

# **UGANDA**

## **TRANSPORT SECTOR DEVELOPMENT PROJECT – ADDITIONAL FINANCING**

### **Lessons Learned and Agenda for Action**

**November 11, 2016**

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## ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
AfDB	African Development Bank
CMU	Country Management Unit
DFID	Department for International Development (United Kingdom)
ED	Executive Director
ESF	Environmental and Social Framework
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
ESSAT	Environmental and Social Standards Advisory Team
ESS	Environmental and Social Standard
EU	European Union
FY	Fiscal Year
GBV	Gender-Based Violence
GENDR	Environment & Natural Resources GP
GGSV	Sustainable Development Vice-Presidency
GP	Global Practice
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
GSURR	Social, Urban, Rural and Resilience GP
HS	Highly Satisfactory
HU	Highly Unsatisfactory
IDA	International Development Association
INT	Institutional Integrity Vice-Presidency
ISDS	Integrated Safeguards Data Sheet
ITS	Information and Technology Solutions
JFCU	Joy for the Children Uganda
LEGEN	Environment and International Law Unit
MGLSD	Ministry of Labour, Gender and Social Development
MoFPED	Ministry of Finance, Planning and Economic Development
MoWT	Ministry of Works and Transport
MS	Moderately Satisfactory
MU	Moderately Unsatisfactory
NERAMP	Uganda - North Eastern Road-Corridor Asset Management Project (NERAMP)
NGO	Nongovernmental Organization
OP	Operational Policy
OPCS	Operations Policy and Country Services
PAD	Project Appraisal Document

RAP	Resettlement Action Plan
RSA	Regional Safeguards Advisor
SORT	Systematic Operations Risk-rating Tool
TSDP	Transport Sector Development Project
TTL	Task Team Leader
UNICEF	United Nations Children’s Fund
UNRA	Uganda National Roads Authority

## I. INTRODUCTION

1. This report presents the results of an internal lesson learning process that Bank Management undertook in light of the serious issues that arose under the *Uganda Transport Sector Development Project* (TSDP), and the Bank's failure to address them forcefully and comprehensively. This process was conducted concurrently with the Inspection Panel's investigation of complaints related to the project. It focused on identifying the internal factors that contributed to failures in project preparation and supervision, and that slowed Management's response to problems when they manifested themselves during implementation.

2. While *Management's Report and Recommendation* in response to the Inspection Panel's findings is designed primarily to address specific instances of harm that occurred as a result of the Bank's failure to enforce its own safeguard policies, the present report goes deeper into the question of why and how such failures occurred in the first place and what the Bank can do to prevent a reoccurrence. To this end, this *Lessons Learned and Agenda for Action* looks beyond project-level compliance and focuses more broadly on the institutional level to identify systemic changes to strengthen oversight of projects in high-risk environments. Drawing on the lessons learned, Management has developed a detailed set of actions, which is set out in Part III of this report, and is committed to implementing them to avoid the recurrence of similar failures in future operations.

### A. Background: TSDP and the Inspection Panel Process

3. The TSDP was supported by two credits from the International Development Association (IDA): an original operation (Credit No. 4679-UG) in the amount of US\$190 million and an Additional Financing (AF) operation (Credit No. 4949-UG) in the amount of US\$75 million. The AF Credit supported the upgrading and rehabilitation of a 66-km road from Kamwenge to Fort Portal in western Uganda. In Uganda, road infrastructure is the dominant transport mode, accounting for ninety percent of passenger and freight traffic. The intended development benefits of the project included: better and safer transport services; new and rehabilitated roads to improve links among many parts of Uganda and promote the movement of goods, services and people; improved access to markets in rural areas and basic services such as schools and hospitals; promotion of cross-border trade and revenue-generating tourism; and employment opportunities for local laborers.

4. Since January 2016, the TSDP has been the subject of an Inspection Panel review, prompted by complaints from local community members that were first communicated to the Bank and Panel in December 2014 and subsequently reiterated in a second Request for

Inspection that was registered by the Panel in September 2015. The Request for Inspection raised numerous serious allegations, including road workers' sexual relations with minor girls and resulting pregnancies, the increased presence of sex workers in the community, the spread of HIV/AIDS, sexual harassment of female employees, child labor, increased dropout rates from school, inadequate resettlement practices, fear of retaliation, failure to ensure community participation, poor labor practices, and a lack of road safety. The two credits supporting the project were cancelled on December 22, 2015.

5. The Panel submitted its Investigation Report to the Board on August 4, 2016. Management's response to the Panel's findings is contained in the *Management Report and Recommendations* that was submitted to the Board on October 13, 2016, and is currently pending Board approval.

6. Prior to the Panel's investigation, President Kim observed in December 2015 that "*the multiple failures we've seen in [TSDP] – on the part of the World Bank, the Government of Uganda, and a government contractor – are unacceptable.*" The Inspection Panel's Investigation Report documents these failures clearly and in detail. With respect to Bank performance, the report details multiple instances of non-compliance with operational policies and procedures that contributed to adverse impacts on local communities, some of which were extremely grave.

7. *Management's Report and Recommendations* recognizes these failures. Management agrees with the Panel's findings that there were serious weaknesses in the preparation, implementation and supervision of the project. It acknowledges that the Bank failed to identify and plan for the full range of social impacts that a project of this size and scope could have in a poor, rural area with many pre-existing and well-identified vulnerabilities. Insufficient community consultation before and during implementation, as well as a failure to assign preparation and supervision teams with the requisite experience and skills, made the Bank slow to grasp the depth and scale of negative impacts while they were occurring and slow to act decisively through supervision and the exercise of remedies. In its report, Management commits to a detailed set of actions – at the local, national and global levels – to address the impacts suffered by project communities and to improve the capacity of the Government of Uganda (hereafter "Government") and the Bank to better manage the types of issues that arose under the project.

## **B. Reflecting on Bank performance in TSDP: the Bank's internal lesson learning process**

8. Over the last ten months, the Bank has engaged in a process of intensive reflection on the institution's performance under the TSDP. The objective of this process has been to extract lessons from the TSDP experience and elsewhere that could help strengthen the Bank's responsiveness and address the internal institutional weaknesses that the project revealed.

8. The process has worked from the premise that there were weaknesses in Bank performance through all phases of the TSDP project cycle – from the way the project was prepared and supervised, to the way the Bank responded when complaints arose. These weaknesses were revealed with particular starkness in TSDP due to the troubling confluence of events that occurred and the complex social environment in which the project took place, but they are not necessarily unique to that project. Management’s lesson learning process, therefore, has sought to elicit answers to some basic questions that can then be applied across its investment operations: What can the Bank do better – in terms of processes, staffing, internal communications, responsiveness and substantive knowledge – to reduce the possibility of similar mistakes occurring elsewhere, leading to similarly unacceptable outcomes? How can staff at all levels be equipped and enabled to make better decisions and take more timely and decisive action?

9. Management approached the process from multiple angles and has extracted lessons from a number of sources:

- **Diagnostic Review of the TSDP-AF:** In its initial Management Response to the Request for Inspection in October 2015, Management committed to an internal review of lessons learned from the TSDP. It commissioned two experts – a World Bank Director and a retired World Bank Division Chief for Infrastructure and the Environment without prior connection to the project – to undertake this review in January 2016. Its objective was to assess the Bank’s approach to a range of social and environmental risks that arose under the project and to examine how, why and where the Bank failed in the preparation, supervision and management oversight of the TSDP-AF.

The review focused in particular on how the Bank assessed the social context of the project at preparation and during implementation; how the Bank responded to the weak capacities of the implementing agency, the Uganda National Roads Authority (UNRA), and of the Contractor and the Supervising Engineer for carrying out risk mitigation measures; the adequacy of Bank staffing; the nature of the Bank’s dialogue with the Government; the attention given to stakeholders; and the adequacy of Bank Management responses to specific challenges, in particular following the first complaint letter to the Inspection Panel in December 2014.

The review was a desk study with inputs from approximately 30 interviews with present and former Task Team members, their Country and Global Practice (GP) Managers, and several safeguard, legal, and other specialists that have been involved with the project since the first Request for Inspection was received. Information was also drawn from key documents available in project files. No engagement took place with the Government or with other stakeholders, and as the review took place concurrently with the Panel’s investigation, it did not have the benefit of the Panel’s findings. The Diagnostic Review is presented below in Part II.A.

- **Safeguard performance review exercise for projects in the Uganda portfolio:** During 2016, the Bank's Social, Urban, Rural & Resilience GP (GSURR) and Environment & Natural Resources GP (GENDR) conducted an exercise to evaluate safeguard performance within the Bank's current investment lending portfolio and pipeline in Uganda. The methodology combined a review of project documentation, interviews with Task Teams, and project site visits. The objectives of the review were to identify challenges and gaps in the implementation of the Bank's environmental and social safeguard policies in the projects, to determine specific actions to strengthen implementation within each of the projects, and extract general recommendations for strengthening performance across the portfolio. The findings and recommendations of the exercise are presented in Part II.B.
- **Review of child protection risks within the Uganda portfolio:** The goal of this specialized portfolio review focusing on risks related to child labor and child abuse was to identify project-specific or portfolio-wide issues, and to propose specific measures to address them. It was conducted between April and October 2016 by a specialized international consultant supported by a Bank team, and combined a literature review, site visits to selected projects, and interviews with borrowers, Task Teams, and community stakeholders. Site visits included focus group discussions with community members and contract workers, key informant interviews with local officials, teachers, child protection nongovernmental organization (NGO) representatives, police and other key stakeholders. Findings and recommendations are summarized in Part II.C.
- **Review of best practice for managing labor influx:** In early 2016, a working group was established to review existing global experience and Bank practice for managing the risks of adverse impacts on host communities resulting from temporary labor influx. This process resulted in a draft Guidance Note that is currently being finalized, and will shortly be disseminated for further input by external experts. Key features of the Guidance Note, and the lessons that informed its preparation, are presented in *Management's Report and Recommendations* in response to the Panel's Investigation Report. They are summarized in Part II.D below.
- **Inspection Panel's Investigation Report:** The Panel's Report has served as an additional important source of learning, particularly Chapter 5, which offers an analysis of the Bank's supervision of the project between mid-2014 and early 2016.

10. Part III of this Report presents a synthesis of lessons learned from these various sources, along with actions designed to address them. The lessons and related actions are grouped according to a number of project dimensions related to preparation, supervision, responsiveness to complaints and internal communication. Part III also distills lessons for the Bank's structures and oversight mechanisms for safeguard compliance, as well as for the implementation of the Bank's new Environmental and Social Framework (ESF).



11. **Management regards the process of learning from the TSDP experience to be an ongoing exercise that will not conclude with this report.** New lessons and more effective actions are likely to emerge over time from a variety of sources. One source of learning going forward will be the Global Task Force on Gender-Based Violence (GBV) that President Kim launched in October 2016. The Task Force is intended to strengthen the Bank's capacity to identify risks preemptively, conduct more robust gender assessments, improve approaches to raising awareness about GBV, and equip Task Teams to take more assertive action to prevent GBV. The Task Force includes a range of members from academia, NGOs, foundations, UNICEF, and government with deep experience in addressing GBV in a variety of settings. Terms of Reference for the GBV task force are presented in Annex 2. The Task Force is expected to deliver its report within nine months.

12. It is also important to emphasize that Bank safeguard practice overall is embarking on a period of transition and opportunity, with the recent approval of the ESF. The ESF provides a significantly strengthened framework for analysis, identification and management of all types of environmental and social risks. As the ESF is rolled out and guidance is prepared for its implementation, opportunities to craft additional tools to address the types of risks that arose under the TSDP will emerge. Conversely, the roll out of the ESF will benefit from the lessons of the very difficult and profound problems that arose under the TSDP.

## II. LESSONS FROM THE BANK'S INTERNAL REVIEW PROCESS

### A. The Diagnostic Review of the TSDP-AF

13. The Diagnostic Review examined all phases of the TSDP, from preparation through supervision, including the Bank's response to the complaints from the Requesters. The review aimed to distill lessons and propose steps to help ensure that needed resources and mechanisms are in place to prepare, supervise and implement similar projects, and that staff have the skills to address such challenges. As noted above, the review was conducted before submission of the Inspection Panel's Investigation Report. Hence, while focusing on critical social risks that surfaced in the TSDP – particularly those related to labor influx and child protection – the review does not purport to be a comprehensive treatment of all the issues raised in the Panel's Report. Nonetheless, it identified highly relevant lessons for the full range of problems found in the TSDP.

14. The findings and recommendations of the *Diagnostic Review* are presented in full below.

#### 1. Assessment of the social impact and related social risks

15. *Lessons.* A basic lesson emerging from this Diagnostic Review is the importance of “investing” more substantially at the outset in understanding the environment in which an infrastructure project will be implemented. This social context is essential in identifying the broader social risks to, for example, poor rural communities that are caused by large influxes of local and foreign construction workers, and, subsequently, putting in place specific measures to mitigate these risks. A fundamental change is needed, to ensure that (i) systemic social risks are addressed appropriately and in a timely manner in the Environmental and Social Impact Assessments (ESIAs) and Environmental and Social Management Plans (ESMPs) of infrastructure investments; (ii) appropriate mitigation measures are clearly identified where such risks exist; (iii) enforceable construction related mitigation measures are included clearly in the contract; (iv) the capacity of implementing entities to manage the contract and enforce the application of the mitigating measures is appropriately appraised, and (v) supervision of the implementation of these mitigation measures becomes an integral focus of Bank implementation support and supervision efforts. The ESMP and the mitigation measures should be an integral and enforceable part of construction contracts and the site-specific ESMP should be approved within a defined period after the start of mobilization for construction. Finally, these activities and the costs of the resulting mitigation measures should be made explicit in both bidding documents and the final contract to ensure that they are, in fact, implemented.

16. *Identification of Social Risks.* The main social safeguard concern identified during preparation of the TSDP was the involuntary resettlement of an estimated 2,200 people. The minutes of the concept review meeting for the Additional Finance operation that took place on October 20, 2010 reveal that most of the discussion focused on building capacity for procurement within UNRA, as well as governance and anti-corruption issues. A short paragraph

on “Environmental and Social Impact Mitigation” does advise the Task Team to “follow-up in ensuring that the environmental and social safeguards oversight function is strengthened in UNRA” and to “ensure that the Kamwenge-Fort Portal RAP [Resettlement Action Plan] provides details of the census of the PAPs [project affected people] that includes their expected losses and entitlements.” There was no discussion of other social risks, however. In the end, the Project Paper did not identify social impacts other than resettlement and there was no mention of possible broader risks resulting from the influx of local construction workers. Based on subsequent discussions with safeguard staff, it was clear that the project was viewed as a standard road investment, without unusual social safeguard impacts, or risks, beyond involuntary resettlement.

17. *Safeguard Categorization.* In the updated 2011 ESIA,<sup>1</sup> the project was proposed as Category A, but it was later re-categorized as a B. Neither concept review meeting minutes nor the cleared Integrated Safeguards Data Sheet (ISDS) explain why. Indeed, the appraisal-stage ISDS (approved on May, 5, 2011) finds only that “social safeguards issues are associated with land taking in semi urban and agricultural dependent areas as a result of widening and re-alignment of the roads. Other social interferences stem from the establishment of temporary road workers camps. Based on the Environmental and Social Impact Assessment and RAP and the mitigation measures prescribed therein, the potential adverse impacts are not anticipated to be large scale or irreversible.” The safeguard categorization is likely indicative of a general tendency under Additional Financing operations to match the safeguard ratings to the parent project, which can result in a failure to identify the main safeguard concerns of the next-phase project, such as happened here. In the case of the TSDP, the project environment was sufficiently different from the parent project to warrant a different categorization. In addition, categorizing the project as a B precluded it from benefitting from increased preparation and supervision resources and increased internal scrutiny.

18. A major shortcoming of the updated ESIA prepared for the TSDP is that it did not identify in sufficient detail all the key social risks from just this type of situation, and in such a high-risk context. As a result, the corresponding impacts and appropriate mitigation measures never found their way into downstream documents (i.e., the site-specific ESMP) and contractual obligations. The final ESIA made only brief references to the project’s potential social impact: (i) “increased risk of HIV/AIDS due to improved commerce and the movement of people due to improved roads”; and (ii) “if the contractor does not maintain a strict “no fraternization” policy, workers’ camps could be hotspots for prostitution or illicit sexual relationships.” Given the high prevalence of sexual abuse of minors and early pregnancies in Uganda and the well-known risks

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<sup>1</sup>The original ESIA for the Kamwenge-Fort Portal road was prepared in September 2008 by CES (India) in partnership with KOM Consult Ltd (Uganda), with financing from the African Development Bank (AfDB). An updated (and final) ESIA report was prepared in June 2011 by Air, Water and Earth (AWE, Uganda) to address the requirements of the World Bank. This report included a draft ESMP. The draft ESMP served as the basis for the site-specific ESMP that the contractor was required to prepare.

that a high influx of male laborers into a poor community pose, the ESIA/ESMP should have covered these concerns comprehensively and proposed effective mitigation measures.

19. As discussed in paragraph 17 above, the TSDP-AF should have been placed in Category A. An additional lesson is that Task Teams need to review site-specific ESMPs— which serve as the basis for the contractor’s implementation of mitigation measures, and which complement project ESIA/ESMPs – to ensure that they are consistent with the project-level ESIA/ESMP,<sup>2</sup> and that the mitigation measures carried out by the contractor are not inferior to those identified in the project ESMP. In this case, the Task Team failed to do so, although not for lack of trying. In fact, the Task Team pressed UNRA and the Contractor for the site-specific ESMP on at least three occasions:

- The Aide-Memoire for the Bank’s June 11-26, 2014 mission requested a copy of the revised ESMP by July 2014;
- Subsequently, the Aide-Memoire for the November 17-25, 2014 mission again requested that a copy of the draft ESMP be submitted for Bank comments, this time by December 31, 2014; and
- Finally, the Aide-Memoire for the April 16-May 6, 2015 mission again requested a copy of the ESMP, this time by May 15, 2015.

As the supervision record shows, the Bank’s failure was not a failure to follow *up* but rather a failure to *follow through* with its contractual remedies when UNRA and the Contractor failed to comply with basic commitments.

20. *Quality of the ESIA and ESMP.* The original ESIA and the RAP were prepared under another project with financing from the AfDB, prior to the Bank’s initiation of support for that project through approval of the original IDA credit. Initially, both reports were found to need improvement, and (after Bank involvement in the project began) UNRA submitted revised reports intended to comply with Bank safeguard policies and standards. The project-level ESIA had a draft ESMP, with the subsequent site-specific ESMP to be prepared by the Contractor in

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<sup>2</sup> *Category A:* Under the World Bank safeguards policies applicable to this project, a proposed project is classified as Category A if it is likely to have significant adverse environmental impacts that are sensitive, diverse, or unprecedented. These impacts may affect an area broader than the sites or facilities subject to physical works. The EA for a Category A project examines the project’s potential negative and positive environmental impacts, compares them with those of feasible alternatives (including the "without project" situation), and recommends any measures needed to prevent, minimize, mitigate, or compensate for adverse impacts and improve environmental performance. For a Category A project, the borrower is responsible for preparing a report, normally an EIA (or a suitably comprehensive regional or sectoral EA).

*Category B:* A proposed project is classified as Category B if its potential adverse environmental impacts on human populations or environmentally important areas—including wetlands, forests, grasslands, and other natural habitats—are less adverse than those of Category A projects.

*Category C:* A proposed project is classified as Category C if it is likely to have minimal or no adverse environmental impacts.

line with normal practice within construction contracts. However, the draft ESMP lacked critical information on the particular actions needed to address the identified project risks. Further, the site-specific ESMP was not shared with the Bank until at least two years into civil works implementation, despite many requests made to UNRA (see paragraph 19). There was confusion on the part of the Task Team as to whose responsibility it was to ensure that the Contractor's site-specific ESMP was delivered on time and that it complied with project requirements. While the Bank reviews and clears project-level safeguard instruments (such as the ESIA and RAP) it is the Borrower's responsibility (under Bank supervision) to ensure that the safeguard instruments are reflected in the contractor's ESMP, and to ensure the project is implemented in accordance with the safeguard instruments.

21. Given that the project's compliance with safeguard instruments requires such instruments to be effectively translated into contractual requirements for the Contractor, it should have been clear that the Contractor's ESMP needed to be reviewed and evaluated as to whether or not it appropriately responded to the ESIA. Typically, the contractor's ESMP should be delivered by the contractor to the employer within a defined period from the start of the works contract, but before the commencement of physical works. In the TSDP, this did not happen. It is clear that the lack of an updated and comprehensive site-specific ESMP when construction started was the source of many of the project's problems, given the resettlement and other community concerns that became evident early in implementation. UNRA should not have allowed construction to proceed until the site-specific ESMP had been prepared and the Bank should have compelled UNRA to comply with this requirement. Bank Management, in particular, should have considered use of its contractual remedies, including suspension of disbursements, to signal that it accorded priority to compliance with safeguards.

22. Although UNRA updated the project-level ESIA/ESMP, and the Bank cleared them, the overall quality remained relatively low: the documents were not specific about the measures needed to ensure that the identified risks would be mitigated; and guidance on how to mitigate the risks, and information on expected costs, were both minimal. The bidding documents and contract also did not reflect either the proposed measures or their costs. Moreover, it is clear that the Contractor did not give priority to safeguards, as evidenced by the fact that the Contractor hired its safeguard staff only on a part time basis. UNRA's own safeguard staff skills were also weak and ineffective.

23. *Documentation.* The original AfDB RAP (upon which the Bank's 2011 RAP is based) cannot be located in the Bank's project files. This is a serious problem, which Management explored in detail in its wider safeguards review of the Uganda portfolio, in order to identify a more robust systemic response (see Part II.2 below).

24. *Supervision Team Composition.* In staffing the supervision team for safeguards, Management prioritized expertise in involuntary resettlement, which was the main social safeguard concern identified during preparation and which had been beset by problems from the start. No safeguard staff were deployed to address more systemic social risks, despite there

being significant literature available on these issues in Uganda, which meant that the Bank remained unaware of their seriousness, and unprepared when the issues came to its attention. During preparation, it was agreed that the Bank would identify and engage NGOs to help the project implement mitigation measures and carry out community engagement activities. However, these were never hired for reasons that are not fully explained in the documentation, although UNRA appeared to have been opposed to this. After the December 2014 complaint letter, the Bank suggested recruiting an NGO to assist the project with outreach to the community. After much discussion, this proposal was finally rejected by UNRA in June 2015, as the agency preferred to add this function to the responsibilities of the contracted HIV service provider. In addition, given the Task Team's focus on involuntary resettlement, the Bank did not build a solid relationship with any other service providers, and/or with the District governments, which could have been expected to be aware of systemic social issues; this limited the Bank's access to pertinent "on-the-ground" information.

## **2. Supervision of social risks and social safeguards**

25. *Lessons.* The main lessons for the supervision of social risks and social safeguards are the following: (i) the need for early engagement with communities affected by the investment; (ii) the importance of first having a comprehensive assessment of the project's social impact and related risks so that supervision teams are staffed with the needed social skills; (iii) the importance of adequate appraisal of the institutional capacity of implementing entities in enforcing contracts, since most mitigation measures need to be implemented by the contractor as part of the contract; (iv) the value of collaborating early on with local NGOs as well as local governments to strengthen community outreach; and (v) the importance of safeguard compliance as a basic supervision responsibility; when serious violations of safeguards obligations occur, Bank supervision teams must take action, including suspension of disbursements to enforce compliance.

26. *Supervision of Social Risks.* Bank supervision focused on involuntary resettlement resulting from realignment of sections of the Kamwenge-Fort Portal road, rather than on the full set of social risks surrounding the project. Since the project relied on a RAP that was based on old and incomplete data, the resettlement process became challenging, with the estimated number of affected people increasing from about 2,200 at appraisal to over 2,800 during supervision. A design review, prior to construction, resulted in changes to the road alignment which in turn affected additional people while eliminating impacts on others. This significantly contributed to delaying compensation payments to communities. The experience highlights the risks and consequences of allowing construction to start based on old and outdated information, which also makes effective supervision by the Bank impossible. In addition, it is not clear whether Management considered the small number of staff allocated for supervision to be sufficient. There are no records indicating that either Management or the Task Team requested more resources at any time. The initial budget for the AF operation was small and both the parent project and the AF operation were supervised jointly throughout.

27. *Slow Compliance with Safeguards.* By June 2014, 24 months after Board approval and 10 months after the Contractor had mobilized, there were serious concerns about the project's compliance with safeguard requirements. These concerns included the fact that road construction had started without compensation to all affected people in the right of way; the fact that affected people living within a 500-meter safety radius had not been relocated; the operation of quarries with disregard for basic standards of health and safety; and the indiscriminate destruction of personal property along the road. In addition, UNRA had yet to set up a grievance redress mechanism (GRM) on compensation. As a consequence, the social (and environmental) safeguard rating, rated moderately unsatisfactory (MU) in January 2014, was downgraded to highly unsatisfactory (HU) in June 2014 and a corrective action plan was agreed to by UNRA, with a deadline of end-September 2014.<sup>3</sup> By end-November 2014, based on UNRA's improved performance in bringing about compliance with the resettlement norms as well as the integration of HIV/AIDS activities into the road works contract, the social safeguard rating was upgraded to moderately unsatisfactory (MU). However, in hindsight, this rating upgrade was premature as not all issues of concern had yet been fully addressed. At this stage, with the increased scale of the resettlement obligations, and the growing concern over UNRA's weak capacity and the Contractor's disregard for its obligations, consideration should have been given to reinforcing the safeguard team. Instead, the two-notch upgrade of the safeguards rating sent the opposite message, namely that things were moving in the right direction, when in fact much else remained wrong. When reinforcement did finally occur in May 2015, it was very late in the process.

28. *Compensation Process for Land Acquisition along Right of Way.* The compensation of the more than 2,800 affected people was poorly managed by the Government and UNRA (as well as by its consultant, SURVECO) and was a primary reason for serious and persistent grievances among the communities and individual households affected. By December 2014, some 15 months after the Contractor had mobilized, the right of way had yet to be finalized. There were also other unresolved issues, including inadequate compensation, uncertainty as to whether all the affected people had been identified, and the need to improve the access and participation of affected people in grievance committees. Compensation concerns were exacerbated by budget constraints. Several affected people had also not been compensated following the realignment of the road that occurred as result of the design review. The Bank's approval of the RAP that contained out-of-date information on the affected communities contributed to the confusion. The lack of additional support the Bank might have had from NGOs hurt its ability to stay on top of a volatile situation.

29. *Community Engagement* The engagement strategy with the communities was inadequate, focusing mainly on resettlement, which is what UNRA's consultant, SURVECO, had been hired to do. Initially, communities appeared to have little information on the road

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<sup>3</sup> Ratings comprise a 6-point scale as follows: Highly Satisfactory (HS); Satisfactory (S); Moderately Satisfactory (MS); Moderately Unsatisfactory (MU); Unsatisfactory (U); and Highly Unsatisfactory (HU)

investment and how it was going to affect them. When they later began to express concerns with the handling of the compensation process, UNRA had the primary responsibility for addressing these concerns through its own site engineer and SURVECO. Bank implementation support missions prior to April 2015 – four months after receipt of the first complaint letter to the Panel – included only one junior (GF level) social safeguards staff member, who did not have the seniority or expertise to ensure that UNRA addressed the full range of concerns raised by the communities. No NGOs and/or local service providers were contacted to provide specialists as part of the Task Team, or to assist in reaching out to the community. Finally, the Bank did not leverage the Ministry of Labor, Gender and Social Development (MGLSD) or the local District governments, which also could have helped in community outreach.

### **3. Skills balance, staff experience, and resources allocated for Bank supervision**

30. *Lessons.* Insufficient identification of risks during preparation can have a major adverse impact. Hence, a key finding from this review is the importance of engaging early, meaningfully, and continuously with the affected communities. A fundamental change in the staffing and skills balance of preparation teams needs to take place for road and similar infrastructure investments. Potential social risks must be identified and addressed early in project preparation through the use of experienced safeguard staff as an integral part of preparation teams. Cultural sensitivity and engagement skills are also critical in enhancing the quality of a Task Team’s interactions with communities and local knowledge is an asset. Finally, budget resources allocated for preparation and supervision must be driven by the scale and complexity of the safeguard requirements rather than by broader project classifications that may not capture the resource implications of these requirements.

31. *Staffing of Supervision Missions.* The TSDP-AF was supervised jointly with the parent project, starting at Board approval in June 2011, with missions taking place on average twice a year through 2014. The TSDP-AF had been prepared with a small budget of US\$50,000; the budget resources allocated for supervision were also modest and inadequate to carry out the range of tasks required. The Task Team Leaders (TTLs) at approval of the parent project and the TSDP-AF, who had prior experience implementing road projects in Uganda, were based in Uganda and Tanzania, respectively. Most members of the implementation support teams were also based in the region. Overall, therefore, in staffing Bank supervision missions, the main shortcoming was not one of lack of proximity to the project sites but of seniority, skill mix and sufficient numbers to provide comprehensive oversight and implementation support. It is also clear that twice yearly supervision missions are inadequate to address difficult projects in sensitive social contexts.

32. *With regard to the broader systemic social concerns that were identified in the ESIA and became apparent later,* the implementation support team did not have the needed community engagement skills to address these concerns until late May 2015 when, in partnership with the local NGO, the Bank was able to understand the project’s relation to the earlier allegations of



child abuse, sexual harassment, and other concerns related to the influx of more than 400 workers. The vulnerability of communities along the route should have been anticipated and mitigation measures to help prevent such abuses should have been in place at the start of construction. In retrospect, the implementation support team composition reflected an over-reliance on newly hired safeguard staff, with limited support from others in the region or from headquarters. Moreover, the particular safeguard skills of the local staff did not adequately match those needed to address the broader social issues that manifested themselves during implementation, while the expertise within the Bank that was needed to engage the communities and address their concerns was also limited.

#### **4. Bank Management response following receipt of the first complaint letter to the Inspection Panel**

33. *Lessons.* The Bank must find ways to respond more rapidly, effectively and comprehensively to serious allegations such as those raised in this case. While a “fact-finding” mission may be a necessary first step, it must be staffed by a multidisciplinary and independent team, with prior experience in addressing similar concerns. An independent team is also needed to make the hard calls that governments may find uncomfortable. The main task of such a team should be to provide Management within 30 days of receiving a complaint with (i) a clear understanding of the situation on the ground; and (ii) recommendations on addressing the allegations in a practical manner. To ensure this, greater corporate oversight is required to guide teams’ efforts in reviewing and addressing complaints received by the Bank, including the ability to independently decide to escalate issues to more senior managers depending on the complaints’ risk profile and the progress made in addressing the issues.

34. The Bank took almost six months to establish the project’s relation to the allegations expressed in the first complaint letter. It is therefore understandable that the communities lost confidence in the Bank’s willingness to address their complaints. There were several factors that affected the speed and effectiveness of Management’s response to the letter received in December 2014. The first was Management’s failure to staff the initial response missions with experienced staff not involved in the project and with the right skill mix to provide an independent view of community complaints. These staff could have been paired with some of those who had previously worked on the project in a supporting role. As a result of this failure, child sexual abuse claims were only confirmed following another Bank mission to the communities in May 2015 – more than five months after the initial complaint. The two “fact-finding” missions in January and February 2015, staffed from the Country Office, visited the communities for the purpose of consulting with them on the issues raised but failed to substantiate the child abuse claims linked to the project. Following a Bank team visit to the Bigodi community as late as April 28, 2015, the local primary teachers “concurred that that there had not been any incident of child abuse or child labor reported in the area,” although they did acknowledge the unresolved community concerns in regard to compensation. Thus,

no progress had been made by end April 2015 in ascertaining the veracity of the communities' allegations.

35. A second factor was conflicting advice within the Bank early on as to whether to partner with the local NGO, Joy for the Children Uganda (JFCU), to help investigate the child abuse allegations. The fact that JFCU was simultaneously engaged in efforts to influence the Bank's safeguard review process raised doubts about its motives and led to an initial – and in retrospect, mistaken – reluctance to seek its help in assessing the veracity of community claims.

36. In May 2015, when JFCU informed the Bank that it planned to hold a workshop to disseminate the findings of a recent study it had undertaken – highlighting “defilement, child pregnancies and marriages, trafficking and child labor linked to the road construction”<sup>4</sup> – a joint field visit to the communities was undertaken by UNRA, JFCU, and the Bank, which confirmed, for the first time, two child sexual abuse cases. Discussions with the community also showed, however, that (i) there was a range of opinions within the community on the topic of underage sexual activity; and (ii) compensation, safety, and the lack of adequate sanitary conditions continued to be serious community concerns.

37. Within the Bank, too, there were factors that affected the timing and effectiveness of its response. The span of control of the transport Practice Manager was huge and unmanageable, even for a seasoned and dedicated practitioner. At the time, a single transport Practice Manager covered the entire Africa Region, a job that is now split among three. In addition, the Country Manager assigned to Uganda left Kampala for a new position in January 2015. His successor arrived in Kampala in May 2015, meaning that in the interim, the country office relied on an acting Country Manager. These two circumstances made the Management response on both sides of the matrix – GP and Country Management Unit (CMU) less decisive than it should have been and may have contributed to a failure to designate a team with the requisite skills and experience early on. Instead, Management sent “fact-finding” missions composed of largely the same team that had been involved in the project's supervision to determine if there was any basis for the community complaints.

38. One measure of the Bank's failure to respond effectively to the communities' concerns expressed in the first complaint letter of December 14, 2014, is evident in the contrasting perceptions of Bank staff and the complainants. Following the August 2015 Bank mission to the communities, the back-to-office report stated that “the community leaders noted a significant improvement in social behavior of road workers—a result of the sensitization that has been carried out; no (further) complaints have been filed in respect to any misconduct, including sexual abuse and child labor since the May 2015 mission.” It is clear, however, that community views on the topic were not homogeneous: Three weeks later, on September 11, 2015, the

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<sup>4</sup> Ugandan law defines defilement as the act of having sex with an underage girl. Rape is a sexual act without consent.

Inspection Panel received a second Request for Inspection from community representatives, stating they were “not satisfied with Bank management’s response so far.”

## **5. Assessment of the capacity of the implementing agency**

39. *Lesson.* The main lesson for the Bank is the importance of carrying out a realistic assessment of capacity, based on recent institutional performance, and then ensuring that sufficient contract supervision capacity is in place before project construction gets underway.

40. The Bank’s failure to address long standing capacity weaknesses within the project’s main implementing agency, UNRA, seriously limited the Bank’s ability to carry out its project supervision responsibilities. UNRA’s capacity limitations were well known to the Bank and had been identified clearly as a project risk during preparation. However, the measures proposed during preparation to strengthen UNRA’s capacity lacked realism in terms of the time needed, or the likely budget available to recruit additional staff, and appear to have taken a back seat when confronted by competing pressures to lend, and by political economy issues within UNRA. Consequently, capacity weaknesses continued in critical areas such as procurement management, contract supervision, and the monitoring of safeguards compliance.

41. The capacity of UNRA was assessed by the TSDP-AF preparation team. Its institutional weaknesses, and the related governance risks, were clearly identified in the TSDP-AF Project Paper. They were also noted in the memo of November 2011 to the Regional Vice President, requesting a waiver to proceed with an Additional Financing Credit. A particular concern was the significant staffing shortage, especially in UNRA’s procurement unit. The measures proposed to strengthen UNRA’s capacity involved the recruitment of additional staff to fill the existing vacancies and the removal of the freeze on hiring.

42. While capacity strengthening measures were identified, continuing budget constraints and the hiring freeze limited the number of staff that could be recruited. The situation was compounded by corruption allegations and an audit investigation into UNRA, which further diminished the focus and capacity of the organization.

43. Two development partners, the United Kingdom Department of International Development (DFID) and the European Union (EU), provided over US\$10 million in institutional support to help strengthen UNRA’s capacity through training of staff in procurement management and contract supervision. The basic concept was sound and the funding amount sufficient. However, these activities lacked benchmarks to assess the impact of the institutional support for UNRA. Also, this support did not address UNRA’s most pressing capacity constraints - namely, a basic shortage of staff to manage the procurement bidding process and to supervise the contract itself. Given the freeze on the hiring of staff, more effective targeting of the institutional support would have been to supplement UNRA’s staff capacity in these areas.

## 6. Contractor and Supervising Engineer performance

44. *Lesson.* There is a fundamental need for the Bank to improve the quality and performance of contractors undertaking construction projects, especially in environments of high social risk. This becomes especially critical where there is weak institutional capacity and a high governance risk. A number of options for addressing this need emerged from the review of TSDP, including (i) adding requirements in the bidding documents for demonstrated experience in addressing relevant social concerns; and (ii) strengthening the social safeguard obligations of contractors to ensure that they take measures to manage the impact of labor influx, such as establishment of workers' camps, a worker code of conduct, safety standards, and an anti-sexual harassment policy. Part III.9 of this report proposes a series of measures, consistent with the Bank's new procurement framework, which can be used to ensure that, going forward, contractual measures are included in construction contracts, particularly in high-risk social contexts, to improve the management of labor influx as well as other social and labor issues.

45. *Bidding Process* The procurement process for the Kamwenge-Fort Portal civil works contract was lengthy; it took 26 months from Board presentation in June 2011 until the Contractor mobilized in August 2013. The firms that bid were either new, not well known to the Bank, or under investigation by the Bank's Institutional Integrity Vice Presidency (INT); hence, significant time was spent doing due diligence. The Contractor selected appeared to be the best of a weak list, was the fourth lowest bidder among five pre-qualified bidders who presented bids, and was already present in Uganda on an adjacent AfDB-financed road project. Its cost came in 30 percent lower than the appraisal team's estimate of US\$67.5 million. Bank clearances of the pre-qualification as well as of the initial and updated bid evaluation reports were relatively quick but delays were incurred by UNRA in submitting the updated bid evaluation report. Despite the relatively large number of pre-qualified bidders, it is frequently difficult and time consuming to obtain reliable information on the past performance of less well known contractors.

46. *Contractor Performance.* The Contractor's performance was poor overall. While the quality of road construction was adequate, there were numerous social concerns affecting the communities along the route, some of which only became evident later in 2015, when the Bank supervision team had a direct engagement with these communities. These social concerns included serious safety problems, abuse of local workers, lawless behavior at times, and evidence of child abuse in local communities. At times, the Contractor seemed to disregard the personal property and individual safety of community members, which stretched the already limited supervisory capacity of UNRA. Earlier, in June 2014, the Bank's Aide Memoire had expressed concern with regard to the violation of "basic social, environmental, health and safety requirements by the Contractor," which led to a temporary suspension of works in July 2014 and a Highly Unsatisfactory rating for social safeguards. The suspension was briefly lifted in August, later reinstated in September 2014 as compliance concerns continued, and then

finally lifted in November 2014 following a change in the project manager of the Contractor. This pattern of actions reflected a basic conflict between the perspectives of the Contractor, which saw its main role as completing a priority road as quickly as possible, and the Bank, which had an obligation to compel UNRA to ensure that the road was constructed in accordance with the required environmental and social standards in its contract.

47. Compliance continued to be a concern and, as late as December 2014, the supervision reports noted that there were still resettlement issues to be resolved. Overall, neither UNRA nor the Bank were effective in overseeing safeguard obligations. When the Bank temporarily suspended disbursements because of the Contractor's disregard for basic safeguard requirements, it should have continued the suspension of disbursements until there was clear evidence of a turnaround in Contractor performance and that pending resettlement concerns of the communities were being resolved. In this regard, the lack of direct community engagement before 2015 weakened the Bank's effectiveness in overseeing safeguard compliance. Once again, the Bank's major shortcoming was not a failure to *follow up* at the Task Team as well as at the GP and CMU management level, but a failure to *follow through* with contractual remedies, including suspension and cancellation.

48. *Supervising Engineer Performance.* The Supervising Engineer signed a contract in January 2013. The Supervising Engineer was initially successful in recruiting qualified staff to supervise the Contractor's work. However, later, there was significant turnover of key staff, especially in 2014 when implementation was beginning to move ahead rapidly. Many decisions and/or recommendations by the Supervising Engineer appeared to be ignored by the Contractor and UNRA, which may also have accounted for some of the Supervising Engineer staff turnover. As a result, the Supervising Engineer became ineffective, leading to weaker supervision of the road construction. This concern was repeatedly raised by the Bank team during implementation support missions, but UNRA did not take appropriate action and, again, the Bank did not apply remedies.

49. *Bank Contract Supervision.* This remains a general issue in many Bank projects, especially in projects being implemented by weak institutions. Task Teams will need to extend their supervision mandate deeper into actual contract management, including, among other things, reviewing worker contracts in line with the provisions of the new ESF. Consideration should also be given to including a "code of conduct" in the contracts of both contractor and supervising engineer to help ensure a clear understanding of the behavior required in their interactions and with the communities; such a "code of conduct" should also specify what happens in the event the "code" is not observed.

50. *Governance Environment.* The weak governance environment in which the TSDP was being implemented was a constant concern and had an adverse impact on implementation. It also made it more difficult to ensure compliance with safeguard requirements. In mid-2015, a new UNRA executive director was appointed with a mandate to reform the entire organization, and promptly dismissed all UNRA staff, who had to reapply for their positions as UNRA sought

to phase out ineffective staff. This step has led to some improvements in the overall governance environment.

## **7. Project readiness and choice of financing instrument**

51. *Lesson.* There is a basic need for closer screening in the use of the Additional Financing instrument, including the institutional capacity to implement the investment and to fully assess the project's safeguard impacts. Care should be taken to allow adequate time during the preparation phase for all appropriate due diligence to be undertaken. In the case of the TSDP-AF, the Bank was clearly in a hurry: the minutes of the October 20, 2010 concept review meeting note that “[...] USD70 million had been allocated to the project as one of the priority areas of support to Uganda from the remaining IDA 15 resources and that the allocation has to be utilized within this Fiscal Year.”

52. The 66-km road section from Kamwenge to Fort Portal in Western Uganda was viewed as a standard road upgrading investment, which did not appear to present any unusual complications from an engineering and construction standpoint. The section being financed under the Additional Financing Credit was a continuation of an adjacent section financed by the AfDB, involving the same Contractor, where there had been no similar problems reported. The main environmental and social concerns identified were a 13.3-km section of the road passing through a national park and the resettlement of an estimated 2,200 people at the time.

53. The November 19, 2010, memorandum requesting a waiver<sup>5</sup> to proceed with an Additional Financing stated that the Additional Financing “was intended to implement additional activities to scale up the project’s impact and development effectiveness in accordance with Operational Policy (OP) 13.20.” The decision to use an Additional Financing instrument appeared to be based on the following considerations: (i) the development objective of the parent project i.e., TSDP, and the Additional Financing was the same; (ii) the road section being financed under the Additional Financing Credit was a standard road upgrading investment; (iii) the safeguards impact was manageable, given its overall B rating; and (iv) while UNRA’s capacity weaknesses were of concern and required substantial strengthening, they could be strengthened sufficiently to enable the project to be implemented using technical assistance being provided by two development partners (EU and DFID). The waiver was granted in late November 2010 on the understanding that “adequate” steps would be taken to strengthen institutional capacity, address procurement delays, and governance issues.<sup>6</sup> On this basis, a decision was made to proceed with a US\$75 million Additional Financing Credit before end June 2011.

54. Despite an agreement with the Government that the key procurement risk mitigation measures—such as filling key staffing vacancies, shortening the time to procure civil works

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<sup>5</sup> A waiver was needed since the parent project had been under implementation for less than 12 months.

<sup>6</sup> INT was notified about continuing allegations within UNRA and later fielded a team to Uganda.

contracts, increasing competition, and implementing anti-corruption strategies- would be completed before appraisal of the TSDP-AF, these measures were not taken. Furthermore, the TSDP-AF was not ready for implementation by Board presentation: (i) it took 26 months from Board presentation in June 2011 until the selected Contractor mobilized in August 2013; (ii) the original ESIA and RAP documents needed substantive revision and updating; and (iii) the already identified capacity constraints within UNRA had not been resolved, especially in the area of procurement/contract management, and continuing budget constraints limited the number of vacant positions in UNRA that could be filled. While the overall procurement risk after mitigation had been correctly identified as “substantial” due to weak capacity within UNRA and the overall governance environment, the action plan agreed between the Bank and the Government lacked realism in terms of the time frame required to bring about institutional improvement. Consequently, the capacity weaknesses within UNRA continued unresolved while the new road investment to be financed under the TSDP-AF imposed an additional burden on UNRA’s already strained capacity.

55. In summary, Bank preparation had a number of shortcomings that were later to affect implementation: (i) the estimate of the resettlement needs relied too heavily on an out-of-date RAP and as a result, implementation ran into difficulties from the outset; (ii) despite the Bank’s experience in Uganda, and with UNRA in particular, building up UNRA’s capacity within the time frame envisaged was unrealistic and should have been foreseen; (iii) the expectation that the bidding would proceed quickly, while UNRA’s procurement processes were being overhauled and its staff trained, was also optimistic; (iv) the assumption that this additional road section was Category B similar to the parent project, despite the fact that it went through a sensitive national park and had a higher number of affected community members, was also a misjudgment; and, finally, (v) the Bank failed to take full account of the potential social risks to poor and vulnerable local communities arising from an influx of some 400 local and foreign workers during the construction period, in an environment that posed clear social risks.

## **8. Management of Inspection Panel Complaints**

56. *Lesson.* There is a need for training and awareness raising on two issues: (i) how to treat a request for inspection received through the Country Office, and (ii) how to address issues of confidentiality regarding the identity of individuals who complain to the Bank.

57. The first Request for Inspection was hand delivered to the Uganda Country Office in an envelope on December 17, 2014. The letter was not addressed to the Inspection Panel, and hence the letter was opened and registered according to Country Office procedures. It was only after it was opened that it became clear that the letter was intended for the Panel. On December 19, 2014, the letter was forwarded to several Bank units and eventually to Operations Policy and Country Services (OPCS), which then provided it to the Inspection Panel. Unfortunately, the letter was also shared with UNRA. The Task Team was asked to take the matter up with the Government to explain that under Bank rules, Requesters have unrestricted

access to the Panel without fear of retribution and that it would be a very serious situation if there was any kind of retaliation against the Requesters by the Government or the Contractor. This was communicated by the Country Manager to the Government on January 6, 2015. Following discussions with the Panel and OPCS, the team provided the Requesters with a telephone hotline to the Bank's office in Kampala to be able to report any kind of retaliation that might occur as a result of the sharing of the complainants' identities. No such incident has been reported to the Bank.

58. The Bank's failure to properly handle the community's complaint is highly problematic given the seriousness of the allegations. Letters addressed to the Panel require the application of the Bank's established procedure governing staff actions in Panel cases, i.e., immediately forwarding closed envelopes to the Panel, or forwarding opened letters intended for the Panel to OPCS, which provides it to the Panel.

## **B. The Uganda Safeguards Performance Review**

59. Given the weaknesses and failures encountered during the preparation and implementation of the TSDP-AF, the Bank conducted a review of safeguards performance in the overall investment lending portfolio and pipeline in Uganda during FY16. At the time of the review, the Uganda program comprised 54 projects (40 under preparation, 14 in the pipeline), of which 38 were projects that triggered environmental and social safeguard policies. The approach combined a review of project documentation, interviews with Task Teams, and project site visits. The objectives were to identify challenges and gaps in the implementation of the Bank's environmental and social safeguard policies in these 38 projects, as well as actions to strengthen implementation of safeguard policy issues in Uganda. The exercise was not designed as a comprehensive compliance audit review.

### **1. Key findings and observations**

60. The following are the key findings and observations from the review:

- *Document and records management:* Some issues were found in filing of safeguard documentation (in several instances, for example, it was not clear if the filed version was the cleared and final version). Given the fact that the original RAP for the TSDP-AF could not be located in the Bank's filing system, Management will need to pay additional attention to ensure proper filing of key project documentation.
- *Bank performance in project preparation:* The application of safeguard policies was generally appropriate, but some issues were found with regard to: (i) provisions for compensating people without legal title to land; (ii) voluntary land donations; (iii) reliance on Ugandan national law and not the Bank's OP 4.12 for resettlement entitlements; (iv) provisions for livelihood restoration; (v) description of borrower capacity to implement resettlement measures; (vi) provisions for continued consultation of affected people



throughout implementation; (vii) provisions for monitoring and evaluation, and (viii) the description of requirements for effective grievance redress mechanisms. Most of these shortcomings were attributed to gaps between Ugandan law and the Bank's policy on Involuntary Resettlement (OP 4.12). Bank safeguard staff need to be aware of these gaps and to ensure full compliance with OP 4.12.

- *Borrower performance in implementation:* Disclosure of safeguard documents and oversight of safeguard implementation on the part of the Government of Uganda were generally weak, and reporting to the Bank on environmental and social issues was not systematic. Project implementation units were typically under-staffed and under-resourced with respect to environmental and social issues.
- *Bank performance in implementation support and oversight:* Implementation support for environmental and social safeguards was of variable quality. Internal reporting tended to pay greater attention to procurement, disbursement and financial management issues than to environmental and social issues. Notable improvements were observed recently, following the addition of two social development specialists in the Kampala office and the deployment of a lead social safeguard specialist to the Nairobi office.
- *Stakeholder consultation and grievance redress mechanisms:* Public consultations during the preparation of safeguard instruments were carried out in almost all cases, but could be improved in quality and comprehensiveness, and need to be continued throughout project implementation. Opportunities to engage communities in sub-project design, implementation and monitoring need to be more actively explored.

61. The new ESF, with its increased emphasis on labor rights and practices, comprehensive social assessments, attention to stakeholder consultations, and building country systems and borrower capacity, is likely to help address many of the areas identified in the review that need to be strengthened.

## **2. Recommendations**

62. Key recommendations from the Safeguards Performance Review are presented below. Actions to address these recommendations are found in the Action Plan in Part III.

1. Provide clear guidance to Task Teams on requirements related to document management, including disclosure requirements during project implementation;
2. Ensure that staff and consultants working on high-risk projects have deep technical knowledge and experience;
3. Conduct, as regular practice, project-launch workshops with key agencies responsible for safeguards implementation before the start of implementation of every project with High or Substantial Risk;

4. Develop and use standard supervision check-lists, which will increase consistency of coverage and help identify key issues for timely follow up;
5. Establish a corporate business standard for timely review and clearance by Regional Safeguards Teams;
6. Require Borrowers to prepare and submit regular reports on safeguard performance, along the lines of IFC's Annual Progress Reporting requirement;
7. Ensure that environmental and social staff are hired in the respective PIUs before implementation starts;
8. Strengthen the implementation of the General Conditions of Contract in the Bank's Standard Bidding Documents for civil works and, where needed, further clarify and specify contractors' responsibilities, accountability, remedies and penalties with respect to safeguard issues, including those related to community health and safety;
9. Enhance the quality and comprehensiveness of grievance redress and stakeholder consultations, particularly during implementation;
10. Modify the operations portal to "hardwire" the safeguard ratings and assessments in Implementation Status Reports to environmental and social specialists, as is already the case for financial management and procurement. This will ensure greater accountability and visibility for the environmental and social specialists assigned to each project;
11. Continue to engage the Government of Uganda in a policy dialogue on strengthening national policies and institutions, particularly in relation to land acquisition and resettlement.

63. These, and other findings and recommendations from similar exercises being carried out elsewhere in East Africa (Kenya, Tanzania, Malawi), will be further consolidated into a single action plan. Many of the actions have already been implemented or are being implemented, including under the President's Action Plan on Resettlement and Safeguards Management.

## **C. The Uganda Review of Child Protection Risks**

### **1. Background and approach**

64. In addition to the safeguards portfolio review for Uganda discussed above, a more specific review of child protection risks within the Bank's investment lending portfolio in Uganda was undertaken between April and October 2016, combining a literature review, site visits to selected projects, and interviews with borrowers, Bank Task Teams, and community stakeholders. The review focused on a desk-review of all projects in the portfolio and a field assessment of six high-risk operations. The field assessments included focus group discussions with community members and contract workers, key informant interviews with local officials, teachers, child protection NGO representatives, police and other key stakeholders.

## 2. Summary of findings

65. The following is a summary of the findings:

- *High-risk environment for children.* Projects are being implemented in a country context that poses serious risks for children overall;
- *Weak identification and mitigation of risks.* Review of project documents showed weak identification of potential risks to children during project preparation, resulting in very weak preventive measures;
- *No reported instances of child abuse (sexual abuse, child labor, etc.) were encountered in connection with any of the projects reviewed.* The specialist who had ultimately confirmed cases of child sexual abuse under the TSDP-AF has participated in the exercise. While the document review identified a general weakness in the identification and mitigation of potential risks to children, there was no evidence that project-supported activities had contributed to any such cases in practice. It was apparent that efforts have been substantially strengthened under these projects to prevent child abuse, and lessons appeared to have been learned from the experience of the Kamwenge to Fort Portal road under the TSDP-AF;
- *Inadequate involvement and limited capacity of government child protection systems.* In all the project areas, local government institutional capacity, including human and budgetary resources, is seriously lacking, and does not enable adequate supervision to respond to and prevent child protection risks;
- *GRMs generally do not adequately attend to child protection risks.* Under all the projects reviewed, grievance redress committees have focused largely on compensation for lost assets, and do not include adequate representation of women or community members likely to raise concerns around child protection.

## 3. Recommendations

66. Project risks to women and children emanate from socio-cultural and economic factors. The risks include early marriage, sexual abuse, violence against both women and children, trafficking, and child labor within households, particularly among farm families. These social risks need to be better understood in a country, regional and sector context, to assess the extent to which any project may exacerbate them. Such understanding is also critically important to inform the design of appropriate prevention and mitigation measures.

1. *Promote a better understanding of social risk analysis:* As a first step, Task Teams and borrowers need to better understand and appreciate social risks, including causal chains that lead to the abuse of women and children. A well-conducted social analysis / assessment can help promote this understanding by highlighting the cross-cutting nature of risks to children and women, how to identify and address them as part of the project

cycle, and the most appropriate institutional arrangements to manage these risks. Gender and social analysis should be required in all projects in high-risk contexts.

2. *Ensure adequate borrower attention to these issues:* Help develop understanding of the need for strong cooperation and collaboration among key agencies and stakeholders. In the Ugandan context, these consist of the Ministry of Labor, Gender and Social Development (MGLSD) and various sector ministries, departments and agencies, as well as District-level officials, and grass-root and national NGOs with experience on child protection issues.
3. *Address child protection risks throughout the project cycle:* Support borrower agencies to identify and address risks throughout the project cycle – starting with project identification, continuing through appraisal and implementation. Child protection risks may be exacerbated during project implementation, even in situations where upstream analysis may not have flagged this risk, so it is important to be vigilant throughout project implementation.
4. *Incorporate provisions in Standard Bidding Documents:* For infrastructure projects, harmonized Standard Bidding Document can be a useful tool in risk mitigation. Inclusion of particular conditions of contract relating to the prevention of sexual harassment, child-labor, the promotion of community engagement, and adequate grievance redress, can help ensure that contractors budget for, and implement these measures, thereby reducing the level of risk to children.
5. *Partner with civil society organizations/NGOs:* Civil society organizations can play a key role in the promotion of child protection, and reaching out to children with services. Institutional assessments should identify such organizations and how they can be engaged during project implementation. Projects should identify and build linkages with NGOs who can assist in identifying and preventing risks to children at the local level.
6. *Improve the quality of ESMPs:* ESMP measures to address risks to children should be specific, targeted and measurable. Service providers under contractors should have specific terms of reference on child protection. Where a framework approach is used, clear direction as to how sub-project-specific risks are to be identified should be provided.
7. *Ensure adequate community-engagement and grievance-redress:* All infrastructure projects should have a clear, written plan for community and stakeholder engagement, along with a provision for well-functioning grievance committees, easily accessible to women, children, and other vulnerable groups. This may mean holding meetings at times and places convenient to these groups, and giving community members the opportunity for individual meetings with committee members. The committees should also have sufficient representation of women who are often disproportionately affected by project impacts;
8. *Provide adequate resources for this work:* Without adequate funding, efforts to address risks to children will remain weak.

Several of these findings (particularly items 1, 5, 6 and 7 above) echo similar findings from the Diagnostic Review.

#### **D. Guidance on the Management of Labor Influx under World Bank projects**

67. Management has developed a Guidance Note to assist Bank staff in establishing an approach to managing risks to and impacts on local communities associated with the temporary influx of labor that typically results from construction works. The note seeks to better clarify (i) when and how labor influx can occur as part of a Bank-financed operation, (ii) what the potential adverse impacts from such influx on the host community may be, and (iii) when and how appropriate mitigation measures should be developed to ensure that such adverse impacts are avoided or minimized.

68. Development of this Guidance Note was triggered by the issues that arose in the Uganda TSDP, which clearly demonstrated the need to provide specific guidance. The primary objective of the Note is to ensure that Bank staff understand that temporary labor influx for Bank-supported construction works clearly is a project related impact that needs to be assessed and managed. Moreover, the Note discusses questions of upholding public order and lawful conduct by workers within and outside of workers' camps, the size of which may be significant compared to the local population. Finally, the note explicitly addresses the sensitive issue of "fraternization" of the incoming labor force and makes practical suggestions for projects to proactively address the associated risks. The Guidance Note is currently being consulted upon with external experts and will be issued by December 1, 2016, together with the roll out of a specialized staff training on the topic.

### III. ADDRESSING THE LESSONS OF TSDP: A SUMMARY OF PROPOSED AND ONGOING ACTIONS

69. Part II of this report has identified and diagnosed the causes of a series of failures at the Task Team and Management level in the preparation, supervision and oversight of the Uganda TSDP-AF. In addition, two exercises to examine portfolio issues have revealed a number of recurring weaknesses across several operations that must be addressed – in Uganda and elsewhere – to prevent the harm caused by the TSDP-AF from occurring again. Finally, the Panel’s Investigation Report itself has highlighted serious shortcomings that merit a systemic response beyond the project-level response already presented in the *Management Report and Recommendations*.

70. The table below summarizes Lessons and Actions in five broad areas:

- Structures and Oversight mechanisms;
- The new ESF;
- Project Preparation;
- Project Supervision; and
- Responding to Problems and Complaints.

Lesson	Action and timing	Responsibility
<b>STRUCTURES AND OVERSIGHT MECHANISMS</b>		
<p><b>1. <u>Operational safeguard responsibility and safeguard oversight:</u></b> Given the weaknesses of Management oversight of safeguards under TSDP-AF, a new approach is needed that gives experts who are independent of the GP/Regional structures a clearly defined role in the oversight of very high-risk operations and helps to maintain necessary checks and balances.</p> <p>Project-level social and environmental safeguards specialists are mapped to the SURR and ENV GPs</p>	<p><b>a. <i>Expand the Role of RSAs.</i></b> The RSA role, which is housed in OPCS, will be expanded to include regular monitoring of high-risk operations and provision of support to teams on the management of complex safeguard issues. This will be achieved by expanding the terms of reference for RSAs and revising the corresponding ADM so that: (i) RSAs are systematically included in relevant implementation reporting on high-risk projects; (ii) RSAs are involved in discussions about high-risk project safeguards performance; (iii) RSAs regularly review</p>	<p>OPCS, GSURR, GENDR</p>

Lesson	Action and timing	Responsibility
<p>within the Sustainable Development Practice Group. Regional Safeguards Advisors (RSAs), on the other hand, who bear responsibility for the safeguard categorization of projects and the approval of safeguard instruments for Category A projects, are mapped to OPCS to provide independent oversight of the safeguard staff housed within the GPs.</p> <p>While independent oversight is embedded in the Bank's organizational structures, the scope of responsibilities of RSAs needs to be adjusted to enhance the effectiveness of the RSA role. Currently, RSAs have no role in safeguard oversight beyond their core responsibility of reviewing and clearing project safeguard categorization and safeguard instruments for projects (such as ESIA's, RAPs, etc.), all of which typically occurs prior to Board approval.</p>	<p>safeguard performance and compliance of high-risk operations; and (iv) RSAs provide reports containing their assessment of safeguard compliance/performance issues for high-risk projects, including specific recommendations, to relevant GP Directors and GGSVP for their action.</p> <p><b>b. <i>Stronger Bank-wide collaboration for Safeguard Oversight and Risk Management.</i></b> OPCS, GSURR and GENDR will ensure close coordination of safeguard oversight by institutionalizing regular meetings at the Director and Manager level to review and discuss the safeguard performance of the portfolio and emerging risks with RSAs and RSCs. Such meetings will include:</p> <ul style="list-style-type: none"> <li>- <b><i>Monthly:</i></b> An Operational Environmental and Social Review Committee (OESRC) meeting chaired by the Chief Officer, Environmental and Social Standards, to discuss high-risk, complex and controversial projects, and agree on needed additional technical support and management guidance;</li> <li>- <b><i>Quarterly:</i></b> A Regional review of high-risk projects with OPCS, GPs, and Regions, as well as review of submissions to the Inspection Panel and Grievance Redress Service (GRS), to discuss key issues and trends in complaints about safeguard issues;</li> <li>- <b><i>As may be required:</i></b> Thematic and country portfolio reviews conducted jointly by OPCS, GPs, LEG, ECR, Regions; Joint OPCS, GPs, LEGEN, ECR missions to high-risk projects.</li> </ul>	

Lesson	Action and timing	Responsibility
<p>OPCS and GPs will implement the above arrangements by <u>January 31, 2017</u>.</p>		
<b>THE NEW ESF</b>		
<p><b>2. <u>Scope of social safeguards under Bank policy:</u></b>  Project preparation and supervision (under TSDP-AF and elsewhere) has frequently focused on too narrow a set of social issues, with the result that serious issues that do not fall within the scope of the policies on Involuntary Resettlement and Indigenous Peoples often are not given sufficient attention.</p> <p>Under the Bank’s safeguard regime applicable to TSDP-AF, social safeguard requirements are covered under two stand-alone safeguards policies (OP 4.10 on Indigenous Peoples and OP 4.12 on Involuntary Resettlement) as well as under an umbrella policy on environmental and social assessment (OP 4.01). Since the social focus of OP 4.01 is less well defined, it at times does not receive the same level of attention as the more elaborated provisions of the above-mentioned policies.</p>	<p>The Bank’s new Environmental and Social Framework (ESF) has a more comprehensive approach to identifying and addressing social issues and impacts, including those that received insufficient attention under the TSDP-AF. Ten (10) Environmental and Social Standards (ESS1 – ESS10) provide enhanced coverage of <b>Borrower requirements</b> including, inter alia:</p> <ul style="list-style-type: none"> <li>• core labor standards,</li> <li>• community safety issues,</li> <li>• identifying and addressing the needs and priorities of vulnerable groups,</li> <li>• social issues in project Environmental and Social Impact Assessments,</li> <li>• systematic stakeholder engagement,</li> <li>• the establishment of project Grievance Redress Mechanisms, and, where warranted, third-party monitoring.</li> </ul> <p>In addition, the ESF spells out <b>Bank requirements</b> with greater clarity, including, inter alia:</p> <ul style="list-style-type: none"> <li>• Environmental and Social Due Diligence;</li> <li>• Consultation and Participation;</li> </ul>	<p>OPCS</p>



Lesson	Action and timing	Responsibility
	<ul style="list-style-type: none"> <li>• Monitoring and Implementation Support;</li> <li>• Grievance Mechanism and Accountability.</li> </ul>	
<b>PREPARATION</b>		
<p><b>3. <u>Social assessment: Effective management of the social risks of large infrastructure projects requires a broader and more robust social assessment, with specific attention to labor influx and child protection issues.</u></b></p> <p>Under the TSDP-AF, the ESIA’s assessment of social issues associated with labor influx was weak and mitigation measures were not robust. The weaknesses of TSDP’s approach relate to a wider tendency in the Bank for social safeguard practice to focus primarily on resettlement and Indigenous Peoples, which are the subjects of stand-alone safeguard policies, while often giving less attention to other social impacts under OP 4.01. There was relatively little attention to endemic social issues such as GBV and child abuse, which should have alerted the Bank to the special vulnerabilities of the community to the types of impacts that ultimately transpired. And even though community concerns about sexual misbehavior were flagged in the ESIA (albeit not prominently), they were not followed up on. A deeper assessment at the outset would have enabled the Bank, the Borrower and the Contractor to agree upon and design credible mitigation measures, budget for their implementation and</p>	<p><b>Staff guidance on labor influx issues:</b> A Guidance Note addressing risks for the host community resulting from labor influx in infrastructure projects is being completed. The note will be consulted upon with external experts and issued by <u>December 1, 2016.</u></p> <p>a. <b>Staff guidance on ensuring adequate coverage of ESIA’s and ESMPs:</b> Drawing upon the Guidance Note, described above, operational guidance for ESIA’s and ESMPs is being updated, to include coverage of issues related to social impacts of labor influx, with concrete mitigation measures that can be folded into project design, ESMPs and contracts. <u>January 15, 2017.</u></p> <p>b. <b>Dissemination and training:</b> The above <b>staff guidance</b>, including instructions on implementation, will be disseminated to all social development and environment staff, as well as TTLs. <u>January 15, 2017.</u> Training workshops will be conducted in each Region. <u>Date: March 31, 2017.</u></p> <p>c. <b>Review of implementation:</b> A review will be carried out after one year on how social assessments and projects are addressing the issue of labor influx, to confirm that the above staff guidance has been appropriately applied. <u>January 31, 2018.</u></p>	<p>OPCS, GSURR, GENDR</p>

Lesson	Action and timing	Responsibility
<p>ensure that they were reflected in project design and systematically supervised.</p>	<p>d. <b>ESF Staff Directive and Guidance Notes:</b> The Staff Directive, issued as part of the new ESF, and associated guidance on implementing the Directive, will address issues related to vulnerable groups, including children. Guidance on the due diligence required under the new ESF – Environmental and Social Standard (ESS) 1 and the Policy – will also address these issues. <u><a href="#">April 30, 2017</a></u>.</p>	
<p><b>4. <u>Assessment of institutional capacities:</u></b>  <b>Successful safeguard implementation in complex projects requires serious assessment at the outset of the implementing agency’s safeguard capacity, and agreement on credible measures to address weaknesses.</b></p> <p>The TSDP experience points to the importance of acquiring an early and detailed understanding of the borrower’s capacity to implement safeguards and to ensure that contractors understand and comply with their safeguard obligations. The Bank’s institutional assessment of UNRA was weak, and its efforts to help UNRA build its capacity focused primarily on procurement, not safeguards. As a result, UNRA’s weaknesses in this regard remained largely unaddressed, with significant consequences for safeguard risk management. In all infrastructure projects, the Bank needs to ensure that sufficient contract supervision capacity is in place before implementation gets underway and that qualified social and environmental staff are on board before project launch.</p>	<p>a. <b>Staff Guidance on institutional capacity assessment:</b>  Guidance will be prepared and disseminated for improving the assessment of borrower institutional capacity with respect to environmental and social issues. <u><a href="#">March 31, 2017</a></u>.</p> <p>b. <b>Project Appraisal Document (PAD) and ISDS coverage:</b>  Staff instructions will be issued and modifications will be made to the operational portal and to Regional Safeguards Advisor checklists to ensure that PADs and ISDSs address borrower institutional capacity explicitly and in sufficient depth. Assessment of borrower-capacity will also be a key aspect of the PAD review and clearance process. <u><a href="#">March 31, 2017</a></u>.</p> <p>c. <b>Project social and environment staff:</b> Instructions will be issued to TTLs to ensure that qualified social and environment staff for implementing entities are in place at the time of project appraisal, especially for projects with High and Substantial Risk. <u><a href="#">December 15, 2016</a></u>.</p> <p>d. <b>Project launch workshops on safeguards:</b> Instructions will be issued to TTLs to conduct project launch workshops with key agencies responsible for safeguard implementation, before the start of implementation, for</p>	<p>OPCS,  GENDR,  GSURR,  LEGEN, ITS,  ECR</p>

Lesson	Action and timing	Responsibility
	<p>every high and substantial risk project. <u>December 15, 2016.</u></p> <p>e. <b>Periodic reporting on institutional capacity issues during project implementation:</b> Instructions will be issued to reinforce that all implementation support reports should report on the adequacy of borrower capacity related to environmental and social issues. <u>December 15, 2016.</u></p> <p>f. <b>Review of implementation:</b> An assessment of the extent to which the above instructions and guidance is being appropriately applied will be carried out as part of the assessment of implementation of updated ESIA guidelines (see Lesson 3c). <u>January 31, 2018.</u></p> <p>g. <b>Recruitment of institutional capacity experts.</b> Given the specialized nature of institutional capacity assessment, the Bank will recruit recognized experts in the field. Search and recruitment for such experts will get underway by <u>March 31, 2017.</u></p> <p>h. <b>ESF Guidance Notes:</b> Guidance on the due diligence required under the new ESF (ESS 1 and the Policy) will also address these issues. <u>April 30, 2017.</u></p>	
<p><b>5. Safeguard documentation: Management of safeguard documentation by the Bank and its borrowers requires improvement to ensure clear, mutual understanding of required actions.</b></p> <p>Under the TSDP-AF, the original RAP on which the 2011 RAP was based cannot be found in the records of the Bank or the Borrower, which may have</p>	<p>a. <b>Updating of project files:</b> GGSVP will issue instructions to the TTLs of all projects that trigger safeguards to ensure that the latest versions of safeguard instruments are filed in the operations portal, and to report on any corrective measures taken. <i>Instructions to be issued December 15, 2016; corrective action to be completed and reported by January 31, 2017.</i></p>	<p>GGSVP GENDR, GSURR, OPCS, LEGEN, ECR</p>

Lesson	Action and timing	Responsibility
<p>contributed to deficiencies in the baseline data at the time of the Additional Financing and subsequent confusion over eligibility and calculation of compensation. This is illustrative of a wider need to improve the management of safeguard documentation across the portfolio. The recent safeguard performance review exercise in Uganda revealed that for some projects, final approved safeguard instruments are not available in Bank files and that in several cases, documentation of Bank approval cannot be found. Although there is no evidence to date of this having led to actual problems in implementation, the risk that it may do so is real and needs to be addressed.</p>	<p>b. <b>Training on and review of the quality of safeguard instruments:</b> Staff training and borrower capacity building will strengthen emphasis on the quality of safeguard instruments. <u>Ongoing</u>. A random sample of safeguard documents will be reviewed every year to assess how key quality issues are being addressed, and to identify further capacity strengthening needs. <u>Annually</u>.</p>	
<p><b>6. Risk rating: Inappropriate categorization of project risks can have serious consequences for safeguard performance.</b></p> <p>The TSDP-AF's rating as a Category B project was inappropriate given the risks that were identified in the ESIA, not to mention those that would have been identified had a deeper social assessment been conducted. The project would have benefitted from a more nuanced and multi-dimensional risk assessment, such as that reflected in the new ESF and currently being rolled out into the Systematic Operations Risk-rating Tool (SORT).</p>	<p>a. <b>Revised risk rating:</b> A four-point risk scale (High, Substantial, Moderate, Low) is reflected in the new ESF and is already being rolled out and integrated into SORT. This should help to ensure a more sensitive risk rating tailored to the range of social risks a project faces. <u>December 15, 2016</u>.</p> <p>b. <b>Staff guidance and training on risk assessment:</b> Finalize guidance and train environmental and social staff in risk assessments, emphasizing the comprehensive assessment of different types of risk, including direct and indirect impacts, contextual risks and vulnerability, among others. <u>March 31, 2017</u>.</p>	<p>OPCS, GENDR, GSURR, Regions</p>

Lesson	Action and timing	Responsibility
<p>The project’s categorization reflects a more general tendency in Additional Financing situations to assign a safeguard rating that matches that of the parent project. Relatedly, the short time frame for the preparation of most Additional Financing operations can also weaken the quality of safeguard and other assessments.</p>	<p>c. <b>Safeguard instrument review in Additional Financing situations:</b> The PAD and ISDS templates will be revised to clearly indicate that Additional Financing safeguard instruments need to be viewed as stand-alone documents, subject to the same review and clearance process as the instruments of new projects. Additional Financing safeguard documents will also be required to include an assessment of safeguard implementation performance up to the point when the Additional Financing is prepared. <u>March 31, 2017.</u></p>	
<b>SUPERVISION</b>		
<p><b>7. Safeguard Staffing: There is a need for the Bank to better calibrate the skills and seniority of assigned staff to the complexity of the social issues the project faces.</b></p> <p>Local and regional Bank offices are frequently understaffed when it comes to social safeguard specialists. In TSDP, there was an over-reliance on newly hired safeguard staff who received limited support from others in the region or from headquarters. The skills, training and focus of social experts did not match the types of social issues that manifested themselves.</p> <p>Until well after the complaint was received, there was no deployment of staff with the right skills to address systemic social risks. There was similarly a lack of needed skills to engage the community</p>	<p>a. <b>Adequacy of project safeguard staffing: This is an issue that was previously identified and a process has been put in place to ensure that staff capacity and experience is matched to the risk and complexity of operations.</b> At present, all projects with high and substantial risk have been assigned staff based on needed skills/experience for environmental and social issues. However, this needs continued attention from Environmental and Social Development Practice Managers and Directors. Practice Managers will review project safeguard staffing and confirm that all projects are staffed adequately based on the scope and scale of impacts. <u>January 31, 2017.</u></p> <p>b. <b>Recruiting staff:</b> Additional social development staff are needed to help enhance the quality of attention to social risk management. Staffing levels have increased – eight new social safeguard specialists have been added, mostly in field offices. Eight more are being hired.</p>	<p>GENDR, GSURR</p>

Lesson	Action and timing	Responsibility
<p>effectively to elicit information about sensitive allegations.</p>	<p>c. <b>Staff training:</b> Training and capacity building of social development staff will continue and will be enhanced, with deeper attention to a wide range of issues, including child protection and GBV. This will entail annual workshops in each Region, to train all social development staff and consultants on environmental and social safeguard policies, broader social development themes, and emerging issues. Training workshops for staff and consultants were held in all Regions in FY16, and have been continued in FY17. <u>Annually.</u></p> <p>d. <b>Deployment of subject-matter specialists. Management will ensure that specialized staff (or consultants) are mobilized to support Task Teams when problems arising under a project are beyond the general competencies of the staff assigned to the project. Rosters of recognized specialists will be created and updated regularly. <u>March 31, 2017.</u></b></p>	
<p><b>8. <u>Borrower reporting on safeguards: Borrower reporting on safeguards is often sporadic and incomplete, with negative consequences for the effectiveness of Bank supervision.</u></b></p> <p>Projects frequently fail to put in place clear requirements for Borrowers to report at fixed intervals on safeguard issues. This often perpetuates weaknesses in Borrower “ownership” of the safeguard aspects of the project, and can at times obscure significantly different understandings between the Borrower and the Bank as to how safeguard measures should be implemented. Unless</p>	<p>a. <b>Staff Guidance for enhanced Borrower reporting:</b> A guidance note will be prepared and disseminated for environmental and social staff and borrowers to promote regular and higher quality Borrower reporting on the implementation of environmental and social development aspects of projects. <u>January 15, 2017.</u></p> <p>b. <b>Reporting protocols:</b> Instructions will be issued to TTLs to ensure that Borrower safeguard reporting requirements are clearly communicated during project preparation and embedded in project legal agreements. <u>January 15, 2017.</u></p>	<p>OPCS, GENDR, GSJRR</p>

Lesson	Action and timing	Responsibility
<p>the Bank requires clear and regular reporting, these differences may not come to light in time for them to be effectively resolved.</p>		
<p><b>9. Supervision of identified social risks: There is a need to more closely monitor all issues identified in project social assessments.</b></p> <p>Even though community concerns about sexual misbehavior were flagged in the ESIA (albeit not prominently), they were not followed up on. Mitigation measures in the assessments need to be clear so they can be systematically supervised.</p>	<p>a. <b>Supervision checklists as part of the ESIA.</b> Instructions will be issued to TTLs and environment and social staff to ensure that each ESIA has a brief executive summary and checklist with key social issues that need to be monitored and addressed by the ESMP. The ESMP should in turn include an executive summary with key proposed mitigation measures and checklist, to enable easy tracking and supervision. <u>December 15, 2016.</u> Guidance on monitoring and supervising checklists will be disseminated to all environmental and social development specialists. <u>January 31, 2017.</u></p>	<p>GENDR, GSURR, OPCS, LEGEN</p>
<p><b>10. Community engagement: Failure to put in place and sustain robust community engagement processes, including GRM, can seriously weaken a project's – and the Bank's – ability to anticipate potential social impacts and to respond effectively when problems arise.</b></p> <p>Insufficient understanding of community dynamics by the Bank made engagement ineffective, especially in dealing with the complaint. Community engagement was not maintained after the initial ESIA consultations. Despite agreement during project preparation, the Bank failed to seek and maintain partnerships with NGOs, which could have helped ensure earlier understanding of the sensitive social</p>	<p>a. <b>Existing Staff guidance on stakeholder engagement.</b> Disseminate existing Bank staff guidance on Stakeholder Engagement to all environmental and social staff. <u>November 30, 2016.</u></p> <p>b. <b>Staff training on stakeholder engagement.</b> Training on meaningful stakeholder engagement will be included as a core competency for environmental and social development staff. <u>Ongoing.</u></p> <p>c. <b>Stakeholder engagement under the new ESF.</b> ESS10 in the new ESF - on Stakeholder Engagement - will help identify stakeholders systematically, and enable continued meaningful consultations with stakeholders based on the required Stakeholder Engagement Plan. Task Teams and Borrowers are encouraged to start using the approach</p>	<p>GSURR, GENDR, OPCS</p>

Lesson	Action and timing	Responsibility
<p>issues. More diligent attention was needed to ensuring that GRMs existed and were functioning.</p>	<p>and tools provided by ESS10 in advance of its formal effectiveness. <u>Ongoing.</u></p> <p><b>d. Staff training on GRM.</b> Training on project-specific GRMs, and how they can be strengthened, will be a part of regular, week-long safeguard training conducted for staff and consultants in each Bank Region. This will be coupled with training on the Bank Grievance Redress Service (GRS) and the role of the Inspection Panel. <u>March 31, 2017.</u></p> <p><b>e. Supervision of GRM.</b> A field will be added to the implementation support report templates requiring missions (social development specialists and TTLs) to assess GRMs, and propose remedial measures where GRMs are not functioning properly. <u>March 31, 2017.</u></p>	
<p><b>11. <u>Contract management: The Bank needs to improve its ability to guide Borrowers in the management of contractors to ensure better safeguard performance.</u></b></p> <p>A central challenge to the effective management of safeguard risks in infrastructure projects concerns the multiple levels of actors involved in the project, and at times a lack of clarity as to the respective roles of these actors in safeguard implementation. While safeguard application and mitigation measures are agreed between the Bank and implementing agency, the actual responsibility for implementing many of the measures must cascade down to the contractor (and often subcontractors) who has the greatest day-to-day presence on the ground and sustained</p>	<p>Management recognizes that environmental and social provisions in contracts for contractors as well as supervising engineers need to be strengthened when civil works are carried out in, or near, vulnerable communities and in other high-risk situations. A series of measures to be piloted include the following:</p> <p>As part of the bidding process for civil works:</p> <ul style="list-style-type: none"> <li>• Applicants/bidders would be required to declare any civil works contracts that have been suspended or terminated by the employer for reasons related to environmental or social safeguard compliance (including health and safety issues) in the past five years. This information would be used to inform</li> </ul>	<p>OPCS</p>



Lesson	Action and timing	Responsibility
<p>interaction with affected people. The Bank has no legal relationship with contractors, and hence has no direct means of compelling performance; instead it must depend on the Borrower, guided by the supervising engineer and advised by the Bank, to insist that the contractors comply with environmental and social standards.</p>	<p>additional due diligence that may be required prior to contract signing.</p> <ul style="list-style-type: none"> <li>• Specifications in the bidding documents will be strengthened to set out clear expectations with respect to environmental or social safeguards.</li> <li>• Bidders would be required to submit a plan for addressing environmental and social risks as part of the bidding process, as well as a code of conduct for their workers, based on a template to be provided by the Bank.</li> </ul> <p>As part of contracts for civil works:</p> <ul style="list-style-type: none"> <li>• Contractors would be required to post an environmental and social performance bond that the contracting entity could cash should a contractor fail to remedy cases of environmental and social non-compliance. The bond would be for a reasonable amount which, in combination with the current performance bond, would normally not exceed 10 percent of the contract amount. The bond would be cashable based on failure to comply with the engineer's notice to correct the said defects.</li> <li>• A provisional sum may be included in civil works contracts to be used as agreed between the contracting entity and the contractor in cases where contractors have fully met all environmental and social obligations under the contract and propose to further enhance environmental and social outcomes.</li> </ul>	

Lesson	Action and timing	Responsibility
	<p>The parties' agreement on the use of the provisional sum would be subject to the Bank's no objection.</p> <ul style="list-style-type: none"> <li>Civil works contractors and supervising engineers would be required to include dedicated staff with appropriate qualifications and experience to manage specific social and environmental impacts.</li> </ul> <p>As part of contracts for supervising engineers:</p> <ul style="list-style-type: none"> <li>Clients would be required to share all progress and other technical reports received by the supervising engineer with the World Bank.</li> </ul>	
<b>RESPONDING TO PROBLEMS AND COMPLAINTS</b>		
<p><b>12. <u>Proactive management of safeguard problem by Decisive steps and unambiguous communication by Bank Management are essential when serious safeguard issues are detected and reported, to ensure that corrective measures are taken promptly.</u></b></p> <p>Despite serious compliance failures identified in TSDP-AF supervision reports, project implementation continued. In such situations, the Bank needs to be more proactive and forceful in ensuring corrective measures are implemented. It is important to avoid the phenomenon of serious problems being repeatedly flagged in successive Aide Memoires without Borrower follow-through on the needed corrective action.</p>	<p><b>a. Safeguard rating decisions.</b> Safeguard ratings after an implementation support mission will be “hardwired” to environmental and social staff on Task Teams, through modifications to the portal (similar to current practice in procurement). This will help clarify and reinforce current good practice that rating decisions on safeguards are the province of environmental and social specialists. <u>March 31, 2017.</u></p> <p><b>b. Flagging safeguard problems to Management.</b> Projects with safeguard implementation problems will be automatically flagged by the IT system to the responsible GP Practice Manager as well as to the Practice Managers for Environment and Social Development, and to the RSA. If implementation problems are flagged in two consecutive supervision reports, projects will be flagged to GP, Environmental and Social and Country Directors,</p>	<p>OPCS, ITS</p>

Lesson	Action and timing	Responsibility
<p>Decisive action can sometimes be affected by uneven and ad hoc communication of safeguard issues up the Bank management chain. This can contribute to delays in understanding the gravity of a situation and in taking appropriate action. There is a need to more consistently ensure that serious issues are raised to successive management levels, so that all managers can help mobilize additional resources and expertise as necessary.</p>	<p>and the Manager of the Environmental and Social Standards Advisory Team (ESSAT). Where issues of policy interpretation or application are raised, the matter will be raised to the Operational Environmental and Social Review Committee. <i>March 31, 2017</i></p> <p><b>c. Quarterly risk review meetings</b> will be held for each Region and GP, in collaboration with OPCS.</p>	
<p><b>13. Mobilization of required expertise to address complaints: When serious complaints are received by the Bank, delays in mobilizing appropriate expertise with the right level of seniority constrains the Bank's ability to take informed and effective action.</b></p> <p>The review of the TSDP-AF reveals that the Bank did not recognize the urgency of the issue after receiving the complaint. While a number of missions were conducted, the missions lacked independent, senior and experienced staff and there was inadequate engagement at the managerial level in the CMU, GPs and OPCS. Despite this, there were multiple and persistent communications at the level of Country Manager and Country Director with UNRA and other parts of the Government concerning the seriousness of the matter and the need to address it, as detailed in Annex 1 of this Report. The Bank was slow to understand and respond effectively to the issues</p>	<p>See items 7 and 12 above.</p>	

Lesson	Action and timing	Responsibility
<p>underlying the complaint. To a large extent, this delay stems from the failure to deploy specialized experts who were capable of eliciting sensitive information from the community and of designing both rapid and longer-term responses. In addition, the working assumption that lower-level, inexperienced staff could handle the issue was a misjudgment on the part of Bank Management. No high-level staff from headquarters went on any mission until too late.</p>		
<p><b>14. <u>Internal arrangements for managing complaints:</u></b>  <b>There is a need for greater institutional clarity on how complaints should be handled within the Bank, especially in situations where the Panel postpones registration of a complaint it has received to give Management time to address the issues.</b>  A clear and consistent approach within the Bank to management of complaints like the one from December 2014 – where the Panel process itself was deferred – might help ensure a more rapid and appropriate response.</p>	<p><b>a. Role of Bank GRS.</b> Complaints from project affected people that are sent directly to Bank teams or country offices need to be registered with the GRS.  The same process will be applied to complaints that the Panel does not accept and which it sends to Bank Management. Those will be referred to the GRS to ensure that in response to such complaints appropriate follow up action is taken, and that relevant managers are made aware of them.  The GRS operating procedures will be revised and reissued to reflect the above. <u>January 31, 2017.</u></p>	<p>OPCS</p>
<p><b>15. <u>Confidentiality and anti-retaliation:</u></b> <b>There is a need within the Bank for a more consistent treatment of confidentiality issues and concerns about retaliation when complaints are received.</b></p>	<p><b>a. Training on confidentiality.</b> All TTLs and staff working on safeguards will be trained and sensitized to recognize when complainant confidentiality is required and how to protect that confidentiality in interactions with Borrowers.</p>	<p>OPCS</p>

Lesson	Action and timing	Responsibility
<p>Bank staff need to be trained about how to recognize when confidentiality is required and how to protect it. Bank staff need to be sensitized about how to work with Borrowers to address the risk of retaliation. Project affected people rely on the Bank's publicly available rules regarding confidentiality. Even when they are unaware of these rules, it is important that the Bank respect them.</p>	<p>All complaints will be treated in the same manner in determining when and how confidentiality is required, but this is especially important when complaints are sent to country teams or offices and need to be forwarded to the Inspection Panel or GRS. The above issues will be addressed in the context of the ongoing staff training program on safeguards. <u>March 31, 2017.</u></p> <p><b>b.</b> In addition, OPCS will issue regular reminders to staff on these issues. <u>December 15, 2016.</u></p> <p>The training and reminders will also cover appropriate handling of communications addressed to or clearly intended for the Inspection Panel which are sent to the Bank, per the governing Bank Procedure.</p>	

## ANNEX 1: UGANDA TSDP-AF TIMELINE

Date	Issue	Details
June 16, 2011	Board Approval of the TSDP-AF	
April 16, 2012	Invitation to pre-qualified contractors	
July 11, 2013	Contract signed	
August 1, 2013	Contractor mobilizes to start construction of Kamwenge-Fort Portal road section	
March 31, 2014	Safeguard issues in the portfolio raised with key Government counterparts	At a Country Portfolio Performance Review (CPPR) with key Government Counterparts from the Ministry of Finance and other agencies, the importance of full attention to safeguards is emphasized and actions agreed. This includes Project coordinators and safeguard staff on the projects to monitor safeguard implementation, and Government to prioritize and budget for implementation of mitigation measures, including compensation where required.
June 30, 2014	First Suspension of Works	Following discussions with the RSA and the CMU, a Bank supervision mission held June 11-26, 2014 results in suspension of earthworks and quarry operations. The Aide Memoire specifies required actions, including a revision of the Contractor's ESMP by July 15, 2014, and that UNRA should ensure implementation thereof. A partial lifting of the suspension is issued on August 28, 2014.
July 1, 2014	Government high-level visit to Project Road	As a follow-up to the supervision mission, a Government team led by the Minister of Works and Transport, including the Acting Executive Director (ED) UNRA, travels to the work site. The Minister instructs all parties to take immediate remedial actions on the issues noted in the supervision mission.
July 6-11, 2014	Government high-level visit to Project Road  Environmental Audit	UNRA management team visits the work site, and an Environmental Audit is conducted by UNRA, Environment Unit, the Wetlands Management Department, the Occupational Safety and Health Department, the National Environment Management Authority, the Directorate of Water Resources Management, and the Department of Museums and Monuments in the Ministry of Tourism, Wildlife and Antiquities. A detailed action plan is prepared by the Audit Team.
September 22, 2014	Second Suspension of Works	An interim Bank supervision mission, held September 15-23, 2014, finds that most of the actions agreed in the June 11-26 mission have not been met. Consequently, the Supervising Engineer's decision, endorsed by UNRA, for the partial lifting of the suspension on August 28, 2014, is not accepted by the Bank. This results in the second suspension of works on September 22, 2014, and the Supervising Engineer issues letters to the Contractor on three counts: (i) removal of two of the Contractor's management staff in accordance with Sub-clause 6.9 of the contract for the works; (ii) notice to remedy the failure to comply with the social and environmental requirement in accordance with Sub-clause 15.1; and (iii) notice of Suspension of works as per Sub-clause 8.8. Thereafter, the Contractor takes agreed actions with the Supervising Engineer, with the result that there is a lifting of suspension of the Earthworks and the Quarry operations in November 2014.

Date	Issue	Details
November 17-December 5, 2014	Bank Implementation Support Mission	A Bank implementation support mission includes in the Aide Memoire a detailed action plan setting out the need for all Project Affected Persons to be catalogued, and a request for the Bank to receive and review the Contractor's ESMP by December 31, 2014.
December 17, 2014	Receipt of 1 <sup>st</sup> letter of complaint alleging sexual misconduct and child abuse by local workers	The letter of complaint dated December 6, 2014 is received by the Bank on December 17.
Dec 29, 2014	Letter of complaint shared with Government (MoFPED and UNRA)	In e-mails to UNRA and the Ministry of Finance, Planning and Economic Development (MoFPED), respectively, the Bank shares the letter of complaint received from aggrieved community members on the road.
January 5, 2015	Follow up with MoFPED on issue of retaliation and first Government-led mission.	Country Director discusses the matter with the Permanent Secretary of MoFPED. The Country Director asks for the PS' direct involvement to ensure that the community and local stakeholders feel absolutely no sense of retaliation or pressure from the Government. The PS states that he will discuss with UNRA management and hold a joint meeting to discuss a proposed visit to the project site. The PS asks that the Bank join the government mission on January 6-7 to ensure that the discussions with the community are done in a manner that does not suggest any threat or retaliation. The Bank joins the Government-led mission as an observer.
January 6, 2015	Bank-Government meeting on letter of complaint	Meeting called by the Permanent Secretary to map out a strategy for a Government mission to Bigodi. The mission is to be led by MoFPED at the level of Commissioner. The Bank participates as observer in the mission that takes place on January 9, 2016.
January 13, 2015	Communication with community	The Country Director writes to the community stating that the Bank considers the allegations very serious, including sexual violence against children, increased child labor and drop out of school, and increased crime. The letter notes that the issues need to be reviewed immediately and the Bank will field a mission to specifically consult with the Bigodi community and will seek assistance and guidance from the community.
February 4-5, 2015	Second Fact-Finding Mission to investigate complaint	
April 15, 2015	Meeting with Government delegation to Spring Meetings in Washington, DC	Concerns regarding TSDP-AF complaints are included in the briefing for a pre-meeting with the Uganda Delegation at the Spring Meetings of the Bank.
April 16, 2015 to May 6, 2015	Bank Implementation Support Mission (Aide Memoire)	Bank supervision mission visits road and recommends in Aide Memoire a follow up meeting between the community, UNRA and the Bank to explore related social issues along the entire Kamwenge-Fort Portal road. The Mission also notes the outstanding actions on the implementation of the social and environment actions, and includes an updated action plan.
April 23, 2015	Country Director letter to Bigodi community with copy to Government (UNRA)	The Country Director sends a letter to the Bigodi community with a copy to Acting ED, UNRA, highlighting the seriousness Bank Management attaches to the child abuse allegations, and informs that the Bank has requested Government to follow up to the extent these are related to the Bank-financed project. The letter includes a list of follow up actions agreed with UNRA, including those related to lack of consultations and feedback, road safety issues, compensation, and identification of contractor's personnel.
April 23, 2015	Meeting with JFCU	The purpose of the meeting is to hear from JFCU about the complaints raised by the community. JFCU discusses its case study and notes that it had been in regular contact with the community. JFCU states that there

Date	Issue	Details
		is increased attention from the Bank since the complaint letter was sent in December 2014. JFCU notes, however, that the Bank consultations with the community may not have allowed all issues relating to children's rights and abuse to be raised in past missions. The Bank team suggests to JFCU to engage with UNRA. The JFCU team is joined by a child rights consultant from BIC.
May 26, 2015		A management letter with the April 16-May 6 Aide Memoire is sent to PS Ministry of Works and Transport (MoWT) and ED UNRA copied to MoFPED et al.
May 25-28, 2015	Government-NGO-Bank Joint Field Mission	JFCU joins a Bank team and UNRA on a mission to follow up on the allegations of child sexual abuse, child trafficking and child labor outlined in the complaint; and also to undertake a wider follow-up on social impact issues in other communities along the project road (Kyabyoma, Kitonzi, Businge and Kahunge).
June 18, 2015	Country Director letter to Government	The Country Director sends a strong letter to MoFPED and UNRA noting that during the mission in May 25-28, community members cited two recent cases of child abuse, possibly involving contractor staff. The Country Director asks the Government to follow up on an urgent basis, so that relevant authorities mandated for child protection follow up and law enforcement agencies investigate the matter. The letter noted that mitigation measures needed to be put in place, including on child protection, and that offenders should be criminally prosecuted.
July 1, 2015	Country Manager letter to Bigodi community with copy to Government	The Country Manager sends a letter to the Bigodi community reiterating the Bank's serious concerns over the issues raised, and the Bank's efforts to address them through the appropriate authorities. The letter assures the community leaders that the community is free to air their views without fear. Letter is copied to PS/ST, PS MoWT, and ED UNRA.
July 10, 2015	Country Director meeting with Government (MoFPED)	Country Director and Country Manager raise the issue with the PS/ST drawing attention to the Bank's letter of June 18 and urging Government to take action on the complaints relating to the road
July 15, 2015	Country Director meeting with Government (UNRA)	Country Director and Country Manager meet with the UNRA ED and reiterate the need for UNRA to address the Matrix of Actions and update the Bank on status of implementation.
July 17, 2015	Country Director meeting with Government (MoWT)	Country Director and Country Manager meet with the Minister of Works and Transport and reiterate the need for the Government to take action on the complaints relating to the road.
August 25-28, 2015	Bank mission to review progress on Action Plan with communities	
September 15, 2015	Country Director meeting with Speaker of Parliament	Country Director and Country Manager brief the Speaker of Parliament about the road and reiterate the need for Government action. The Speaker of Parliament indicates that she will raise the issue with the UNRA ED.
September 15, 2015	Country Director meeting with Government (MoFPED, UNRA)	Country Director and Country Manager raise TSDP and urge action at a meeting with the PS/ST and the UNRA ED.
September 28, 2015	Country Director letter to Government (MoFPED, UNRA)	Country Director sends a Letter to Government (MoFPED and UNRA) expressing the Bank's grave concern at the allegations of child abuse and seeking to know the actions taken by Government to address the issues. Director requests that any withdrawal application under the civil works component be put on hold.



Date	Issue	Details
September 28, 2015	Receipt of 2 <sup>nd</sup> letter of complaint claiming lack of progress by the Bank in addressing community concerns regarding sexual misconduct. Inspection Panel registers case.	
October 2, 2015	Country Manager meeting with the Rt. Hon. Prime Minister	Country Manager informs the Rt. Hon. Prime Minister about challenges experienced under the TSDP, specifically the gravity of the child abuse cases and that the Bank has communicated this to Government and expects tangible action on the issues. The Country Manager informs the Prime Minister of potential consequences to the portfolio.
October 2, 2015 (Annual Meetings)	TSDP raised in meetings with Uganda delegation at Annual Meeting in Peru	Government is asked to ensure that GRMs are working well and that the upcoming community consultations be carried out with full community participation and open dialogue on the issues of child abuse.
October 22, 2015	Suspension of Project Disbursements (Letter)	The Bank's Regional Vice President sends suspension letter dated October 21, 2015 to MoFPED citing the lack of compliance with the Financing Agreement requirement to carry out the project in conformity with the appropriate social standards and practices. Effective date of suspension is set as October 22, 2015.
October 23, 2015	Country Director meeting with Government (UNRA ED)	Country Director and Country Manager meet with UNRA ED with respect to TSDP, and urge action on the issues raised in the complaints. They also press for explicit communication of non-retaliation against those who raised the concerns.
October 23, 2015	Country Director communication (email) with Government (MoFPED, UNRA)	Country Director follows up with an email to PS/ST and UNRA ED explaining that suspension is a result of contractual breaches, and urges that there be no retaliation against complainants.
November 18, 2015	Country Manager meeting with UNRA	Country Manager meets with UNRA ED and requests intervention on approval of the Service Provider's contract. Country Manager reiterates that complainants should not be retaliated against, and seeks UNRA agreement with non-retaliation plan.
November 24, 2015	Social Director meeting with UNRA	Social Practice Director, Social Manager, and Country Manager meet with ED UNRA to discuss the social issues on the Project Road, and discuss a way forward.
December 1, 2015	Country Director and Transport Management meeting with Minister MoWT and UNRA	Country Director, Transport Director, Transport Manager, Country Manager have separate meetings with Minister of Works and Transport and UNRA ED to discuss the social, environmental, technical and contractual issues on the Project Road, and discuss a way forward.
December 7, 2015	Transport Director and Country Manager meeting with MoFPED, UNRA and MGLSD	Transport Director and Country Manager meet Government to understand UNRA's decision not to terminate the Contractor's contract, and to discuss way forward on the TSDP related issues.
December 16, 2015	Country Manager informs MoFPED and UNRA ED regarding forthcoming cancellation of TSDP	Country Manager informs UNRA ED and MoFPED PS/ST of forthcoming cancellation in separate meetings.
December 16, 2015	Country Director letter to Minister MoFPED informing of decision to cancel	Country Director sends letter to Minister MoFPED informing of decision on immediate cancellation, with formal cancellation letter forthcoming.

Date	Issue	Details
December 18, 2015	Country Director meets with PS/ST MOFPED to inform of upcoming cancellation	Country Director meets with PS/ST to inform of the upcoming formal cancellation of TSDP and forthcoming suspension of civil works components under the Albertine and NERAMP projects
December 21, 2015	Acting Regional Vice President letter to Minister MoFPED cancelling TSDP	Acting Regional Vice President sends letter to Minister MoFPED with the formal cancellation of TSDP
December 22, 2015	Minister MoFPED letter to World Bank Group President	Minister MoFPED responds to communication from the ED WB on cancellation. Minister requests a technical dialogue.
December 28, 2015	Country Director letter to Minister MoFPED	Country Director sends letter to Minister MoFPED informing of decision on suspension of civil works components of Albertine and NERAMP projects.
December 29, 2015	Letter from Regional Vice President to Minister MoFPED	Regional Vice President sends letter acknowledging receipt of letter from the Minister MoFPED addressed to the World Bank Group President and proposes tentative dates for technical mission requested by Government.
January 27 to February 3, 2016	WB Transport and Social Development Directors conduct Technical Mission	High level technical mission discusses and agrees on the way forward on resolution of outstanding issues under TSDP, and consideration of lifting of suspensions on Albertine and NERAMP. Matrix of Actions in Aide Memoire specifies actions required to trigger a re-appraisal of UNRA's capacity.

## ANNEX 2: TERMS OF REFERENCE FOR THE GBV TASK FORCE

### Task Force on Sexual Exploitation and Abuse

World Bank Group President Jim Yong Kim has formed a Global Gender-Based Violence Task Force intended specifically to strengthen the institution's capacity to identify, mitigate and prevent risk of sexual exploitation and abuse (SEA), as a key facet of gender-based violence (GBV), or to respond in a survivor centered manner should incidence of SEA occur.

This task force will advise the institution on best practices for reducing risks to community safety in connection with our development projects, and in particular for preventing sexual exploitation and abuse in area development projects. Comprised of leading experts on gender-based violence, relevant sectoral experts, and supported by a small Secretariat composed of World Bank staff, the task force will build on ongoing World Bank Group work to tackle GBV and sexual exploitation and abuse, specifically focusing on strengthened approaches to identifying threats and applying preventive actions in Bank-funded operations.

As a financier of development projects, the World Bank now supports millions of dollars in development projects aimed at addressing violence against women and girls across many different sectors, from health and education to infrastructure and public services. This work builds on evidence and lessons learned in these sectors accumulated by UN agencies such as the World Health Organization and UNICEF, as well as from academics and many civil society organizations. At the same time, recent experience has demonstrated the critical importance of strengthening the capacity of WB teams across sectors, particularly infrastructure investments that involve a large influx of workers into a community, to take adequate precautions to prevent or minimize risk of exposure of women and girls to sexual exploitation and abuse, as well as other forms of GBV. Similarly, there is need to improve clarity on and knowledge of response protocols and remedial actions to enable safe, confidential and ethical care of survivors should incidence of sexual exploitation and abuse occur.

The two main objectives of the Task Force are (i) to enhance the way World Bank Group operations teams assess and understand the drivers of and conditions for sexual exploitation and abuse -- whether related to pervasive norms and dynamics, external stressors such as conflict and fragility, or as unintended consequences of development investments; and (ii) to build in measures into World Bank Group operations to prevent and remedy situations that may arise in the course of a project.

#### Terms of Reference

The Task Force will be asked to:

1. Develop a set of actionable recommendations for the President and the Bank's Management on ways to strengthen prevention, design, reporting, and supervision interventions in the context of WBG operations aimed at area development (including infrastructure development, e.g. energy, roads, water/sanitation, slum upgrading etc.)

More specifically, key activities of the Task Force will include:

- Advice on policies, processes and instruments linked to Bank operations that can be strengthened to improve Bank capacity to identify and prevent risk of sexual exploitation and abuse, as well as other forms of violence. This will include consideration of legal covenants, procurement processes, grievance redress mechanisms, codes of conduct, consultations and citizen engagement interventions, social assessments, training requirements and other relevant processes and tools.
- Advice on tools, instruments or capacity building that may help improve the ability of task teams to assess risk of sexual exploitation and abuse during project design and to develop appropriate

prevention or mitigation measures. Similarly, identification of tools or instruments that may facilitate reporting of sexual exploitation and abuse. The tools identified will also serve as a monitoring mechanism during project supervision.

- Guidance on remedial measures and procedures to be implemented in the event that incidence does occur. This includes:
    - i. Identification of response measures and systems of care for survivors or communities reporting incidence of sexual exploitation and abuse, with an emphasis on tools and systems that enable identification of locally established referral pathways and connection with experienced local service providers;
    - ii. Development of investigation, reporting and response protocols to help guide WB staff should cases arise. These protocols may include articulation of steps project teams should follow to enable the safe, confidential and ethical review of reported incidence (to be conducted by technical experts); identification of reporting lines both internally as cases occur (e.g. to Bank management), as well as externally (e.g. with partner ministries, with local administration, police or other identified actors).
  - Identification for mechanisms for improved client engagement on sexual exploitation and abuse, including policy dialogue, training and other requirements to ensure effective implementation and monitoring of tools or systems developed to track potential incidence.
2. Identify effective ways for the Bank to increase coordination with multiple stakeholders -- locally, nationally, and internationally -- to prevent and respond to gender-based violence.

Recommendations will be informed in part by a review both of existing WB tools, processes and mechanisms to help identify appropriate entry points for engagement, as well as by a review of findings of existing and ongoing research and experience, to identify best practices involving prevention and response that help communities tackle sexual exploitation and abuse.

While this Task Force will focus recommendations for improved prevention of and mitigation against sexual exploitation and abuse in area development operations, particularly infrastructure investments involving large influx of workers to communities, consideration will also be given for relevance of recommendations for WB operations across other sectors as well. Similarly, consideration will be given for how recommendations emerging from the Task Force may be leveraged to prevent or mitigate against other forms of GBV as well.

### **Modus Operandi**

- The Task Force will have a 6-9 month tenure and will meet up to four times.
- The WBG will cover expenses of Task Force members to Task Force meetings, to be held in Washington, D.C.
- The Task Force will be supported by a small WBG secretariat which will organize meetings (prepare agendas, minutes, logistics), compile relevant background materials and issue notes, respond to requests from panelists for information, and other tasks as appropriate.
- Based on the recommendations of the Task Force, an action plan will be prepared by WBG staff to strengthen the Bank's work. The World Bank will commit to implement the Action Plan.
- The names of Task Force members and their report/recommendations will be public.