.
103. It was noted that under international competitive bidding, the majority of the Contractors were international firms, mainly from China, though there are a few from Turkey, Portugal, and Europe as well. The ICB bidding processes on average attract at least 10 bidders which is satisfactory for competition. However, there are delays in procurement processing in UNRA with the ICB (without prequalification) taking 10.5 months while Consulting Services subject to QCBS takes 12.5 months and when there are complaints these processes even take longer. Time could also be saved in internal processes, for example the legal

⁵⁷ During the early 2000’s Government put in place the Road Agency Formation Unit (RAFU) to prepare ground for the UNRA which opened its doors in 2008.

⁵⁸ The Directorate of Procurement has three units, non-consulting services and goods unit, consulting services unit, and the works unit.

⁵⁹ Limited to handling the NERAMP contracts at contracting stage.



department should provide input on the bidding document at bidding stage rather than after evaluation. Complaints should be tracked by establishing a data base which UNRA has addressed with evaluation teams going offsite with a specified time within which to conclude evaluation and then hand over to Director, Procurement and Disposal Unit (PDU). Record keeping is acceptable. The PDU is now secure and the space for the storage of records is adequate⁶⁰.

104. There are delays at contract award stage due to complaints arising from leakage of confidential information during evaluation, non-clarity of the evaluation criteria as well as Due Diligence conducted after publishing of the Best Evaluated Bidder notice (which is publishing of the recommendation for contract award). However, there was no tracking of complaints to establish the trends, issues raised, root causes, and how they are resolved so as to improve future bidding processes. There are also cases of non-synchronized procurement of the Contractor and the supervising Consultant resulting in the Contractor commencing works before the supervision Consultant is in place compromising the quality of works. The maintenance funding by the government for the National Roads is much less than the requirements, therefore funding should be provided for maintenance under the project. Based on this assessment and in the context of the project, the procurement risk rating is “High”. The residual risks after the implementation of the mitigation measures is “Substantial”.
105. Risks due to COVID include (i) limited competition due to some competent bidders refraining from participating in the bidding process due to fear of the disease; (ii) challenges of bid submission due to COVID-19 movement restrictions imposed by many countries worldwide; (iii) constraints in institutional and implementing capacity due to restrictions on congregating, social distancing etc. that impact on public administration. These will be mitigated by enhanced engagement of bidders through (i) online meetings; (ii) organizing travel clearances for contractors to visit the site, (iii) engagement of stakeholders at central and local Government to clarify their roles in the project, and (iv) permitting submission of bids by third-party agents, through embassies etc., – with the risk borne by the Contractor.
106. **Key issues and risks.** The noted risks are: (i) noted gaps in review of feasibility study and design reports on all previous World Bank financed projects resulting in variations at contract execution stage; (ii) gaps in staff numbers to support both the bidding stage and the contract management stage; (iii) gaps in contract management skills resulting in time and cost overruns during contract implementation; (iv) inadequate compliance to environmental and social safeguard policy requirements on the IDA funded TSDP, ARSDP and NERAMP resulting in suspension of works and delays at contract execution stage; (v) non-familiarity of UNRA Staff in using the World Bank Procurement Regulations; (vi) prolonged complaints by bidders resulting in delays in awarding contract and (vii) inadequate government funding of maintenance budget; (viii) delays in securing Right of Way resulting in delays in contract execution; (ix) non-clarity of evaluation criteria resulting in complaints, and (x) lack of a procurement complaints’ tracking/records system.
107. **Preliminary Risk mitigation measures.** Preliminary risk mitigation measures are: (i) packaging into lots to take into contract management capacity of UNRA; (ii) thorough and diligent review by the UNRA of the feasibility study and detailed design reports to ensure that any gaps are identified and addressed at design stage; (iii) training and hand holding for capacity building of UNRA staff on IDA funded procurement

⁶⁰ During June 2020 UNRA procured space in a warehouse for procurement records and is currently procuring storage boxes to store the files.



management; (iv) training on FIDIC contracts and contract management in general; (v) recruitment and deployment of adequate staff⁶¹ to ensure sufficient inhouse technical capacity to support the bidding process and to supervise the contractors and consultants; (vi) to enhance the Environment and Social Safeguards compliance on site, the Resident Engineer shall have knowledge on Environment and Social safeguards and the Contractors must present Environmental and social safeguards staff that meet minimum requirements before works are allowed to commence; (vii) preparation of contract management plans; (viii) timely provision of funds for compensating PAPs and for maintenance; (ix) at least 40 percent of the continuous section of the corridor to be acquired before award of works; (x) engagement of a short term Consultant Procurement Specialist proficient in the World Bank procedures and with ToR acceptable to the World Bank to support the processing of these contracts; (xi) UNRA has put in place a peer review mechanism to ensure completeness of the evaluation criteria; and (xii) put in place a procurement complaints records system.

C. Legal Operational Policies

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

D. Environmental and Social

108. **Management of Environmental and Social Aspects.** The proposed 105 km-long Koboko-Moyo-Yumbe road upgrade will entail construction of a 7.0 m carriageway (2 x 3.5m lanes), including key features such as shoulders, service and parking lanes, raised paved walkways (including the covered drain) in the major towns of Koboko, Yumbe and Moyo; and in the minor towns of Lodonga and Kuru, bus lay bays in larger locations with high levels of public activity, replacement of existing cross drainage structures on the road with exception for two existing new bridges one on R. Koch at km 62+000 and another bridge on R. Newa at km 75+726, realignment of sharp bends/sections to safe sight distances and elevation, widening and grading. The following equipment among others shall be used in road construction: dump trucks, excavators, graders, compactors. Most of these are heavy equipment and vibratory (especially those used in compaction). The Project will also operate materials sources such as gravel borrow-pits, stone quarries, stone-crusher sites, batching and asphalt plants, soil-spoil dump-areas, workers’ camps, equipment storage yards, and hydrocarbon storage.

109. Given the nature of the above listed activities, the Project is likely to pose substantial environmental and social risks and impacts. The likely environmental impacts and risks include health and safety of both workers and the host community, dust emissions, vibration and noise nuisance, solid and sewerage waste aspects, materials extraction with their typical operational issues such as non-restoration after exhaustion, impact on water sources and cultural sites, to mention but a few. It is useful to note that the Koboko-Yumbe-Moyo road is existing and as such, its alignment will to the extent possible, be restricted to right of way with minimum deviations aimed at improving sight distance, reduce impacts on road developments and installations amongst others. Furthermore, its sections through the existing modified/degraded three Central Forest Reserves (CFRs) will largely follow existing alignment implying there will be minimal negative impacts on these protected areas in terms of loss of

⁶¹ hiring of specialists including an environmental specialist, a social development specialist, a valuer, and two road inspectors



habitat and biodiversity. The impact on water catchment areas (rivers, wetlands/swamps) is minimal since most of the water courses are seasonal and the two permanent rivers shall not be substantially affected given the fact that they have newly constructed bridges which shall be maintained, and thus there will be no major impact from the planned road works. Technically, the likely environmental impacts pose manageable risks, provided the recommended mitigation measures are consistently implemented. Given the above-highlighted risks, the project risk classification is HIGH.

110. On the social side the risks include land acquisition along the Right-of-Way (ROW), physical and economic displacements along the ROW, and increased risks of gender-based violence from labor influx and social issues that come with it. Since the proposed Project activities may pose significant adverse environmental or social risks and/or impacts that are diverse, and/or unprecedented, coupled with typical compliance challenges in most of the road infrastructure works in Uganda, the project is classified as a HIGH-RISK Project in line with the classification in the Environmental and Social Framework (ESF). The following Environmental and Social Standards apply: ESS1-Assessment and Management of Environmental and Social Risks and Impacts, ESS2-Labor and Working Conditions, ESS3-Resource Efficiency and Pollution Prevention and Management, ESS4-Community Health and Safety, ESS5-Land Acquisition, Restrictions on Land Use and Involuntary Resettlement, ESS6-Biodiversity Conservation and Sustainable Management of Living Natural Resources, ESS8-Cultural Heritage, and ESS10-Stakeholder Engagement and Information Disclosure. The Project will apply the requirements of the World Bank Group Environmental, Health, and Safety Guidelines. During Project preparation, the draft project Environmental and Social Impact Assessment (ESIA) for the KYM road was completed by UNRA, reviewed, and cleared by the World Bank on February 20, 2020 and disclosed on February 21, 2020 in accordance with the requirements of Uganda's National Environment Act 2019 and the World Bank's ESF. The report was also disclosed at UNRA's website on February 20, 2020 and respective District Natural Resources Offices in Koboko, Yumbe and Moyo.
111. The likely E&S risks and impacts have been identified, analysed and mitigation measures proposed in accordance with the mitigation hierarchy (avoid, minimize, reduce, mitigate, compensate). Generally, the road runs on a ridge or catchment divide and therefore intercepts few small streams, rivers, or swamps with its major water crossings being R. Kochi at Baringa, R. Newa and R. Ofua swamp. The streams are comprised of few permanent and many seasonal types whose shores are largely used for communal grazing and small-scale cultivation of paddy rice and some vegetables, with very minimal aquatic biodiversity given their seasonal nature. The vegetation in the riverine ecosystems is typical of fire-resistant type typified by short and shrubby trees of *Acacia hockii*, *Comberum* and *Piliostigma thonningii* and common grasses especially *Hyparrhenia rufa*, *Bricharia brithazantha* (bread grass), *Sporobolus pyradimidalis* (Giant Rat's Tail Grass) and *Hyperrhenia* spp which are all not of key conservation concern. The road traverses through savanna mosaic of bush lands and thickets graduating into extensive woodlands in Moyo. For much of the project area, human activities have induced changes in vegetation especially in Koboko and Yumbe where population densities appear to be moderate. The project road traverses through three CFRs; Lodonga CFR in Yumbe District and Eria and Lobajo CFRs in Moyo District. The three CFRs are modified habitats having been heavily degraded and converted into exotic tree species plantations (mainly *Eucalyptus camadulensis*, *Tectona grandis*, *Gmelina arborea*, *Pinus orcapa*). The impact on the standing wood volume is negligible given the fact that the CFR road sections (carriageway) are devoid of standing trees. From the biodiversity impact assessment undertaken as part of the project ESIA, there are no plants and/or animals of conservation value in the listed CFRs. The current existing road alignment through the CFRs shall be maintained and therefore minimize the likely impact from the proposed upgrade works.



112. On the social side, because of the significant scope of land acquisition, it is anticipated that a significant number of persons and institutions will be directly impacted by the planned works (road widening and upgrading). Moreover, a significant influx of labor is also to be expected in the Project area (Urban, Semi-Urban, Rural, Refugee Hosting, and Refugee settlements) that hosts a wide array of PAPs that would include vulnerable persons which may include refugees, some children/women, persons with disabilities etc. More specific Project related risks include (i) delayed/inadequate compensation processes, (ii) inadequate stakeholder engagement, (iii) PAPs/workers and other stakeholders' lack of access to functioning Grievance Redress Mechanisms, (iv) social exclusion, and Gender Based Violence (GBV)/Sexual exploitation and Abuse (SEA) of minors. Specifically, funds to compensate PAPs might not be available to the implementing agency (UNRA) during RAP implementation because of the cyclical nature of their release by the Ministry of Finance. Moreover, District compensation rates for crops might not be adequate, as they do not always reflect market rates. Stakeholders might suffer from the short preparation time and some stakeholders might be missed as a result. Although UNRA has established an online system to systematically record and address grievances from PAPs and Workers (through the contractor) during project implementation, experience in other Bank funded project has shown that the necessary personnel to manage it is not always available. Moreover, the institution does not have a framework to address issues of social exclusion, and recent experiences in other Bank-funded projects have shown that despite improved capacity within the agency to address GBV/SEA, risks remain high in road construction projects. The project will mitigate these risks primarily by implementing relevant standards from the ESF and by recruiting consultants/service providers (managed by relevant UNRA staff) to carry out the necessary safeguards' implementation and supervision activities.
113. The proposed upgrade from the current 6-7 m wide unpaved (gravel surfacing) configuration to 10 m wide paved (bituminous surfacing) will require land acquisition. The proposed upgrading will require road-widening which will impact on structures mostly in urban centers and encroach on the agricultural land in rural areas. Grazing and cropland of cassava, maize, beans, groundnuts, sweet potatoes, and tobacco gardens will be changed to road land use. Loss of farmland is likely to have a large negative impact because most of the population depend on subsistence farming as their main source of livelihood. A Resettlement Action Plan (RAP) which includes a Vulnerability Assessment that proposes specific measures to support eligible PAPs during RAP implementation was prepared, consulted upon, and disclosed in country and on the World Bank's external website on July 17, 2020. Based on cadastral survey estimations available from the RAP, the total land take of the proposed Koboko-Yumbe-Moyo road project is 889.274 acres. There is a total of 3,347 registered project affected property owners, with most of these in Yumbe (2,270) District, followed by Moyo District (624) and least in Koboko District (453). It is anticipated that a total of 2,508 households will be affected (305 in Koboko District, 423 in Moyo District and 1,780 in Yumbe District). There are 741 structures located in the proposed RoW; they include permanent/semi-permanent buildings and others such as gates, soak pits, pit latrines, fences and perimeter walls etc. It is also estimated that about 266 households will be physically displaced as a result of the Project while another 2002 PAPs across the three districts will be economically displaced. Taking into account that project preparation timelines are relatively short, there will be particular attention to ensure adequate quality of the RAP especially in terms of (i) designing Livelihood Restoration Plans, (ii) appropriate measures to support PAPs from vulnerable groups and those with disabilities, and (iii) carrying out a comprehensive census. PAPs will continue to be engaged throughout the RAP processes and particularly during its implementation to address any issues that might have been missed out in earlier studies. Additional measures may include thorough screening at project preparation, the project proponent's commitment to monitoring, implementing agreed measures and institutional strengthening measures. All affected properties will be subjected to a transparent valuation process and will be promptly and adequately compensated. A Livelihood Restoration Plan has been developed as part of the RAP



and will be implemented and monitored throughout the project cycle. Additionally, a Grievance Redress Mechanism has been put in place to record and solve grievances associated with land acquisition.

114. In terms of a Stakeholder Engagement, the project is likely to involve a broad range of stakeholders at local, regional, national levels and even international with heightened concern on project's impacts on refugees and host communities. This will not only include the project beneficiary communities at the grassroots level but also NGOs (local, national, international), civil society, media organizations etc. Local stakeholders, civil society, and local governments may seek changes in road alignment. It is worth noting that as part of the ESIA/RAP preparation, the consultant has carried extensive engagements with direct PAPS and other stakeholders – Their views about the project have been included in the disclosed ESIA. In addition, UNRA led a High-level Mission from February 19-20, 2020 that was meant to carry out a ground truthing exercise. It included teams from UNRA, the World Bank, OPM, UNHCR, and relevant Local Government Representatives and a series of consultations with various stakeholders that consisted of Local Government Representatives (leadership, police, judiciary, Environmental and Social Staff), CSOs and NGOs operating in the project area of influence, some PAPS (Women, elderly, the youth, boda- boda operators, etc.), administration and students from potentially affected schools, traditional leadership, members of established Grievance Redress Committees along the road, etc. A Stakeholder Engagement Plan (SEP) was prepared, consulted upon, and disclosed in country (July 13, 2020) and on the World Bank's external website (July 17, 2020). Special attention will continue to be given to inclusion of women, vulnerable, disabled, refugees, disadvantaged groups, and project affected people, as well as other interested groups. To ensure adequate Stakeholder Engagement (especially given the relatively short preparation timeline), the project will ensure sustained and inclusive stakeholder engagement throughout the project.
115. Occupational health and safety risks and impacts have been identified as one of the key issues to be managed during project implementation largely because of the number of workers expected on the road project coupled with common reluctance of contractors to commit resources and enforce health and safety compliance. Besides being a safety risk, noise and dust from road construction activities and equipment might temporarily disrupt school activities and trading in towns along the project road. If due caution is not taken by drivers, project trucks and road construction equipment will pose safety risks to the host community and road users. This impact shall require implementation of a robust traffic management plan and a road safety program. The project area once experienced armed conflict and thus confronted with the threat posed by abandoned landmines and explosive hazards, which include unexploded or abandoned ordnance including Explosive Remains of War (ERW) as well as Improvised Explosive Devices (IEDs). Specifically, with reference to unexploded ordinances (UXOs), the region went through UNDP De-mining Program from 2006 to 2012 and the areas were cleared of landmines to the extent possible, as revealed during consultative meetings with Uganda Peoples' Defense Forces (UPDF) and the District Security Committees (DSC) meetings held on 13th November 2019 with Moyo DSC, 3rd December with Koboko DSC and 4th December 2019 with Yumbe DSC. There are Specialized Engineering Units within the UPDF at the Battalion levels in the Districts who are well equipped to handle any instances of UXOs during road project implementation. All potential construction material source areas have been screened beforehand and in all, they are not located in ecologically and socially sensitive settings i.e. not close to wetlands, cultural heritage areas, schools, health facilities and administrative centers. Contracts shall not be closed without site restoration to the satisfaction of NEMA and District Local Governments. All stone quarry sites will be subjected to a standalone ESIA by contractors while borrow pits will undertake an appropriate level of Environment and Social Assessment as required by the National Environment Act, No 5 of 2019. Moreover, all safeguard instruments covering contractors' auxiliary sites will require World Bank review and clearance prior to commencement of any works. Guidelines for their preparation and implementation have been included in the project's ESMF. In summary, an



Environmental and Social Management Plan (ESMP) has been drawn as part of the ESIA and lists project activities, their related potential impacts and the corresponding recommended mitigation measures to be carried out during the pre-construction, construction, operation and decommissioning phases of the Project. It also indicates the various institutional responsibilities to manage the environmental aspect of the Project as well as the cost/s involved.

116. The proposed Project will involve direct workers, contracted workers and primary supply workers. The Primary Supply workers will include those employed at materials sites such as stone quarries, gravel areas, and/or sand mining areas. A significant number of labor/contracted workers during construction are expected to be employed by the project. For non-skilled labor, the Contractors shall be encouraged to hire such labor from the host community and refugees – including females to provide job-opportunities and reduce labor influx by external labor-force - These workers shall be regarded as contracted workers and no community laborers as defined by the standard are expected to be used in the project. In addition, Workers/Labor camps are anticipated. The ESIA has assessed major labor risks including risks of child labor and forced labor, labor influx and GBV, occupational health and safety risks, possible accidents or emergencies taking into account the sensitive project context.
117. A Labor Management Plan (LMP) was prepared, consulted upon, and disclosed in country (July 13, 2020) and on the World Bank’s external website (July 17, 2020). A standalone worker specific grievance mechanism (for direct and contracted workers) will be established during project implementation. The LMP identifies main labor requirements (how different categories of workers will be managed, in accordance with the requirements of national laws and ESS2) and labor risks associated with the project and determine the resources necessary to address labor issues, including risks of GBV for female workers.
118. Communities (Host and refugees) will also be exposed to risks of Sexual Exploitation and Abuse (SEA) and Violence and Against Children (VAC) associated with the anticipated influx of labor. A GBV Risk Assessment has been carried out as part of the ESIA and has informed the preparation of a GBV Action Plan detailing specific measures (Recruitment of Service Provider to carry out, relevant mapping exercises, sensitization activities, and establish response mechanisms) to be implemented as part of the project and prior to the contractor’s deployment into the project area. This Plan was prepared, consulted upon, and disclosed in country (June 13, 2020) and on the World Bank’s external website (July 17, 2020). It is also worth noting that UNRA has, with support from the World Bank and as part of the Management Action Plan to the Inspection Panel Case, established under the other IDA funded projects (ARSDP and NERAMP), GBV/SEA prevention, reporting, and response mechanisms managed by third party service providers that have thus far proved efficient. Additionally, the project’s Grievance Redress Mechanism will be adapted to take into account GBV/SEA related complaints.
119. The contractor will likely procure the services of security firms with armed personnel to secure its personnel, equipment and installations. The management of risks and impacts associated with their use will be assessed during project implementation and a security management plan drafted and implemented prior to their deployment. As part of the project ESIA, a preliminary Security Risk Assessment was undertaken and general guidance provided following the World Bank’s Good Practice Note on Assessing and Managing the Risks and Impacts of the Use of Security Personnel, in line with Good Practice Handbook – Use of Security Forces: Assessing and Managing Risks and Impacts; Guidance for the Private Sector in Emerging Markets, IFC February 2019. This will require development of a project specific Security Risk Management Plan. The preliminary assessment includes engagement with stakeholders, considerations of the project contextual factors, requirements for



procurement of the security personnel, which will consider management aspects such as use of code of conduct, training and monitoring of security personnel), grievance mechanism and SEA/GBV issues, etc.

120. The Contractor will be required to prepare standalone safeguards management plans as part of the Contractor's Environment and Social Management Plan (C-ESMP). Reference shall be made to the Contractor's Environmental and Social Management Plan as the overarching document that contains general Control Statements for management of various impacts such as air quality, solid waste and hazardous materials, water quality and ecosystems, noise and vibration control, erosion control, occupational health and safety, traffic, labor force, grievance redress and so on. In addition to the Management Plans, the Contractor shall prepare Method Statements for specific/ specialized activities such as earthworks and submit for the Supervision Engineer's review and clearance before commencement of works. Routine inspections will be carried out to cover all aspects of environmental and social management on the site. Either a standalone Monthly Environment Report shall be prepared, or safeguards shall be sufficiently covered in the Contractor's Monthly Progress Report in fulfillment of the Contractor's contractual reporting obligations. Greening of the ROW shall be an integral part of the KYM Contract through provisional sums.
121. The Environmental and Social Commitment Plan (ESCP), which was discussed and agreed upon with the Borrower and disclosed (in-country on July 13, 2020 and on the World Bank's external website on July 17, 2020), underpins different measures and actions that will be required for the project to meet ESSs requirements. UNRA has developed COVID-19 Standard Operating Procedures (SOPs) for the ongoing projects in close consultation with the World Bank taking into consideration the available World Bank COVID-19 ESF guidance notes and materials. Specific guidance on how to handle and manage project implementation in the "immediate" post COVID-19 period, are included in the project's ESMF, which also include project activities that do not have engineering designs and defined scope – Those include: (i) Contingent Emergency Response Component (CERC) activities; (ii) Access Roads to Refugee Settlements, considered associated facilities since these shall be financed by Government of Uganda; and (iii) Auxiliary Facilities to be operated by the Project (Workers Camps, Borrow Areas/Pits, Stone Quarries). The ESMF establishes procedures and methodologies for environmental and social screening, assessment, review and approval, and implementation of investments in compliance with the Ugandan and World Bank environmental and social standards. The ESMF also provides guidance on stakeholder consultations, engagement and disclosure of the safeguards document, institutional arrangements for project implementation, and guidance on siting, assessment and management of auxiliary facilities such as workers camps, equipment storage yards, stone quarries, gravel borrow areas, etc. This ESMF was prepared, consulted upon, and disclosed in country (June 5, 2020) and on the World Bank's external website (July 17, 2020). Any ESIA/ESMP or management plan developed by contractors during implementation will follow the guidance provided in the ESMF.
122. UNRA, on behalf of GoU, committed to provide human and financial resources to implement several safeguards issues as detailed in the Environment and Social Commitment Plan (ESCP). UNRA will hold all project implementers accountable for putting in place adequate material measures and actions to mitigate the Project's potential environmental and social risks and impacts. The overall implementation and monitoring of the ESIA/ESMP for the Project are the responsibility of UNRA through its Directorate of Network Planning and Engineering and specifically, the Department of Environmental and Social Safeguards (DESS). Three headquarter based DESS Staff (one Health and safety Officer, one Environmental Specialist, and one Social Development Specialist) will be assigned to oversee management of environmental and social aspects of the project. For day-to-day running of the project, additional field-based staff will be hired for management of ESHS risks on the project as follows – This staff is expected to be



recruited by project effectiveness: qualified Environmental Specialist, Social Development and Gender Specialists, and Health & Safety Specialist. Equally, the Supervision Consultants and Contractor/s shall be required to deploy on a full-time basis qualified Environmental, Social and Health & Safety Specialists, to provide the required technical support during project implementation. The respective District Local Governments shall also be involved in monitoring project activities, and where necessary, a Nominated Service Provider/ Third Party shall be hired to undertake monitoring or implementation of specific project aspects.

123. A project level Grievance Redress Mechanism has been established as part of the ESIA and RAP preparation, with several Grievance Redress Committees along the road already operating. They are expected to handle both, complaints related to the implementation of the Resettlement Action Plan but also general ones that will likely be registered during project implementation. Contractors will also be expected to establish workers' grievance redress committees to address any labor related issues. Guidelines on their timing, composition, and their establishment in general will be included in the project's Labor Management Plan.

V. GRIEVANCE REDRESS SERVICES

124. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.

VI. KEY RISKS

125. **The overall risk rating of the project is "High". This is based on the experience gained from implementation of previous and ongoing projects in Uganda.** The size and the complexity of implementation of large civil works proposed in the Project, in the lagging region of the country which hosts many refugees, poses several challenges including large influx of labor. The following detail the key areas of risk.
126. **Political and Governance risk is high.** The Project area is very close to the boundary of Uganda with the countries of DRC and South Sudan, where wars, violence and political instability are leading to fleeing of civilians to Uganda. Uganda has also had to contend with a 20-year insurgency in the north, led by the Lord's Resistance Army. There were also reports of serious allegations of fraud and corruption within the refugee response⁶². Despite Uganda's favorable protection environment, refugees are faced with numerous challenges due to the magnitude of

⁶² <http://reporting.unhcr.org/>



displacement and growing vulnerabilities, compounded by diminishing resources and strained social services in refugee-hosting districts. The Project aims to mitigate political risk by investing in improvement of connectivity in one of the poorest and least connected areas of the country and ensure a safe and reliable conduit for travel of goods and people all through the year. The Project interventions are expected to help reduce disparities among the nearby districts, ease transport of agriculture products from the agriculture-intensive districts of Koboko, Yumbe and Moyo, create direct/indirect job opportunities, improve access to health facilities and educational institutions.

127. **Macroeconomic risk is substantial.** In recent years, the funds released and spent against multilateral projects are significantly lower than the budgets allocated. Inadequate funding for counterpart funding and unreleased funds⁶³ is the reasons for this. The COVID-19 pandemic is also expected to significantly disrupt economic activity and raise the macroeconomic risk. To mitigate the risk of inadequate availability of government funding, the Project considered counterpart funding for only a few activities (primarily land acquisition, resettlement and rehabilitation, and maintenance for five years post construction).
128. **Technical Design risk is substantial.** UNRA has experience in technical design and implementation of road projects. However, the complexities associated with the technical design of the Project include adequate measures to take care of the needs of the refugees and host communities, the need for building a resilient corridor, and ensuring maintenance of the Project corridor. This risk is mitigated by entrusting critical activities of preparation of detailed design and safeguards documents and construction supervision to independent consultancy firms and ensuring that they deploy multiple teams to undertake the tasks.
129. **Institutional Capacity for Implementation and Sustainability risk is high.** Because UNRA is implementing projects funded by several agencies including the AfDB, JICA, EU, The Exim Bank etc. as well as some PPP initiatives, its capacity is getting constrained. Hiring consultants and specialists is expected to mitigate the risk. Inclusion of 5-year maintenance in the project and early involvement of selected personnel from the field Maintenance Stations of the UNRA also are few measures to reduce this risk. Also, the Project will recruit consultants/service providers (managed by relevant UNRA staff) to carry out the necessary safeguards' implementation and supervision activities. The maintenance financing and sustainability risk is high as the URF could cater only for 26 percent of the need and tolling is not a viable option for the project corridor. To mitigate this risk, the project will include maintenance of road works for 5 years post construction funded by the government. A separate maintenance contract funded by the government simplifies project implementation of the World Bank-financed activities, but it increases the risk of sustainability, since the road maintenance will depend on the availability of Government financing in the aftermath of the project execution.
130. **Fiduciary risk is substantial.** Procurement risk rating is substantial because of lack of capacity, non-familiarity with the World Bank's procurement procedures, and contract management issues in ongoing projects. This is sought to be mitigated through enhancement of capacity of the unit in UNRA that will undertake procurement under the Project. Financial Management risk is also substantial because the risks highlighted by the assessment include: (i) insufficient funds for compensation of PAPs, (ii) late submission of audit reports, (iii) weak controls in the Pastel system, (iv) cost escalations in road construction, and (v) delays in implementing audit recommendations. The mitigation measures to address these issues include ringfencing of project funds, upgrading the accounting system, updating the financial management manual, and a timebound action plan to address audit observations.

⁶³ Diagnostic Studies, Support for Mid-Term review of NDP II and evaluation of NDP I; European Development Fund



131. **Environmental and Social.** The overall risk is high.
132. **Environmental Safeguards Risk is high.** Given the nature of the Project activities, the proposed Project is likely to pose significant adverse environmental or social risks and/or impacts that are diverse, and/or unprecedented, coupled with typical compliance challenges in road infrastructure works, the Project is classified as a high-risk Project. The likely key environmental impacts and risks include health and safety of both workers and the host community, dust emissions, vibration and noise nuisance, solid and sewerage waste aspects, materials extraction (stone quarries, gravel borrow-pits) with their typical operational issues such as non-restoration after exhaustion, impact on water sources and cultural sites, to mention but a few. A project ESIA and ESMF have been prepared to guide the management of environmental and social risks and impacts of the project.
133. **Social Safeguards Risk is high.** As the Project will involve significant civil works along a 105 km corridor crossing several Districts and a wide range of socio-economic settings/stakeholders (Urban, Semi-Urban, Rural, Refugee Hosting, and Refugee settlements), related social risks include delayed/inadequate compensation processes, inadequate stakeholder engagement, PAPs/workers and other stakeholders' lack of access to functioning Grievance Redress Mechanisms, social exclusion, and Gender Based Violence (GBV)/Sexual exploitation and Abuse (SEA) of minors. Based on cadastral survey estimations available from the draft Resettlement Action Plan (RAP), the total land take of the proposed Koboko- Yumbe-Moyo road project is 889.274 acres. There is a total of 3,347 registered project affected property owners, with most of these in Yumbe (2,270) District, followed by Moyo District (624) and least in Koboko District (453). It is anticipated that a total of 2,508 households will be affected (305 in Koboko District, 423 in Moyo District and 1,780 in Yumbe District). There are 741 structures located in the proposed Right of Way; They include permanent/semi-permanent buildings and others such as gates, soak pits, pit latrines, fences and perimeter walls etc. It is also estimated that about 266 households will be physically displaced as a result of the Project while another 2002 PAPs across the three districts will be economically displaced. Moreover, a significant influx of labor is also to be expected in the project area that hosts a wide array of PAPs that would include vulnerable persons such as refugees, children, women, persons with disabilities etc. The project will mitigate these risks primarily by implementing relevant standards from the ESF and by recruiting consultants/service providers (managed by relevant UNRA staff) to carry out the necessary safeguards' implementation and supervision activities. It is also worth noting that despite UNRA's recent strengthening of its social risk management systems as part of its response to the recent Inspection Panel Case (TSDP), the project is likely put additional strain on its already stretched E&S and Land Acquisition Departments. The Project aims to mitigate GBV risks through dedicated investments in systems to strengthen capacity through engaging a GBV specialist at UNRA, integrating GBV risk mitigation measures in the contractor and consultants' contracts, social controls and requisite staffing in contractor selection and supervision phases of civil works, conducting GBV risk assessment and implementing the SEA/SH Prevention and Response Action Plan agreed to, including the establishment of an effective GRM, and strengthening the accountability mechanisms . The Project will further benefit from the lessons and good practices identified under the ongoing social risk management program implemented by the borrower in partnership with Civil Society Organizations in different parts of the country.
134. **Stakeholder risk is substantial.** The refugee response is multi stakeholder, involving several line Ministries, OPM, District Local Governments hosting refugees, development and humanitarian partners and non-governmental organizations. The Project involves a broad range of key stakeholders including refugees and the refugee hosting communities; OPM (Department of Refugees); District Local Governments of Moyo, Adjumani and Moyo as well



as Obongi (newly established district), stakeholders at sub county level; UNHCR and other development and humanitarian partners. The Project will mitigate this risk through sustained stakeholder engagement throughout the Project and leveraging existing coordination mechanisms.

135. **Other: Refugee Protection - Moderate.** The World Bank, in consultation with UNHCR, has confirmed that Uganda's protection framework is adequate for accessing funding under the IDA19 WHR. UNHCR has provided the World Bank with an overall positive assessment of Uganda's protection framework indicating that Uganda is adopting comprehensive humanitarian and development programs aimed at mitigating protection risks faced by refugees. However, there is a risk that Uganda's asylum space and refugee policies could become more restrictive in response to the strain on services and the natural environment, continuing refugee population growth and political pressure. Additional refugee specific risks include: the high proportion of women and girls and other vulnerable people within the refugee population which poses specific protection challenges, including gender-based violence; challenges to the ongoing allocation of land to refugees; and administrative and informal barriers for refugees to access productive employment, finance and market opportunities. These risks are being managed by better understanding the challenges and how World Bank operations can mitigate them. Over the last 2 years the World Bank has undertaken analytic studies in Uganda across refugees and host communities on: GBV; deforestation and environmental management; socio-economic issues; informing refugee policy; access to finance and value chains. The findings of these are being operationalized within RSW/WHR projects including this one. These risks are then being managed jointly through effective in-country coordination mechanisms which include UNHCR, OPM, development and humanitarian partners and other parts of GoU spearheaded by the CRRF Steering Group, which meets quarterly. The World Bank co-chairs the CRRF Development Partners Group which provides another effective platform to ensure joint management of the above risks, including on protection issues, with GOU and other humanitarian and development organizations. The Project will work through these forums and Transport Sector Working Group meetings. Refugee Sector Response Plans have been developed to institutionalize refugee support within national systems and a Jobs and Livelihoods Response Plan has been drafted to address formal and informal barriers to economic opportunities, including infrastructure. The World Bank will work closely with the UNHCR to continually monitor the protection environment throughout project implementation.
136. **Other: Implementation Delays due to COVID-19 - Substantial.** The Project experienced delays in preparation of detailed designs and safeguards documents due to COVID-19. During implementation also, the Project may face delays due to the unprecedented nature of the crisis. The delays may affect Project contract procurement schedules, mobilization of contractor and consultants' personnel, supply of materials and equipment, training of Grievance Redress Committees, etc.



VII. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: Uganda

Uganda: Roads and Bridges in the Refugee Hosting Districts/Koboko-Yumbe-Moyo Road Corridor Project

Project Development Objectives(s)

The Project Development Objectives are to enhance: (a) road transport connectivity in select refugee hosting districts of Uganda; and (b) the capacity of Uganda National Roads Authority to manage environmental, social and road safety risks.

Project Development Objective Indicators

Indicator Name	PBC	Baseline	End Target
Enhance road transport connectivity in select refugee hosting districts of Uganda			
Percentage decrease in travel time on the Project road corridor dis-aggregated by buses, motorbikes, and trucks (modes used by refugees/hosts and for trade) (Text)		Truck 0% Bus 0% Motorbikes 0%	Truck 25% Bus 20% Motorbikes 30%
Percentage decrease in Vehicle Operating Costs on the Project road corridor dis-aggregated by buses, motorbikes, cars, and trucks (modes used by refugees/hosts and for trade) (Text)		Car 0% Truck 0% Bus 0% Motorbike 0%	Car 15% Truck 20% Bus 20% Motorbike 25%
Time of closure of Project road corridor in a year for movement of trucks (Days)		15.00	0.00
Percentage increase in trade volumes using the Project road (dis-aggregated by refugees, hosts) (Number)		0.00	30.00
Enhance the capacity of UNRA to manage environmental, social and road safety risks			
Fully operational Environmental and Social Management System		Not in place	Fully operational system in place



Indicator Name	PBC	Baseline	End Target
in place (Text)			
Crash data entered into system, publicly reported, and used in decision making (Yes/No)		No	Yes
Annual number of fatalities or serious injuries involving construction vehicles or at construction sites (Number)		0.00	0.00

Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	End Target
Road Upgrading Works			
Roads rehabilitated (CRI, Kilometers)		0.00	105.00
Roads rehabilitated - rural (CRI, Kilometers)		0.00	105.00
Roads rehabilitated - non-rural (CRI, Kilometers)		0.00	0.00
Increase in road user satisfaction on the Project road corridor (dis-aggregated by gender, refugees, hosts) (Text)		Baseline surveys to be done	Rating of 4 out of 5
Local labor among unskilled employment created under the works contracts (dis-aggregated by gender, refugees, hosts) (Text)		0.00	40 percent of total labor (Number of workers)
Percentage increase of beneficiaries who engaged in economic activities (dis-aggregated by refugees/ host community, female/male) (Number)		0.00	30.00
Percentage of women employed in construction and maintenance of Project road (Percentage)		0.00	30.00
Health and Safety Management Plans (Text)		To be developed for the Project road works	Plans are in place, root cause analysis of accidents at project site are undertaken, and mitigation measures are



Indicator Name	PBC	Baseline	End Target
			undertaken.
Institutional Strengthening			
Percentage of Project Affected People that received full compensation and all R&R assistance dis-aggregated by gender, refugees, hosts (Percentage)		0.00	100.00
Grievances responded and/or resolved within the stipulated service standards for response times (dis-aggregated by gender, refugees, hosts) (Percentage)		0.00	100.00
Percentage increase in employment of women (those in refugee camps of Bidi Bidi, Lobule, and Palorinya) (Percentage)		0.00	10.00
Number of women employed through cooperatives supported by the project (Number)		0.00	100.00
Road Safety			
Development and operationalization of a Road Accident Database Management System (Text)		System partially developed	System developed and fully operationalized
Training and awareness campaigns in the Project area differentiated for refugee and host community audiences (Text)		campaigns to be conducted	Training and awareness campaigns conducted in all three districts that includes 50 percent refugees and 50 percent hosts; 50 percent women and 50 percent men
Contingent Emergency Response			
Preparation and adoption of a CERC manual (Yes/No)		No	Yes



Monitoring & Evaluation Plan: PDO Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Percentage decrease in travel time on the Project road corridor dis-aggregated by buses, motorbikes, and trucks (modes used by refugees/hosts and for trade)	Average travel time for trucks, buses, and motorbikes on the Project road corridor	At Baseline, Mid-term and close of Project	Detailed Engineering Report, Base-line study, Mid-Term Review and Ex-Post Evaluation study	Surveys, data collection and analysis	Monitoring and evaluation consultants, UNRA
Percentage decrease in Vehicle Operating Costs on the Project road corridor dis-aggregated by buses, motorbikes, cars, and trucks (modes used by refugees/hosts and for trade)	Average Vehicle Operating Costs	At Baseline, Mid-term, and close of Project	Detailed Engineering Report, Baseline study, Mid-Term Review and Ex-Post Evaluation study	Data collection and analysis, surveys	Monitoring and evaluation consultants, UNRA
Time of closure of Project road corridor in a year for movement of trucks	Total time of closure of Project road corridor in a year for movement of trucks	At Baseline, Mid-term and close of Project	Detailed Engineering Report, Baseline study, Mid-Term Review and Ex-Post Evaluation	Surveys	Monitoring and evaluation consultants, UNRA



			study		
Percentage increase in trade volumes using the Project road (dis-aggregated by refugees, hosts)	Increase in trade volumes passing through the Project road corridor	Annually	Government data, data collected by M&E consultants	Surveys	Monitoring and evaluation consultants, UNRA
Fully operational Environmental and Social Management System in place	Environmental and Social Management System to register, track and monitor environmental and social issues	Semi-annual	UNRA	Evaluation of the system	Monitoring and evaluation consultants, UNRA
Crash data entered into system, publicly reported, and used in decision making	Establishment/improvement of monitoring and evaluation systems (crash database) to monitor Fatalities and Serious Injuries, and its application for decision making	Semi-annually	UNRA	UNRA and M&E reports	Monitoring and evaluation consultants, UNRA
Annual number of fatalities or serious injuries involving construction vehicles or at construction sites	Effectiveness of the traffic management plan implemented and occupational health and safety monitoring program under the civil works	Semi-annually	M&E reports, UNRA reports	Police data	Monitoring and evaluation consultants, UNRA



Monitoring & Evaluation Plan: Intermediate Results Indicators					
Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Roads rehabilitated		Semi-annually	Monthly and quarterly progress reports	Construction supervision consultants' reports	UNRA
Roads rehabilitated - rural		Semi-annually	Monthly and quarterly progress reports	Reports of construction supervision consultants	UNRA
Roads rehabilitated - non-rural					
Increase in road user satisfaction on the Project road corridor (dis-aggregated by gender, refugees, hosts)	Road user satisfaction on the Project road corridor	At Baseline, Mid-term, and close of Project	Reports of Road User satisfaction Survey consultants	surveys and study	Monitoring and evaluation consultants, UNRA
Local labor among unskilled employment created under the works contracts (dis-aggregated by gender, refugees, hosts)	Local labor under the works contracts	Semi-annually	Monthly and quarterly progress reports	supervision consultants' reports, M&E reports	Monitoring and evaluation consultants, UNRA
Percentage increase of beneficiaries who engaged in economic activities (dis-aggregated by refugees/ host community, female/male)	Beneficiaries who engaged in economic activities. (refugees/ host community, female/male) - Number	Semi-annually	Progress reports	Data collected by surveys	Supervision consultants, Monitoring evaluation consultants, UNRA



Percentage of women employed in construction and maintenance of Project road	Percentage of women employed in construction and maintenance of the project road	Semi-annually	Supervision Consultant's Reports	Contractor's and consultant's data	Supervision Consultants, Monitoring and evaluation consultants, UNRA
Health and Safety Management Plans	Health and Safety Management Plans for the Project road works	semi-annually	Monthly progress reports	Police records, data collected by supervision consultants and contractor	UNRA
Percentage of Project Affected People that received full compensation and all R&R assistance dis-aggregated by gender, refugees, hosts	Project Affected People that received full compensation and all R&R assistance	Semi-annually	Reports of RAP implementing agency	Surveys, study	Monitoring and evaluation consultants, UNRA
Grievances responded and/or resolved within the stipulated service standards for response times (dis-aggregated by gender, refugees, hosts)	Percentage of grievances of Project Affected People responded and/or resolved within the stipulated service standards	Semi-annually	Environmental and Social Management System	Data compilation	Monitoring and evaluation consultants, UNRA
Percentage increase in employment of women (those in refugee camps of Bidi Bidi, Lobule, and Palorinya)	Percentage increase in women employment (those in selected refugee camps)	six-monthly	Monitoring reports	Government data, M&E reports	Monitoring and evaluation consultants, UNRA
Number of women employed through cooperatives supported by the project	Number of women employed through cooperatives supported by the project	Semi-annually	Data collected by monitoring and evaluation consultants	surveys	Monitoring and evaluation consultants, UNRA



Development and operationalization of a Road Accident Database Management System	Development and operationalization of a Road Accident Database Management System	Semi-annually	Police Department	Review of the system	UNRA
Training and awareness campaigns in the Project area differentiated for refugee and host community audiences	Training and awareness campaigns in the Project area	Semi-annual	Progress reports	campaigns and training programs	Monitoring and evaluation consultants, UNRA
Preparation and adoption of a CERC manual	CERC manual	Semi-annually	UNRA	Reports	Monitoring and evaluation consultants, UNRA



ANNEX 1: Implementation Arrangements and Support Plan

COUNTRY: Uganda

Uganda: Roads and Bridges in the Refugee Hosting Districts Project

1. UNRA will implement the project through its PIU. UNRA will have overall responsibility for all aspects of the Project including financial management, procurement, contract monitoring, environment and social safeguards, road safety, institutional strengthening, and contingent emergency response. The PIU will be headed by a Project Director, not below the rank of a Director in UNRA, and supported by environmental, social, road safety and technical specialists; and Finance and Accounts staff. UNRA will have an office at the Project site, which will be responsible for the execution of civil works and for day-to-day contract management as Employer. The site office will be headed by a Project Manager and supported by environmental, social, road safety and technical specialists and Finance and Accounts staff. Project activities will be implemented in collaboration with the respective partner agencies, e.g., OPM; MoWT; MoGLSD, and MLHUD.
2. **Project Management.** The PIU will be responsible for overall project management with support from other functional divisions such as the Department of Environmental and Social Safeguards of UNRA.
3. **Audit.** A TAC will be procured to perform integrated performance audit covering engineering designs, management of social and environmental issues, and quality assurance. The audit reports of TAC will be available on the website of UNRA for citizen engagement.
4. **Supervision and monitoring.** CSC will provide regular supervision of works contracts. Consultants will aid UNRA in the implementation of the RAPs, GBV, SEA/SH, HIV/AIDS action plans. The Road User Satisfaction Survey consultant will carry out baseline, midterm, and end stage user satisfaction surveys. Monitoring and evaluation consultants will develop methodologies, collect data, carry out required surveys, and measure the values of outcome and intermediate indicators. Consultants will also be procured under the project to carry out the activities in Components 2 and 3 of the Project.
5. **Day-to-Day Contract Management.** In the case of civil works, the bulk of the responsibility for contract management will be vested with the PIU (as Employer), with devolution of certain financial, technical and contractual powers within pre-specified thresholds for faster decision-making; decisions beyond those thresholds will be made by the UNRA's Head Quarters, as per existing rules and regulations. The site office will be headed by an officer of UNRA not below the rank of a Team Leader. The PIU will be directly responsible for expediting preparatory activities and making available encumbrance-free land for construction through coordination with other agencies responsible for forestry, environmental clearances, land acquisition, resettlement, and public utilities. The PIU will also guide and oversee the Contractor, Consultants, NGOs/consultants (for implementation of GBV, VAC, and HIV/AIDS action plans), and the CSC or Engineer to ensure compliance with contractual agreements and safeguard requirements.



6. **Project Oversight.** A Project Steering Committee (PSC); comprised of the representatives from the OPM; MoFPED; MoWT; MGLSD; MoLG; MLHUD; and the Executive Director, UNRA will be constituted under the chairmanship representative of the OPM for project oversight. The PSC's role is to periodically review, resolve emerging issues, and provide necessary guidance to PIU.

Financial Management and Disbursements

Financial Management

7. An FM assessment of Uganda National Roads Authority (UNRA) was carried out for the proposed financial management arrangements of the Roads and Bridges Project to be implemented in the northern part of the country. The objective of the assessment was to determine under the World Bank Policy/Directive: Investment Project Financing: (a) whether UNRA, has adequate financial management arrangements to ensure project funds will be used for purposes intended in an efficient and economical way; (b) Project financial reports will be prepared in an accurate, reliable and timely manner; and (c) the entities' assets will be safeguarded. Under the World Bank Policy/Directive: Investment Project Financing, borrowers and project implementing entities are supposed to have and maintain adequate financial management systems which include budgeting, accounting, internal controls, funds flow, financial reporting and auditing arrangements to ensure that they can readily provide accurate and timely information regarding the project resources and expenditures. The results of the assessment indicate that arrangements are acceptable as: (a) they are capable of correctly and completely recording all financial transactions and balances relating to project resources, (b) they can facilitate the preparation of regular, timely and reliable financial statements, (c) they can safeguard the project's assets, and (d) they are subject to auditing arrangements acceptable to IDA. The financial management (FM) assessment was carried out in accordance with the Financial Management Practices Manual issued by the Financial Management Sector Board of the World Bank. Some risks have been highlighted with associated mitigation measures to deal with resultant effects.

8. The project's financial and other resources will be managed through the existing financial management arrangements in UNRA as established under the Directorate of Corporate Services in the Finance/Accounts department regarding record keeping, accounts, reporting and disbursements. Overall budgeting for the project will be in line with the Government budgeting cycle and project planning and budgeting process is mainstreamed into the UNRA procedures. The UNRA Board of Directors has the responsibility of approval of policy, work plans and Budget of the entity operations while Bank project budgets are approved in liaison with the World Bank. UNRA will dedicate a project accountant to oversee day-to-day financial transactions and ensure proper reporting and controls are in place for the project using Pastel accounting system while the GOU IFMIS is used for counterpart funding. A new Oracle web-based system was procured and is under development to replace the Pastel system. The Executive Director of UNRA will be the Accounting Officer assuming the overall responsibility for accounting for the project funds. UNRA is currently implementing two main IDA credits; NERAMP and ARSDP. Due to UNRA'S previous and current experience in implementing various World Bank projects, it is expected to maintain sufficient FM arrangements in implementing the project.



9. The conclusion of the assessment is that the financial management arrangements for the project have an overall residual Substantial risk rating. The existing financial management arrangements satisfy the World Bank’s minimum requirements under the World Bank Policy/Directive: Investment Project Financing and are adequate to provide, with reasonable assurance, accurate and timely information on the status of the project resources required by IDA. The table below identifies some key risks that the project management may face in achieving these objectives and provides mitigation measures to address these risks. The overall residual risk is assessed as **Substantial** upon applying mitigation measures.

Risk	Rating	Mitigating Measures	Mitigated Risk
<p>Project Level- Road construction costs escalation and risk of price fixing and collusion. Delays in project completion and possible variations and non-adherence to contract conditions. Variation of Prices in road works has been reported in previous audits</p>	H	Detailed feasibility studies and Detailed Engineering studies conducted. UNRA will thoroughly review these designs and documents.	S
<p>Control Risk: Budgeting Inadequate funding for compensation of PAPs in the project area. Undervalued land for compensation and lack of respective titles, Poor feasibility studies resulting in unrealistic budgets that calls for frequent revisions.</p>	H	Project budget will be ring fenced to guard against diversion or reductions. Detailed feasibility studies to inform realistic budgets and timely execution of budgets. Client plans to use courts and depositing GOU funds for PAPs in specific Escrow accounts.	S
<p>Accounting (i) Limitations of Pastel and IFMS in accounting requirements of UNRA (ii) Charging expenditure to wrong expenditure codes.</p>	S	UNRA to upgrade the accounting system and update the FMM within 6 months after effectiveness. UNRA to provide an action plan on how to address issues raised in the audit reports	M
<p>Internal Control- Internal audit and Software controls: UNRA: Management delays in response and follow up reported internal control weaknesses by the internal audit. Internal control weaknesses previously noted in Pastel accounting software. Inadequate IA staffing and lack of sufficient budget to do planned audits.</p>	H	UNRA was restructured and Internal audit made a directorate with additional staff. More technical auditors are in place and project will hire third party agent for independent reviews. A new integrated management system has been procured and is being rolled out to replace Pastel.	S



Risk	Rating	Mitigating Measures	Mitigated Risk
Funds Flow: Delays or failure by the Government to provide counterpart funds to meet its part of the project costs, especially RAP costs or diversion of project funds to meet other non-project activities exposing the project to the risk of loss of funds or delay in project activities.	H	The government has established the Road Fund with substantial budget support and the use of escrow accounts to manage RAP costs have been embraced by UNRA which will mitigate the risk of government failure to meet local costs.	S
Financial Reporting: Delays in submission of accurate quarterly interim financial reports in the desired format.	M	The reporting format has been agreed with UNRA and reporting deadlines will be part of the FA. UNRA has a good record in IFR submission.	L
External Audit: Delay in submission of financial statements for audit and delay in submission of audited financial statements. The entity audit report for UNRA has material accountability issues and weaknesses in both financial and technical aspects.	S	Time bound action plan on how to address pending audit issues raised in project and entity audit reports will be part of regular supervision plans to ensure recommendations are followed.	M
Overall Risk Rating	H		S

H – High

S – Substantial

M – Moderate

L – Low

10. **Budgeting Arrangements.** Budgeting for the project will be in line with the Government budgeting cycle and as per The Treasury Accounting Instructions issued under the Public Finance Management Act, 2015. UNRA has a Budget Committee responsible for budgeting. The process is participatory, with each Directorate represented on the Committee. This initiative re-enforces planning and monitoring of various proposed projects to be implemented. In addition, the Office of the Executive Director is intensely involved in the budgeting process to further strengthen and streamline systems. Under the current system, budget execution is emphasized, and every project has a contract manager to oversee implementation, progress, in addition to being accountable for results. The planning directorate has been reinforced with more staff to further support the budget process. UNRA has a new Directorate for Research and Development to further enhance planning and feasibility studies. The budgetary provisions are sometimes inadequate in meeting planned activities resulting in increase of outstanding payables including RAP costs, hence the use of escrow accounts and courts to safeguard funding for RAP.

11. **Accounting System.** UNRA has a Financial Management Manual (FMM) which is followed in day-to-day accounting. In addition, the Project Implementation Manual will be updated with financial management arrangements specific to the World Bank projects. UNRA is computerized and is using Pastel Partner accounting



software which is currently inadequate resulting in several manual interventions and weak controls of Pastel as per previous Auditor General's reports. UNRA will maintain similar books of accounts to those for other IDA funded projects. A new Oracle web-based system was procured and is under implementation to replace Pastel system.

12. **Staffing Arrangements.** UNRA is adequately staffed with qualified and experienced accounting staff. The UNRA Directorate Finance and Administration is headed up by the Director Finance and Administration (DFA) who reports to the Executive Director. The DFA is supported by a Finance Manager for the finance function who, in turn, is assisted by a Financial Accountant, a Management Accountant and two Donor Project Accountants. At the regional level there is one accountant per region who reports to the Finance Manager. They are assisted by six Assistant Accountants at the Head Office. There is also one Assistant Accountant at each station. All the accounting staff dealing in projects have received refresher training on the more recent World Bank Financial Management and Disbursement Guidelines where one staff will be designated for this project.

Funds Flow and Disbursement Arrangements

13. For purposes of implementing the project, funds from the World Bank will flow into the two UNRA project Designated Accounts as per two categories in US\$ at the Bank of Uganda. Project operations accounts denominated in local currency will also be opened in the same bank to facilitate local payments. UNRA has established a financial management and accounting system, which will facilitate the use of report-based disbursement where cash flow forecasts based on work plans are submitted for a period of six months every quarter along with IFRs.

14. **Financial Reporting Arrangements.** The format of IFR reports is similar to the current Bank project being implemented by UNRA as data for reports will be generated from the financial management system and the final version has been agreed upon between UNRA and the World Bank. The financial reports will be designed to provide quality and timely information to the project management, implementing agency, and various stakeholders monitoring the project's performance. The following quarterly IFRs will be produced by UNRA;

- A statement of sources and uses of funds for the reported quarter and cumulative period (from project inception) reconciled to opening and closing bank balances; and
- A statement of uses of funds (expenditure) by project activity/indicator/component comparing actual expenditure against the budget, with explanations for significant variances for both the quarter and cumulative period.

15. In addition to the above IFRs, UNRA will also have to submit to the World Bank the following information in order to support report-based disbursement:

- Designated Account (DA) Activity Statement.
- DA Bank Statements.

16. The annual financial statements should be prepared in accordance with International Accounting Standards for external audits. These Financial Statements will comprise of (not limited to): (i) A Statement of Sources and Uses of Funds / Cash Receipts and Payments; (ii) A Statement of Affairs/ Balance Sheet; (iii) Statement of Fund Balance; (iv) Designated Activity Account Statement; and (v) Notes to the Accounts.



17. **External and Internal Audit.** The UNRA internal audit directorate reports to the Audit Committee of the Board and its operations are guided by the Internal Audit Charter and Internal Audit Policy and Procedures Manual. The directorate is headed by a Director assisted by three staff namely Head Financial Audit, Head Technical Audit and Head Systems Audit with other staff under each unit. With regular reviews as per the audit plan, this is considered sufficient in addition to the third-party agent to be hired under the project. The Auditor General is primarily responsible for auditing of all government projects and external audit arrangements are considered adequate while currently there are no outstanding reports with UNRA, and annual audit reports are expected to be submitted by December 31 for accounts audited for the year ended June 30.

18. **Supervision Plan.** Supervision missions will be conducted every six months based on the risk assessment of the project in accordance with the World Bank Financial Management Practices Manual. The mission’s objectives will include ensuring that strong financial management systems are maintained for the project throughout its life. However, given the current pandemic conditions and limited travel, reviews arising out of the Interim Financial Reports will be carried out regularly to ensure that expenditures incurred by the project remain eligible for IDA funding. Other appropriate virtual connections and reviews will be scheduled until the situation normalizes. The Implementation Status Report (ISR) will include a financial management rating for the arrangements.

Procurement

19. **Project Procurement Strategy for Development (PPSD).** UNRA prepared a PPSD. A Procurement Plan (PP) for the first 18 months of project implementation has been developed based on the PPSD.

Summary of PPSD

UNRA’s previous experience in implementing road civil works will greatly benefit the project. Staff will be recruited to augment existing capacity in the different directorates including Procurement, roads and bridges development directorate as well as for Safeguards to ensure adequate in-house capacity to supervise the contractors and consultants. However, major procurement delays within the UNRA procurement process coupled with weaknesses of UNRA in enforcing contracts with the Contractors to ensure adequate compliance to the Environment and Social safeguards framework of the project present major risks to the implementation of the project. UNRA staff have limited proficiency in IDA procurement management which may result in delays.

Engagement with the private sector established the following concerns: (i) at bidding, the road infrastructure information is not readily available; (ii) various projects usually go through lengthy procurement process, (iii) inability to claim the VAT from authorities during the execution of the contract, (iv) paying in UGX as historical trends show that UGX depreciates significantly while they make their imports in US\$ raising the cost of bidding; (v) absence of a mature local construction industry is going to affect their bid to associate with the local industry; (vi) development partners have a tendency to carry out extensive appraisals leading to implementation delays; (vii) the road is located in a region with significant security risk; and (viii) in regard to the proposed 8-year integrated construction and maintenance contract, the private sector was not comfortable with a single contract combining both the road construction and maintenance. Thus, in formulating the procurement approach, UNRA aims to accommodate these concerns.

Generally, the respondents were not in support of undertaking construction and post construction maintenance



under one contract but propose different maintenance arrangements like having two separate contracts, OPRC model, and DLP instead of Maintenance. However, it was noted that the strategy encourages the Contractor to produce good quality work during construction to minimize maintenance costs and also ensures maintenance will be done. The disadvantages therefore outweighed the advantages.

Respondents cited the following disadvantages of the proposed implementation strategy: (i) high/ inflated maintenance costs compared to when done by local contractors; (ii) In order to minimize financial risks, Contractors will quote high construction and maintenance; (iii) high risk of contractors quitting the contract after they complete the construction to avoid the Maintenance of the road; (iv) increase in Contractor's fixed and organization costs may deter competition during tendering; (v) price adjustment over eight years resulting in high cost to Employer; and (v) political and financial risk exposure on the contracting parties over the eight year period.

UNRA has decided to use the Design Bid Build combined with Two envelope approach which Staff who are still on the learning curve are familiar with rather than adopting approaches they are not familiar with. Given the lack of proficiency in Procurement Regulations, a short-term Consultant will be engaged to support the agency in processing the high values contracts. UNRA will hire additional Environmental and social specialists as well as technical staff to ensure adequate inhouse capacity to supervise the works. The road has been packaged into two lots to ensure Staff can manage a length of about 120 km which has been found optimum for a team to manage. Though the World Bank encourages partnerships between construction firms it does not permit any forced partnerships. Therefore, the PPDA instruction that 30 percent of the Civil works should be outsourced to local staff and companies shall not apply. However, the contract will require that the Contractor only hires Ugandans for non-skilled, and semi-skilled trades including operation of various equipment. UNRA has put in place a robust contract management arrangement including strengthened its in house monitoring and supervision capacity for the contract execution stage.

For high-value, high-risk, or complex contracts such as the road works, contract management plans will be prepared. To mitigate procurement capacity risks, there will be a need for staff capacity building and training, continuous oversight, reviews and audits, and the use of real-time monitoring and tracking tools.

20. **Systematic Tracking of Exchanges in Procurement (STEP).** The project will use STEP, a planning and tracking system, which would provide data on procurement activities, establish benchmarks, monitor delays and measure procurement performance.

21. **Use of National Procurement System.** National procurement procedures shall only apply if the requirements as required by paragraph 5.3 of the Procurement Regulations⁶⁴ are met. In March 2017 (updated

⁶⁴ (a) open advertising of the procurement opportunity at the national level; (b) the procurement is open to eligible firms from any country; (c) the request for bids/request for proposals document shall require that Bidders/Proposers submitting Bids/Proposals present a signed acceptance at the time of bidding, to be incorporated in any resulting contracts, confirming application of, and compliance with, the Bank's Anti-Corruption Guidelines, including without limitation the Bank's right to sanction and the Bank's inspection and audit rights; (d) Procurement Documents include provisions, as agreed with the Bank, intended to adequately mitigate against environmental, social (including sexual exploitation and abuse and gender-based violence), health and safety ("ESHS") risks and impacts; (e) contracts with an appropriate allocation of responsibilities, risks, and liabilities; (f) publication of contract award information; (g) rights for the Bank to review procurement documentation and activities; (h) an effective complaints mechanism; and (i) Maintenance of records of the Procurement Process.



February 2018) PPDA issued a guideline titled “reservations to promote local content in public procurement” which specifies thresholds⁶⁵ below which only Ugandan or Ugandan registered companies are eligible to participate - this is part of the wider “Buy Uganda Build Uganda” initiative of the Government. Under the same Guidelines there is a provision under article 8 stating that “The reservation shall also apply to procurements funded by Development Partners *except where the conditions of funding limit the application of reservations*”. Therefore, National procedures will only be used subject in accordance to this article/clause 8 which will make the Ugandan national procurement procedures consistent with the universal eligibility requirement under paragraph 3.21⁶⁶ of the Procurement Regulations, otherwise this PPDA Guidelines will not apply.

22. Government has issued a directive that furniture for MDAs will only be purchased from national and domestic providers which is not consistent with the World Bank requirement for universal eligibility. To be eligible for funding from the grant, procurement under the Project shall follow the World Bank procurement Regulations.

23. **Standard Procurement Documents.** The World Bank’s Standard Procurement Documents (SPDs) shall be used for procurement of goods, works, and non-consulting services under Open International Competitive Procedures. National Bidding documents as set forth in the Public Procurement and Disposal Act, 2003 may be used under Open National competitive as well as for the Request for Quotation method subject to the permitting universal eligibility and including ESHS provisions. The agency shall use the World Bank’s SPDs in the selection of consultant firms in line with procedures described in the Procurement Regulations.

24. In accordance with paragraph 5.3 of the Procurement Regulations, the request for bids/request for proposals document shall require that Bidders/Proposers submitting Bids/Proposals present a signed acceptance at the time of bidding, to be incorporated in any resulting contracts, confirming application of, and compliance with, the World Bank’s Anti-Corruption Guidelines, including without limitation the World Bank’s right to sanction and the World Bank’s inspection and audit rights. The form of the Letter of Acceptance is attached in Appendix 1.

25. **Record keeping and management.** The UNRA Director of Procurement will be responsible for record keeping and shall open a procurement file for each contract processed and upload the same information in the STEP. The file should contain all documents on the procurement process in accordance with the IDA requirements.

26. Disclosure of procurement information shall follow the requirements of the Procurement Regulations subject to the market approach and selection method. In addition, the IAs shall publish an action report on any complaints received on a quarterly basis.

⁶⁵ Supplies- UGX 1 billion (USD 266,667); Road works- UGX 45bn= USD 12m; Public work- UGX10b=USD 2,666,667m; Consultancy services - UGX 1 billion (USD 266,667); and Non-consultancy services - UGX 200 million - (USD 53,000)

⁶⁶ Eligibility - 3.21 The Bank permits eligible firms and individuals from all countries to offer Goods, Works, Non-consulting Services, and Consulting Services for Bank-financed projects.

3.22 In connection with any procurement to be financed in whole or in part by the Bank, the Borrower shall not deny participation of, or award to, an Applicant/ Bidder/Proposer/Consultant for reasons unrelated to:

a. its capability and resources to successfully perform the contract; or b. conflict of interest situations covered under Paragraphs 3.14 to 3.17 (Conflict of Interest).



27. **Beneficial Ownership Pilot.** In case the project procurement involves procurements within OPRC thresholds (Operational Procurement Review Committee thresholds), in such procurements, before a contract is signed, the winning bidder will be required to complete a standard template identifying beneficial owners, which are those individuals with a controlling interest in the company. Borrowers will be required to publish Beneficial Ownership information, together with other contract award information, on their websites, and the World Bank's external website. This information will not be routinely verified by the Borrower or the World Bank. However, the World Bank may conduct verification when triggered by integrity red flags, or in other cases when extended due diligence is warranted.

28. **Operating costs.** These will include costs associated with travel, accommodation, and per diems. The IDA grant proceeds shall not finance salary top-ups, meeting allowances, sitting allowances, and honoraria to civil/public servants.

29. **Training and workshops.** The project will finance training and workshops, if required, based on an annual training plan and budget which shall be submitted to the World Bank for its prior review and approval. The annual training plan will identify, among other things: (i) the training envisaged; (ii) the justification for the training; (iii) the personnel to be trained; (iv) the duration for such training; and (v) the estimated cost of the training. At the time of the actual training, the request shall be submitted to the World Bank for review and approval. Upon completion of the training, the trainees shall be required to prepare and submit a report on the training received.

Implementation Support Plan:

30. Most of the World Bank team members will be based in the Kampala country office, including technical, procurement, financial management, and safeguards specialists, which would facilitate timely, efficient, and effective implementation support to the client. Detailed inputs from the World Bank team are outlined below:

- (a) **Transport Sector Specialist**, together with the Procurement Specialist and Lawyer, will provide inputs to finalize all aspects of the bidding documents and provide support for contract management. The technical specialist will also provide implementation support for the road safety component (particularly engineering aspects) as well as work-zone safety aspects during construction.
- (b) **Fiduciary.** The World Bank's financial management and procurement specialists will help UNRA identify capacity building needs to strengthen its procurement and financial management capacity and to improve procurement management efficiency including identification of red flags (for fraud and corruption). Both specialists will also provide timely support in procurement processing and compliance with financial management requirement, including the timely submission of audit statements and financial reports. Besides regular supervision, thematic supervisions will be carried out by the specialists as required.
- (c) **Safeguards.** The World Bank's social and environmental specialists will provide implementation support in review of various safeguards documentation and ensuring compliance with the World Bank's operational policies and procedures on social and environmental safeguards. The specialists will visit project sites during implementation support missions and follow up to help improve safeguards implementation. Besides regular supervision, thematic supervisions will be also carried out by the specialists as required.

31. The implementation support is summarized below.



Time	Focus	Skills Needed	Resource Estimate
First twelve months	All components	Task Team Leader Transport Sector Specialist	8 SW 8 SW
	Fiduciary and Safeguards, Preparation of contracts	Procurement specialist Environment Specialist Social Development Specialist FM Specialist Lawyer	6 SW 6 SW 6 SW 3 SW 2 SW
12-60 months	All components	Task Team Leader Transport Sector Specialist	8 SW 6 SW
	Fiduciary and Safeguards	Procurement specialist Environment Specialist Social Development Specialist FM Specialist Lawyer	3 SW 6 SW 6 SW 2 SW 1 SW



Appendix 1

Letter of Acceptance of the World Bank’s Anti-Corruption Guidelines and Sanctions Framework

Date: __

Invitation of Bids/Proposals No. _____

To: _____

We, along with our sub-contractors, sub-consultants, service providers, suppliers, agents (whether declared or not) consultants and personnel, acknowledge and agree to abide by the World Bank’s policy regarding Fraud and Corruption (corrupt, fraudulent, collusive, coercive, and obstructive practices), as set out and defined in the World Bank’s Anti-Corruption Guidelines⁶⁷ in connection with the procurement and execution of the contract (in case of award), including any amendments thereto.

We declare and warrant that we, along our sub-contractors, sub-consultants, service providers, suppliers, agents (whether declared or not), consultants and personnel, are not subject to, and are not controlled by any entity or individual that is subject to, a temporary suspension, early temporary suspension, or debarment imposed by a member of the World Bank Group, including, inter alia, a cross-debarment imposed by the World Bank Group as agreed with other international financial institutions (including multilateral development banks), or through the application of a World Bank Group finding of non-responsibility on the basis of Fraud and Corruption in connection with World Bank Group corporate procurement. Further, we are not ineligible under the laws or official regulations of *[Insert name of Employer as per bidding document]* or pursuant to a decision of the United Nations Security Council.

We confirm our understanding of the consequences of not complying with the World Bank’s Anti-Corruption Guidelines, which may include the following:

- a. rejection of our Proposal/Bid for award of contract;
- b. in the case of award, termination of the contract, without prejudice to any other remedy for breach of contract; and
- c. sanctions, pursuant to the Bank’s Anti-corruption Guidelines and in accordance with its prevailing sanctions policies and procedures as set forth in the Bank’s Sanctions Framework. This may include a public declaration of ineligibility, either indefinitely or for a stated period of time, (i) to be awarded or otherwise benefit from a Bank-financed contract, financially or in any other manner;⁶⁸ (ii) to be a nominated⁶⁹ sub-contractor, consultant, manufacturer or supplier, or service provider of an otherwise eligible firm being awarded a Bank-

⁶⁷*Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by International Bank for Reconstruction and Development Loans and the International Development Agency Credits and Grants*, dated October 15, 2006, and revised in January 2011 and July 2016, as they may be revised from time to time.

⁶⁸ For the avoidance of doubt, a sanctioned party’s ineligibility to be awarded a contract shall include, without limitation, (i) applying for pre-qualification, expressing interest in a consultancy, and bidding, either directly or as a nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider, in respect of such contract, and (ii) entering into an addendum or amendment introducing a material modification to any existing contract.

⁶⁹ A nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider (different names are used depending on the particular bidding document) is one which has been: (i) included by the bidder in its pre-qualification application or bid because it brings specific and critical experience and know-how that allow the bidder to meet the qualification requirements for the particular bid; or (ii) appointed by the Borrower.



financed contract; and (iii) to receive the proceeds of any loan made by the Bank or otherwise to participate further in the preparation or implementation of any Bank-financed project.

We understand that we may be declared ineligible as set out above upon:

- a. completion of World Bank Group sanctions proceedings according to its prevailing sanctions procedures;
- b. cross-debarment as agreed with other international financial institutions (including multilateral development banks);
- c. the application of a World Bank Group finding of non-responsibility on the basis of Fraud and Corruption in connection with World Bank Group corporate procurement; or
- d. temporary suspension or early temporary suspension in connection with an ongoing World Bank Group sanctions proceeding.

For avoidance of doubt, the foregoing effects of ineligibility do not extend to a sanctioned firm's or individual's execution of its ongoing Bank-financed contracts (or its ongoing sub-agreements under such contracts) that are not the subject of a material modification, as determined by the Bank.

We shall permit, and shall cause our sub-contractors, sub-consultants, agents (whether declared or not), personnel, consultants, service providers or suppliers, to permit the Bank to inspect⁷⁰ all accounts, records, and other documents relating to the procurement process and/or contract execution (in the case of award), and to have them audited by auditors appointed by the Bank.

We agree to preserve all accounts, records, and other documents (whether in hard copy or electronic format) related to the procurement and execution of the contract.

Name of the Bidder/Consultant: _____

Name of the person duly authorized to sign the Bid/Proposal on behalf of the Bidder/Consultant:

Title of the person signing the Letter: _____

⁷⁰ Inspections in this context are usually investigative (i.e., forensic) in nature: they involve fact-finding activities undertaken by the Bank or persons appointed by the Bank to address specific matters related to investigations/audits, such as evaluating the veracity of an allegation of possible Fraud and Corruption, through the appropriate mechanisms. Such activity includes but is not limited to accessing and examining a firm's or individual's financial records and information, and making copies thereof as relevant; accessing and examining any other documents, data, and information (whether in hard copy or electronic format) deemed relevant for the investigation/audit, and making copies thereof as relevant; interviewing staff and other relevant individuals; performing physical inspections and site visits; and obtaining third-party verification of information.



ANNEX 2: Project Climate Co-Benefits

Part A: Climate Co-Benefits

1. Climate change presents a significant risk for Uganda’s agrarian based economy. The livelihood of the people of Uganda relies on vulnerable natural resources and on transport systems which are dependent on amenable climatic conditions. While Uganda’s natural climate is moderate, the country has already been experiencing the impacts of climate change, with increased frequency and severity of extreme weather events like heavy rainfall and an increase in the number of annual hot days. Uganda has in past decades experienced more erratic rainfalls leading to frequent busting of rivers, mudslides and landslides that lead to loss of lives and property of communities especially those living in the mountainous areas⁷¹. At the same time those in low-lying lands experience floods. Prolonged dry seasons are also frequent leading to loss of crops and livestock⁷². From 1900 to 2018, the country has encountered 20 floods, 40 epidemics, 9 drought, and 5 landslide events⁷³. The accumulative damages caused by those natural disasters amounts to over 200,000 deaths and at least US\$80 million economic loss⁷⁴. Models show that climate change impacts are projected to increase.

2. Table 2.1 below sets out the climate change vulnerability context of the transport sector, lists the Project’s statement of intent to enhance resilience to climate change impacts, and outlines the link with the Project activities. Table 2.2 gives Component-wise key activities that have direct and/or indirect climate co-benefits.

Table 2.1: Climate Change Vulnerability Context, Project’s Intent for addressing it and Link to Project Activities

<p>Climate change vulnerability context</p>	<p>There are several risks posed by climate change in Uganda. An in-depth climate and disaster risk screening was carried out to map major climate change risks in the project location. The climate change related hazards identified were extreme temperature, extreme precipitation, flooding and wildfires. Uganda is already exposed to a variety of natural hazards (droughts, heat waves, flooding, landslides). Poverty, land degradation, rapid and unplanned urbanization since the 1960s, weak enforcement of building codes and zoning regulations, and a lack of coordinated disaster response strategies enhance its vulnerability. Climate change is expected to increase the frequency and intensity of these natural disasters.</p> <p>Temperature trend analysis shows a sustained warming particularly over southern parts of Uganda with the minimum temperature rising faster than the maximum temperature. All climate models project a mean annual temperature rise in all the climatologically homogenous zones of Uganda. Mean annual temperature is projected to rise by 2.0°C, while the annual accumulated cooling degrees of temperature above 18°C will rise by 1,264.8°C by 2050⁷⁵. The total annual hot days of temperature above 35°C are projected to increase by 34.5 days in 2050</p>
--	--

⁷¹ <https://preview.grid.unep.ch/index.php?preview=home&lang=eng> Global Risk Data Platform (UNEP, UNISDR)

⁷² Unbreakable - Building the Resilience of the Poor in the Face of Natural Disasters, World Bank Group

⁷³ <https://www.emdat.be> The International Disaster Database - Centre for Research on the Epidemiology of Disasters (CRED)

⁷⁴ Shock Waves - Managing the Impacts of Climate Change on Poverty, World Bank Group

⁷⁵ <https://climateknowledgeportal.worldbank.org/country/uganda/climate-data-projections>



	<p>implying that the warm spell duration index for the project location is approximately 60⁷⁶.</p> <p>Droughts affected close to 2.4 million people between 2004 and 2013, and drought conditions in 2010 and 2011 caused an estimated loss and damage value of \$1.2 billion, equivalent to 7.5 percent of Uganda’s 2010 GDP. Environmental degradation, underdeveloped irrigation systems, and near-absence of disaster preparedness at the community level are contributing factors to increasing drought risk in Uganda. Climate change is expected to increase the likelihood for water scarcity for certain areas of the country. Additionally, the increased aridity and drought stress is expected to lead to water scarcity in some areas, resulting in increased demand for water, raising the potential for conflict and biodiversity loss. Higher temperatures with increased aridity may also lead to livestock stress and reduced crop yields. Hot days also have the potential negative impact of damaging transport infrastructure and increasing the need for maintenance.</p> <p>Warmer air has a higher capacity to carry moisture in the form of water vapor. Therefore, the projected future climate conditions raise the likelihood for strong and extreme rainfall events. Mean annual precipitation is currently 1,200.1mm but the proportion of precipitation that falls in heavy events is projected to increase by approximately 15 percent in the coming decades⁷⁷. Rainfall during the wet season (December – February) is also projected to increase, and the wet season may become longer.</p> <p>Flooding, particularly in low-lying areas of the country, presents a significant risk. Each year, floods impact nearly 50,000 people and reduce over US\$62 million in GDP⁷⁸. Uganda experiences both flash floods and slow-onset floods, which are common in urban areas, low-lying areas, areas along riverbanks and swamplands. Areas most prone to floods are the capital city, Kampala, and the northern and eastern areas of the country. Climate change is expected to increase the intensity of rainfall events and the risk of flooding with heightened risk of loss of life and damage to property and infrastructure. Intense rainfall and flooding may also result in soil erosion and water logging of crops, decreasing yields and increasing food insecurity.</p>
<p>Statement of purpose or intent</p>	<p>The Project aims to enhance the climate resilience of the refugee hosting districts of Koboko, Yumbe and Moyo in the West Nile sub-region of Uganda, by improving connectivity and reliability of access to goods and services through the Koboko, Yumbe and Moyo (KYM) road corridor. The project also aims to enhance the resilience of the transport sector more broadly through integrating climate change resilience considerations in capacity building activities for the Uganda National Roads Authority. The Project will include a broad range of activities that will integrate climate change resilience and adaptation measures in transport infrastructure construction design and maintenance, institutional capacity building, policy and planning including contingency planning.</p> <p>The Project Development Objectives are to enhance: (a) road transport connectivity in select refugee hosting districts of Uganda; and (b) the capacity of Uganda National Roads Authority to manage environmental, social and road safety risks. Part (a) of the PDO will be achieved through</p>

⁷⁶ <https://crudata.uea.ac.uk/cru/data/hrg/> Current Datasets and Static Climatologies

⁷⁷ <https://catalogue.ceda.ac.uk/uuid/58a8802721c94c66ae45c3baa4d814d0> Climatic Research Unit (CRU) Time-Series (TS) version 4.01 of high-resolution gridded data of month-by-month variation in climate (Jan. 1901- Dec. 2016)

⁷⁸ <https://climateknowledgeportal.worldbank.org/country/uganda/vulnerability>



	<p>component 1 and Part (b) through components 2, 3 and 4.</p> <p>Component 1, which accounts for more than 95 percent of the total grant funds entails upgrading of the currently unpaved laterite road which is the current state of the project corridor and illustrates its current vulnerability to extreme weather conditions and climate change conditions especially increased precipitation and the resultant runoff. Indeed, the frequent maintenance routines as a result of the constant wash away of the gravel layers by the increased run off represent a vulnerability to climate change from an environmental perspective and a financial perspective. Paving the surface of the road is therefore a good climate change adaptation option which will be achieved mostly by component 1.</p> <p>The Project aims to ensure that the KYM road corridor is resilient to the impacts of disasters and climate change induced extreme events and construction and maintenance are carried out by applying resilient technologies incorporating the principles of natural resource efficiency and bio-engineering solutions. The climate resilient designs will include appropriate drainage structures, highway embankments, slope protection works and bio-engineering solutions.</p> <p>Contingency planning is critical to help build resilience. An early-warning system will be established to provide alerts to users on flooding, slope failures, stretches affected by inclement weather conditions, road safety hazards etc., and immediate actions to address the emergency situations including by emergency crew as part of the maintenance activities are key Project features. Enhancement of skills in handling environmental risks, road safety awareness, and safety data management are part of contingency planning.</p> <p>Component 2: Institutional Strengthening will entail the enhancement of institutional skills in handling natural hazards and environmental risks in the project corridor areas and will lead to better contingency planning to help improve climate resilience.</p> <p>Component 3: Road Safety – Road safety awareness campaigns in the Project area, and road safety data collection and management system are part of contingency planning and help improve climate resilience and adaptation through the information gathering which will inform decision making and gear key strategies.</p> <p>Component 4: Contingent Emergency Response – The ability to support emergencies in the wake of natural disasters will help climate resilience of the road network and communities.</p>
<p>Link to project activities</p>	<p>This project will enhance resilience of the road network and of the communities served by the Koboko, Yumbe and Moyo (KYM) road corridor. This will be done through four project components, as follows:</p> <p>Component 1: Road Upgrading Works - This project component will support civil works for widening and upgrading of the approximately 105 km-long KYM road corridor from the gravel weather prone surface to bituminous paved road standards. The unpaved laterite road which is the current state is vulnerable to extreme weather conditions and climate change risks, especially the projected increase in precipitation levels that can lead to more frequent and intense flooding and erosion. Paving the surface of the road is therefore a good climate change adaptation measure. During the rainy season, a paved road will have better resistance to flooding, will drain the water from the surface more easily and will reduce the risk of potholes and water stagnation on the road surface. A paved surface will also reduce the risk of water penetrating and submerging the road construction layers and thereby reducing the bearing</p>



capacity of the road. To enable the road upgrading works in the project corridor to meet the current and future challenges of climate change, the program will adopt the concept of 'build back better', with focus on:

1. Raising the Road Level: The road surface level will be raised to an elevation higher than expected flood level to reduce risk of road damage and to prevent an inaccessible road during a flood event. Road design standards in Uganda stipulate sub-grade elevation to be at a minimum 0.5 m above highest flood level, in order not to allow water to enter and submerge the substructure of the road. The determination of the highest flood level shall have to have a climate change adjustment factor applied to it in order to increase resilience to climate change brought about by increased precipitation.
2. Adjusting Side Slope (i.e. Landscape Management): In terms of climate change adaptation, side slopes shall be adjusted from 1:1.5 to 1:2 or flatter to prevent flood damage and erosion from road surface runoff as a result of increased precipitation.
3. Enhancing Drainage: Runoff will not be allowed to develop sufficient volume or velocity so as to cause excessive wear along ditches, at culverts or along exposed running surfaces, cuts or fills. The elevation of the bottom of the ditch shall be at least 0.2-0.3 m below the subgrade elevation in order for the ditch to drain the pavement structure of the road and collect water from surrounding areas. The ditch shall have a longitudinal slope towards an exit point, where the water can be safely discharged. Ditches with slopes steeper than 5%, depending on soil conditions, shall have erosion protection measures.
4. Improving Road Permeability: Through the swampy areas, a layer consisting of clean rock wrapped in geotextile fabric will be placed as the first embankment layer on the ground. The water shall then pass through this layer from one side of the road to the other. The rock layer will be a support foundation for the road during wet or muddy conditions exacerbated by climate change and increment in precipitation.
5. Using Underdrains: Underdrains will be used in built-up areas or in other areas with limited space for open ditches. The purpose of underdrains is to remove water from the structure of the road and to hinder ground water from surrounding areas to reach the road structure.
6. Introducing Debris Deflectors: Drainage blockage by debris might be a problem, in some areas, during the rainy period. Floating or submerged debris like tree logs, twigs, or leaves can obstruct the waterway entrance of culverts or bridges and block culverts or cause damage to drainage structures. Debris deflectors shall be used to protect culverts or bridges from getting clogged.
7. Conducting Scour Checks: Scour checks will be considered, in ditches, when the longitudinal slopes are more than about 5% on the approach to Moyo district from Yumbe. Scour checks will reduce the speed of the water in order to prevent erosion. A spacing of up to 20m at 5% gradient and 15m at 6% gradient down to 6m at 10% gradient.
8. Preventing Erosion: Erosion is expected to be a major problem, with possible increased rainfall, and to prevent increased erosion will be an important adaptation option to climate change. The following are some of the methods to try to protect the road and its drainage system - retaining walls, gabions, rip-rap, grass sodding and groynes.



9. Using Roads for Water Management: Improved understanding of hydrology around the project area and use of road infrastructure to enhance resilience of local communities against the impacts of climate change, namely water scarcity and droughts. Balancing ponds may have a very limited effect in protecting the road but can be of use for villages to store water, to be used for irrigation during dry season. This will be one of the measures to protect vulnerable livelihoods from adverse effects of climate change such as prolonged droughts.
10. Realigning the Road Network: This project will realign the road network to reduce the exposure to flooding hazards and therefore reducing the costs associated with maintenance of the road and bridges near rivers.
11. Revising of Road Design Standards and Specifications: The project will use revised road design standards and specifications that integrate climate change considerations. Special attention will be paid in areas of high risk of flooding that may cause erosion and road damage. The most important factors to adapt are the road levels, the cross drainage of the road and erosion protection of the road. The road elevations shall be at least 0.5 m above the flood levels.
12. Green Planning: Green planning is one climate change adaptation sub-component for this project. In addition to increasing the green area along the road, the project will benefit the local population through employment of local laborers in the area and later with crops from the planted trees, mainly mango trees. This will be one of the measures to protect vulnerable livelihoods from adverse effects of climate change such as prolonged droughts.
13. Monitoring Conditions and Establishing Early-warning Systems: This will entail measures to manage disaster risks exacerbated by climate change such as flooding brought about by increased precipitation. The road, bridges, drainage and surrounding areas shall be regularly monitored in order to improve oversight of conditions and to propose improvements. An early warning system will be established in the area and will be maintained and monitored regularly.
14. Improving Pavement Design: The increase in extreme temperatures and number of hot days, as a result of climate change, has impacts on transport infrastructure including the deformation of the pavement surface, pavement cracking, accelerated aging of binder, rutting of asphalt and bleeding/flushing of seals. The counter measures that will enhance resilience shall entail the use of proper asphalt mix specifications, the use of advanced heat resistant materials, and revised pavement thicknesses which take into consideration the future temperatures.
15. Improving Bridge Design: The rise in temperatures due to climate change will cause thermal expansion of materials used in bridge construction. To counter the resulting deterioration of bridge infrastructure conditions, bridge design will account for the temperature increment at the design stage by including the use of expansion joints.

Component 2: Institutional Strengthening – This project component will strengthen the skills of the Uganda National Road Authority in handling climate change and natural disasters in refugee hosting areas, improve contingency planning, and the climate resilience of local communities. Key contributions will include: enhancement of early warning systems; update of the Road



	<p>Design Manuals and Specifications for civil works to account for climate change parameters (i.e. increased precipitation, increased temperatures, and more frequent landslides and flooding events); and update of specifications for civil works during construction to account for adaptation measures such as construction material specifications which take into account climate change. This work encompasses the development of climate change and natural hazards risk assessment around the project area and the improvement of climate and transport information systems, including among others the monitoring of changing environmental conditions affected by climate change (e.g.: land erosion patterns, frequency and severity of inundation events) to understand the evolving adaptation needs.</p> <p>Component 3: Road Safety – This project component will deploy road safety awareness campaigns in the Project area; and deploy road safety data collection and management as part of contingency planning to help improve climate resilience. Key contributions will include the establishment of a Road Accident Database Management System, which will collate all data associated with road accidents including data that can be attributed to climate change such as poor visibility caused by rain and fog, poor riding quality of pavement surface due to accelerated deterioration arising out of increased ambient temperatures or even a slippery surface caused by long standing run off on the road surface etc., and using the database to inform decision making and timely interventions which will be required.</p> <p>Component 4: Contingent Emergency Response – The ability to support emergencies in the wake of natural disasters will help climate resilience of the road network and communities.</p>
--	---

Table 2: Component-wise Adaptation and Mitigation Climate Co-Benefits

Activities	Adaptation Actions	Mitigation Actions
Component 1: Road Upgrading Works		
Upgrading and maintenance for 5 years of the KYM road corridor incorporating climate resilience, and safety aspects	<ul style="list-style-type: none"> The activities listed will ensure that the road designs confirm to the relevant codes of the GoU and include appropriate adaptation aspects to climate-induced weather events, such as use of bio-engineering solutions (for treatment of embankment slopes, slope failure zones, dumping and quarry sites’ reinstatement and protection works), water conservation (redevelopment/enhancement of ponds, water harvesting 	<ul style="list-style-type: none"> Tree plantation and renewable energy sources for lighting (solar). Natural resource efficiency through use of local materials and stabilization (cement/lime), use of cut material for embankment filling and pavement layers, recycling etc. with resulting lowered GHG emissions. Design of KYM road corridor and longitudinal and cross-drainage facilities to collect runoff and store in water harvesting



Activities	Adaptation Actions	Mitigation Actions
	<p>structures, water channelization structures to protect stream bed and store storm runoff water, energy dissipation techniques), provision of sub-surface drainage, and borrow area development.</p> <ul style="list-style-type: none"> • The project will build a new bridge and reconstruct several new structures (9 box culverts and 160 pipe culverts) in lieu of the current deficient/dilapidated/narrow structures. • Flexible pavement with appropriate mix designs which performs better in the Project area reducing the requirement of maintenance which in turn reduces the usage of material. 	<p>structures, use of cut and fill methods, gentle alignments etc.</p> <ul style="list-style-type: none"> • The proposed road upgradation would enable movement of heavy vehicles in all weather conditions, add to vehicle speed and carrying capacity, reduce travel times, vehicle operating costs and traffic congestion, reducing GHG emissions. • Bridge design; the thermal expansion of materials will be countered through the use of expansion joints and accounting for the temperature increment at the design phase. • Pavement design; entail the use of proper asphalt mix designs, revised pavement thicknesses which take into consideration the future temperatures and the use of advanced heat resistant materials. • Alignment design: to include raising the road level and re-alignments in some sections as described above.
Component 2: Institutional Strengthening		
<p>Enhancement of skills in management of social and environmental risks in refugee areas</p> <p>Review and strengthening of Environmental, Social, Health and Safety Management System and its piloting including annual system audits</p> <p>Acquiring and use of in-situ pollution monitoring equipment,</p>	<ul style="list-style-type: none"> • Contingency planning through training, capacity building, consultant support (including technical advisors, and community liaison officers) for management of social and environmental risks in refugee areas. • Development of climate change and natural hazards risk assessment around the project area and the improvement of climate and transport information systems, 	<ul style="list-style-type: none"> • Update of specifications for civil works during construction to account for adaptation measures such as construction material specifications which take into account climate change.



Activities	Adaptation Actions	Mitigation Actions
<p>Strengthen the skills in handling climate change and natural disasters risks in refugee hosting areas, improve contingency planning and the climate resilience of local communities</p>	<p>including among others the monitoring of changing environmental conditions affected by climate change (e.g.: land erosion patterns, frequency and severity of inundation events) to understand the evolving adaptation needs.</p> <ul style="list-style-type: none"> • enhancement of early warning systems for climate change related natural hazards, such as flooding and landslides, • update of the Road Design Manuals and Specifications for civil works to account for climate change parameters i.e. increased precipitation, increased temperatures, storm surges and more frequent flooding events, 	
Component 3: Road Safety		
<p>Development and operationalization of the Road Accident Database Management System Training and awareness campaigns in the Project area</p>	<ul style="list-style-type: none"> • Road safety awareness campaigns in the Project area, and road safety data collection and management as part of contingency planning including accident data attributed to climate change such as increased runoff and higher temperatures which increase the pavement deterioration hence the ride quality of the road and necessitating frequent maintenance routines. • Use the Road Accident Database Management System to inform decision making towards targeted interventions that make the road safer to users and more resilient to climate change 	



Activities	Adaptation Actions	Mitigation Actions
Component 4: Contingent Emergency and Response		
Emergency response	<ul style="list-style-type: none">• Provision/ability to support emergencies in the wake of natural disasters.	

Part B: Green House Gas Estimation

Reduced travel time and reduced congestion is expected to lower carbon emissions. Road improvement works are going to help increase vehicle speed and enhance fuel efficiency, in this case reducing carbon emissions. The road planning tool HDM-4 was used to carry out the economic analysis. Overall, based on current and future traffic forecasts, the GHG emission/shadow price of carbon analysis shows that upgrading of the KYM road corridor are expected to reduce GHG emissions by 42,884 tons CO₂ during 30 years of operation.



ANNEX 3: Project Location Map

