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Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 26-Oct-2022 | Report No: PIDISDSA35128

Public Disclosure Authorized

BASIC INFORMATION

A. Basic Project Data

Country	Project ID	Project Name	Parent Project ID (if any)
Western and Central Africa	P175525	West Africa Coastal Areas Resilience Investment Project 2	
Region	**Estimated Appraisal Date**	**Estimated Board Date**	**Practice Area (Lead)**
WESTERN AND CENTRAL AFRICA	17-Oct-2022	09-Dec-2022	Environment, Natural Resources & the Blue Economy
Financing Instrument	**Borrower(s)**	**Implementing Agency**	
Investment Project Financing	Ministry of Finance and Economic Affairs in the Gambia, Ministry of Finance in Ghana, Ministry of Finance in Guinea Bissau, West Africa Economic and Monetary Union (WAEMU)	Institute for Biodiversity and Protected Areas (IBAP), Ministry of Agriculture, Ministry of Environment, Climate Change and Natural Resources (MECCNAR), Ministry of Environment, Science, Technology & Innovation (MESTI)	

Proposed Development Objective(s)

To strengthen the resilience of targeted communities, and areas in coastal Western Africa.

Components

Component 1: Strengthening Regional Integration
Component 2: Strengthening the Policy and Institutional Framework
Component 3: Strengthening National Physical and Social Investments
Component 4 : National Coordination

PROJECT FINANCING DATA (US$, Millions)

SUMMARY

Total Project Cost	246.00
Total Financing	246.00

of which IBRD/IDA	241.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	241.00
IDA Credit	150.00
IDA Grant	91.00

Non-World Bank Group Financing

Trust Funds	5.00
PROBLUE MDTF	5.00

Environmental and Social Risk Classification

High

Decision

The review did authorize the team to appraise and negotiate

Other Decision (as needed)

B. Introduction and Context

Country Context

1. **In West Africa, rapid urbanization and net migration to the coast increase the demands on the land, its resources, and the services its ecosystem provides to people.** Poverty is rampant with 15 out of the 17 coastal countries having national poverty rates above 30 percent, although there are large variations. Oil-producing Ghana has the lowest poverty rate (24 percent), while Equatorial Guinea, also an oil-producing country, has the highest (over 70 percent).

2. **The Gambia, stretching 350 km along the Gambia River and covering just 11,295 square kilometers, is surrounded by Senegal, except for an 80-km Atlantic Ocean front**. The country has a population of 2.35 million. With about 200 people per square kilometer, it is one of the most densely populated countries in Africa. Most of the population (57%) is concentrated around urban and peri-urban centers. Growth was robust at 6% in 2019, supported by improving confidence and record tourist arrivals, with sound macroeconomic management helping to reduce the fiscal deficit, exit from debt distress, and increase international reserves closer to prudential levels. Fisheries and

aquaculture are natural capital that are important in The Gambia and can provide benefits in perpetuity to the economy and the population as well as estuaries that support wildlife and biodiversity. The fisheries industry value chain shares largely overlapping interests with that of tourism industry– from the fish resources in the waters to the final consumption of fish products. The COVID-19 crisis has, however, resulted in a sharp economic downturn in 2020, with a reduction in tourists and trade disruptions leading to a 0% growth and a contraction in real GDP per capita by 2.9%, partially reversing gains in poverty reduction.

3. **In Ghana, natural resources have been key drivers of economic growth for the 29.6 million population in 2018, and environmental unsustainability may impair Ghana's economic growth**. Ghana's economy contracted by 3.2 and 1.% in the second and third quarters of 2020, respectively, pushing the country into a recession for the first time in 38 years. However, a modest growth of 1.1% is for the full year of 2020 thanks to a strong 4.9% growth in the first quarter of 2020, at the onset of the COVID-19 crisis. The 1.1% GDP growth in 2020 is a steep fall from the pre-COVID-19 levels of 6.5%. Much of Ghana's recent wealth growth came with liquidation of non-renewable assets and losses to renewable resources. Ghana's coastal zone, representing around 6 percent of the country's land area, is a high energy environment with flood-prone lowlands.

4. **Guinea-Bissau is a natural resource-rich country with a population of just 1.9 million in 2019, two thirds of whom live below the national poverty line of US$1.9 per day**. The country has a GDP of US$697 per capita, and the highest proportion of natural capital wealth per capita (47 %) in West Africa. A 2014 wealth accounting exercise estimates Guinea-Bissau's natural wealth at US$3,874 per capita, over 90% derived from renewable natural resources, including an extensive system of protected areas (26% of national territory) which hosts ecosystems and biodiversity of local, regional and global significance. This rich and relatively undamaged natural resource base, if well managed under the governance of stable and accountable institutions, could transform the economy, reduce poverty, and improve the lives of its citizens.

Sectoral and Institutional Context

5. **The West African coastline, spanning from Mauritania to Gabon, includes 17 countries[1] that are at varying stages of economic development.** Eight of the countries have a per capita gross domestic product (GDP) below US$1,000, ranking among the lowest in the world. Many of these countries have gone through conflict or political and social unrest over the last 10 years. Although the West African economies have been growing steadily, the countries continue to be heavily dependent on natural resources such as fisheries, fossil fuel, minerals, and timber. A very large proportion, about 42 percent, of West Africa's GDP is generated from its coastal areas (e.g. fisheries, ports, tourism). The West African coastal areas are home to almost one-third of the countries' population[2]Across Sub-Saharan Africa, the urban population, largely located in the coastal areas, is growing at an annual rate of 4 percent, almost twice the worldwide average of 2.1 percent.

[1] Between 2010 and 2015, the economies grew at 5 percent annually on average and inflation was low or generally contained despite some spikes

[2] The term 'coastal zone' or 'coastal areas' in the context of WACA, as per U.S. Coastal Zone Management Act of 1972, means that the coastal waters (including the lands therein and thereunder) and the adjacent shorelands (including the waters therein and thereunder) are strongly influenced by each other and near the shorelines of the coastal states and includes islands, transitional and intertidal areas, salt marshes, wetlands, and beaches

6. **The coastal population is increasingly vulnerable to the effects of climate change, especially the poor, whose already precarious livelihoods depend on the quality and quantity of natural resources**. Every year, an average of 500,000 people in the region are threatened by aggravated coastal erosion, flooding and pollution. Economic losses have been estimated at US$ 3.8 billion in 2017 for four of the West Africa countries (Benin, Cote d'Ivoire, Togo, and Senegal) and represented 5.2% of the GDP's of the countries that year.[3] **The Gambia** is highly vulnerable to climate change. Annual average temperatures are projected to increase, relative to the year 2000, between 1.7º and 2.1 ºC in 2050, and between 3.1º and 3.9ºC in 2100. Moreover, sea level is expected to rise between 19 cm and 43 cm by 2050. The country is also vulnerable to the impacts of climate change from increase in temperature and decrease in rainfall. These affect the country's key economic sector, such as agriculture, which is dominated by extensive rain-fed irrigation, as well as the tourism sector[4]. Vulnerability to climate change in The Gambia is linked to the country's widespread poverty and limited adaptive capacity to deal with the effects of changes[5]. **In Ghana**, temperatures have risen by approximately 1°C since the 1960s and will continue to get warmer with average temperatures projected to increase by 1.0°C to 3.0°C, by mid-century and by 2.3°C to 5.3°C by end of the century. Heavy rainfall events are expected to increase, that will likely result in flooding and flash floods, as well as riverbank erosion. Ghana is vulnerable to increasing aridity, droughts, extreme rainfall events and flooding with a high degree of risk to natural weather-related hazards as well as risks related to coastal resources, including storm surges and coastal erosion as well as landslides, earthquakes, pest infestations, and wildfires. Ghana's flood exposure is projected to result in $160 million annually, due to flooding[6]. Regarding **Guinea Bissau**, a short-term climate scenario (2016-2045) shows an increase in temperature between 1.2°C and 1.3°C for the coastal zone. In Guinea-Bissau, this will impact marine productivity, the marine food chain, and it will consequently also affect the availability of fish – similar to the impacts that will be seen across the entire West African coastline. This is critical considering that the coastal zone in Guinea Bissau occupies two thirds of the country's territory. Harboring approximately 70% of the population in Guinea Bissau, the coastal zone has a significant economic importance[7].

7. **The region is faced by a broad crisis driven by the global slowdown, the war in Ukraine, shortages of energy, fertilizer, and food, and rising interest rates and debt levels on top of the impacts of the COVID-19 pandemic.** These challenges severely undercut spending on education, health, climate, and other development priorities and undermining the livelihoods of millions of coastal-dependent households.

C. Proposed Development Objective(s)

Development Objective(s) (From PAD)

8. The Project Development Objective (PDO) is to strengthen the resilience of targeted communities and areas in coastal Western Africa.

[3] Croitoru, Lelia, Juan José Miranda and Maria Sarraf, 2020. The Cost of Coastal Zone Degradation in West Africa: Benin, Cote d'Ivoire, Senegal, and Togo. The World Bank.
[4] https://climateknowledgeportal.worldbank.org/country/gambia
[5] https://unfccc.int/sites/default/files/NDC/2022-06/Second%20NDC%20of%20The%20Republic%20of%20The%20Gambia-16-12-2021.pdf
[6] UNISDR (2018). Disaster Risk Profile – Ghana. URL: http://africa.cimafoundation.org/documents/869
[7] https://unfccc.int/sites/default/files/NDC/2022-06/NDC-Guinea%20Bissau-12102021.Final.pdf

Key Results

9. The proposed PDO indicators are as follows:

a. Households in targeted coastal areas with **less exposure to erosion** due to the project (disaggregated by country)
b. Households in targeted coastal areas with **less exposure to flooding** due to the project (disaggregated by country)
c. Households in targeted coastal areas with **less exposure to pollution** due to the project (disaggregated by country)
d. Households with improved **access to livelihood** support (disaggregated by country)
e. Area with **reduced ecosystem vulnerability** (Ha) (disaggregated by country)
f. Share of target beneficiaries with rating 'Satisfied' or above on project interventions (disaggregated by country, sex)
g. Regional integration score

D. Project Description

10. **The project consists of one regional integration component and three country projects each with same design and organized in three components (policy, investment, and coordination).** This design is the same as ResIP 1, and the result of the Mid Term Review (MTR) that was finalized July 2022 did not suggest changing the components' structure.

11. WACA ResIP 2 will support site-specific grey, green, and hybrid physical investments, and social sub-projects at the community level to achieve measurable increases in protection from coastal erosion and flooding, pollution control, and to promote climate-resilient and nature-based coastal development. **In terms of erosion control, the project will be financing** ;(i) green infrastructure such as dune fixation to protect beaches from erosion using vegetation and shrubs to trap sand, wetland and mangrove restoration and beach replenishment; (ii) grey infrastructure such as construction of breakwaters, seawalls, revetments, groynes, and dikes; (iii) land claim and reclamation; and/or (iv) measures to improve the management of natural habitats, including reduction of invasive species encroachment and restoration of natural hydrological flows. **Flood control under the project focuses on;** (i) rehabilitation of flood dikes and floodplains; (ii) rehabilitation and management of natural flood areas, including dredging to maintain natural flow in lagoons and river restoration; (iii) infrastructure, e.g., culverts, for improved drainage, especially in urban areas; and (iv) sustainable landscape management practices in transboundary sub-watersheds and areas of high ecosystem value that drain into the coastal areas. **Pollution management** will be covered by pollution control infrastructure reducing land-based waste inputs in the ocean, through (i) small works to improve sanitation, (ii) solid waste management NGO/community program as well oil spill incident preparedness and management plans and equipment. The project will also pilot a sustainable jobs approach designed to create income sources and livelihoods for people, targeting jobs stemming from coastal management activities (e.g., maintenance of coastal protection infrastructure, plantations, recycling, etc.).

Component 1: Strengthening Regional Integration (US$16 million IDA)

12. **The IDA Regional Window is designed to strengthen a set of recognized regional institutions.** In the case of WACA, the project facilitates collective action to address shared goals while taking advantage of economies of scale for the benefit of coastal resilience. This approach has been in operation in WACA ResIP 1 and will be expanded in ResIP 2 with the incorporation of two additional regional institutions (PRCM, RAMPAO) and extension of regional and country support beyond the nine countries benefiting from a national operation, to cover all the 17 countries from Mauritania to Gabon as envisioned in the WACA Program. Further, the project will continue to engage relevant regional organizations on coastal-related matters including on ports (PMAWCA) and education (ACECoR). The expectation is that the regional financing window will improve connectivity among countries on coastal resilience, manage shared coastal resources, and provide global and regional public goods.

13. **The recipient of the IDA Regional Window is the West Africa Economic and Monetary Union (WAEMU)**. IUCN will be contracted by WAEMU to house the Regional Implementation Support Unit (RISU) and provide technical support to country projects. Four other regional organizations will be contracted by WAEMU to perform specific services at the regional level.

Component 2: Strengthening the Policy and Institutional Framework (US$ 23.7 million IDA)

14. **This component will support countries to develop policy frameworks necessary to implement integrated coastal zone management plans and strategies at the national, and link these to regional levels**. Specifically, it will provide support to national and sub-national institutions with mandates for the development and management of coastal zones to develop and implement national coordination mechanisms, support the capacity to manage environmental and social risks, strengthen policy frameworks for coastal and biodiversity management, ensure that activities strengthen national Blue Economies (and develop frameworks where needed), and promote proper management and protection of critical coastal ecosystems that provide significant services to nearby communities, including natural protective assets against flooding, pollution or erosion. Efforts will also be supported to improve long term financial sustainability for the conservation and management of critical ecosystems and biodiversity, especially through the national systems of protected areas.

Component 3: Strengthening National Physical and Social Investments (US$185.0 million IDA).

15. **The project will support site-specific grey, green, and hybrid physical investments, and social sub-projects at the community level to achieve measurable increases in protection from coastal erosion and flooding, pollution control, and to promote improved management of natural resources and climate-resilient coastal development.** Physical investments supported by the project are based on coastal management, protected areas and biodiversity strategies and climate-resilient development plans, including MSPs, undertaken and ongoing in each country that identify priority investments and actions for strengthening coastal resilience, promoting improve management of coastal ecosystems and mitigating the impacts of climate change.

16. **Sustainable Jobs Approach**: The WACA ResIP 2 will introduce a “Sustainable Jobs Approach”, building on best practice from World Bank in jobs in transformation. Sustainable jobs are intended to create income sources and livelihoods for people, so they become more resilient to shocks (including coastal erosion, flooding and pollution).

Component 4: National Coordination (US$16.0 million IDA)

17. **At the national level, a Project Implementation Unit (PIU) will be established in each beneficiary country to manage the respective national projects.** These units will ensure that the project is implemented in accordance with the Project Appraisal Document (PAD), the project implementation manuals and the country-specific project description and financing agreement, and that the WACA MSIPs or an agreed alternative national strategy or plan continues to form the basis for coordinated support from technical and financial partners to address the most pressing needs for management of the coastal zone. The PIU will manage the project on a day-to day basis and convene national workshops and meetings and implement priority communication activities needed to ensure that the role of the project is understood by the stakeholders.

18. **PROBLUE Finance.** The project includes a recipient executed PROBLUE Trust Fund grant of **US$ 5 million** in Ghana.

Legal Operational Policies

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

Summary of Assessment of Environmental and Social Risks and Impacts

19. The project environmental risk is estimated to be High. This is to account for the project scope, nature, and environmental sensitivity, especially component 3 where interventions will take place in a fragile coastal area of mangroves, with the potential of coastal flooding and erosion and the fact that poorly designed or implemented interventions could exacerbate erosion downstream. Furthermore, a contributing factor to the high risk-rating is the weak capacity of the implementing agencies regarding ESF assessment and implementation, and the potential redundancy of roles and responsibilities regarding coastal zone management. Furthermore, occupational health and safety of the workers and the community would need to be considered and properly managed. Aspects related to ecosystem services will need to be assessed and managed.

E. Implementation

Institutional and Implementation Arrangements

20. The project will be guided by the project's Regional Steering Committee (RSC) established in 2018 for the ResIP 1 currently under implementation. The RSC is co-chaired by WAEMU and one of the countries on a rotational basis and includes systematically representatives from ECOWAS and ECCAS. The RSC provides overall strategic guidance to the project, supports policy dialogue with countries for regional integration, advises on cross-boundary interventions, facilitates resource mobilization, and assesses the results and impacts of the project. The terms of reference and operating procedures of the committee will be amended based on consultations between ResIP1 and ResIP2 participating countries, WAEMU, ECOWAS and ECCAS, and will be integrated into the updated regional procedure manual. That committee will approve the annual work program for the regional integration activities (Component 1).

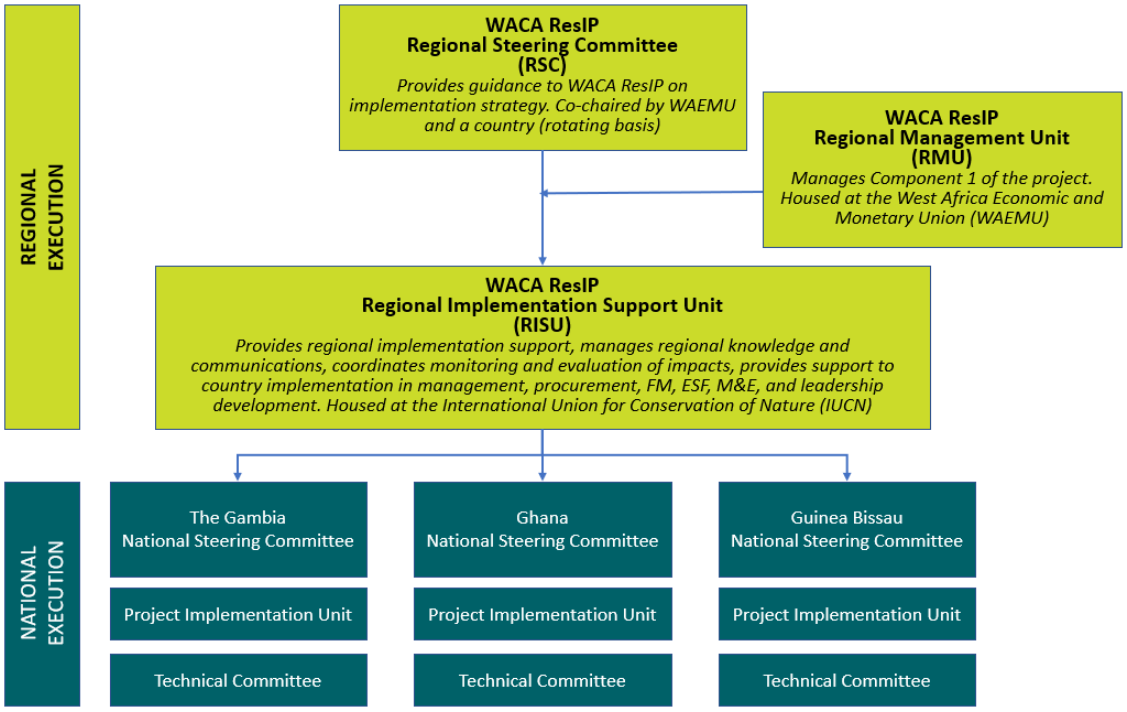

Figure 1. Institutional Arrangements for the WACA ResIP 2.

21. **The overall structure of the regional component remains the same as under ResIP 1, except for an adjustment to the arrangements with IUCN.** Under ResIP1, IUCN had a project agreement with the World Bank and a subsidiary agreement with WAEMU. Under ResIP 2, WAEMU will instead contract the consultancy services of IUCN. IUCN will therefore be treated as a procured entity. The role of IUCN in the project remains unchanged and will consist of continuing to ensure the timely execution of activities at regional and national levels via the RISU established under ResIP 1.

22. **The project will have WAEMU as the leading regional entity which in turn will coordinate with ECOWAS and ECCAS**. The existing coordination between regional economic institutions with periodic meetings between the Environmental, agriculture and water commissioners' teams in WAEMU and ECOWAS will be strengthened and extended to ECCAS especially on key regional activities (coastal resilience investment planning and monitoring and blue economy regional strategy).

23. **At the national level in each of the countries, a PIU is set up to manage the project on a day-to-day basis.** The PIU will prepare annual work plans and budgets (AWPBs), manage procurement for national needs of institutions, and provide support to counterpart institutions in the implementation of activities in cases where the ministry itself is not implementing the activity. The collaborative arrangements of the PIU will vary with the type of activity.

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APPROVAL

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