



Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

Appraisal Stage | Date Prepared/Updated: 24-Oct-2019 | Report No: PIDISDSA23136

**BASIC INFORMATION****A. Basic Project Data**

Country Nigeria	Project ID P163353	Project Name Nigeria Rural Access and Agricultural Marketing Project	Parent Project ID (if any)
Region AFRICA	Estimated Appraisal Date 25-Oct-2019	Estimated Board Date 17-December-2019	Practice Area (Lead) Transport
Financing Instrument Investment Project Financing	Borrower(s) Federal Ministry of Finance	Implementing Agency Federal Ministry of Agriculture and Rural Development	

Proposed Development Objective(s)

The development objective of the proposed project is to improve rural access and agricultural marketing in participating states while strengthening the financing and institutional base for effective development, maintenance and management of the rural road network.

Components

- Component A. Improvement of Rural Access and Trading Infrastructure
- Component B. Asset Management, Agro-logistics Performance Enhancement and Sector Reform
- Component C. Institutional Development, Project Management and Risk Mitigation
- Component D: Contingent Emergency Response

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

Total Project Cost	575.00
Total Financing	575.00
of which IBRD/IDA	280.00
Financing Gap	0.00

DETAILS

**World Bank Group Financing**

International Development Association (IDA)	280.00
IDA Credit	280.00

Non-World Bank Group Financing

Counterpart Funding	65.00
Borrower/Recipient	65.00
Other Sources	230.00
FRANCE: French Agency for Development	230.00

Environmental Assessment Category

B-Partial Assessment

Have the Safeguards oversight and clearance functions been transferred to the Practice Manager? (Will not be disclosed)

No

Decision

The review did authorize the team to appraise and negotiate

Other Decision (as needed)

B. Introduction and Context

Country Context

1. Nigeria has the highest population and largest economy in Africa. In 2017, Nigeria's progress in poverty reduction over the past decade has been weak. In 2018, approximately half of the population were in extreme poverty (measured using purchasing power parity or PPP-corrected US\$1.90 per capita per day). Since 2011, Nigeria's poverty reduction performance diverged from other lower-middle income countries (LMICs): while the poverty in other LMICs has decreased, the rate has increased in Nigeria. Poverty has a strong spatial dimension in Nigeria: poverty rates and the number of poor people in the north are significantly higher than in the south.

2. Nigeria ranks 152nd among 156 countries in the Human Capital Index (HCI)¹. Nigeria's HCI value is substantially lower than predicted for its income level. Again, there is a sharp divide between northern and southern parts of the country: HCI component indicators are substantially lower in northern regions than the southern regions in all areas.

¹ The HCI measures the amount of human capital that a child born today can expect to attain by age 18



3. Nigeria's 36 states and the Federal Capital Territory (Abuja) are highly autonomous. The 1999 constitution created the states and capital and divided the federation into six geopolitical zones. States and local governments control more than half of the nation's revenue and are responsible for providing services that directly influence growth and poverty including primary and secondary education, health care, water and sanitation, community services, and rural infrastructure.

4. The recent re-election of President Muhammadu Buhari has consolidated Nigeria's democracy further. Following the 2015 elections, the incoming administration faced a fast-deteriorating macroeconomic environment. Nigeria faced first full-year of recession in 25 years as the economy shrunk in 2016 (minus 1.6 percent). Although, the oil sector represents only 11 percent of total GDP, it provides the majority of foreign exchange earnings and three-quarters of government revenues.

5. Although the Nigerian economy emerged from recession in 2017, the growth rate is low (the gross domestic product grew by 1.9 percent 2018). Nonetheless, unemployment increased to 23.1 percent of the labor force in 2018, with a further 20.0 percent underemployed in quarter three. Inflation remained sticky at just over 12 percent. The economic recovery is expected to be slow, susceptible to oil production disruptions and oil price shocks. Real GDP growth is estimated to reach just over 2 percent in 2019.

6. The Nigeria Vision 20:2020 (NV20:2020), Nigeria's long term development goal, formulated in end-2010, aims to propel the country to the league of the top 20 economies of the world by 2020. The vision and the subsequent national integrated infrastructure master plan of 2015 have specifically mentioned states that the current state of transport infrastructure in Nigeria is not aligned with the Nigeria's abovementioned vision.

Sectoral and Institutional Context

7. The 2017 National Economic Recovery and Growth Plan (ERGP) for the period 2017-2020 sets out to restore macroeconomic stability in the short-term and to set the economy on a path of sustained inclusive growth over the medium to long-term. Improving transportation infrastructure, achieving agriculture and food security as well as driving industrialization through focus on small- and medium-scale enterprises are ERGP priority action areas, amongst others.

8. One of the bottlenecks for Nigeria's development is the inadequate and poor quality of transport infrastructure, including the road infrastructure. Road density of Nigeria is estimated at 22km per 100 square kilometers (sq. kms.). This density is just below a sixth of that of India (142km per 100 sq. kms.), a country with slightly lower per capita gross national income than Nigeria (US\$1,880 in 2017 against Nigeria's 2,100). Also, Nigeria's investment in transport infrastructure is grossly inadequate. The 2015 infrastructure master plan has recommended an average investment of US\$25 billion per year over a 30-year period. An analysis of the 2019 budget shows that the transport sector received an allocation of roughly US\$1.25 billion (just 5 percent of the recommended amount).

9. A recent World Bank report² estimated Nigeria's Rural Access Index (RAI)³, at only 25.5 percent. This means that approximately three-fourths of Nigeria's rural population (estimated at roughly 95 million people) do not have good access to the road network. Also, there is significant variation in rural accessibility across states: southern states have relatively high accessibility than the northern states (for example, the RAI of Imo State in 2014 (50 percent) was substantially higher Adamawa State (12.8 percent).

² The World Bank, *Measuring Rural Access: Update 2017/18*, February 2019

³ RAI measures the proportion of people who have access to an all-season road within an approximate walking distance of 2 kilometers (km),



10. Roads account for an overwhelming majority of passenger and freight movements (over 90 percent) in Nigeria. The country's road network estimated at between 193,000km and 195,000km in 2017 (32,000km federal roads, 31,000km of state roads and remaining 130,000 to 132,00 rural roads). Just over 30 percent of the Nigeria's road network (60,000km) is paved and overwhelming majority of them are in poor condition (40 percent of the federal roads, 78 percent of state roads and 87 percent of rural roads were in poor condition in 2017).

11. The federal roads, state roads and rural roads are the responsibility of the Federal Ministry of Power, Works and Housing (FMPWH), state ministries of works or transport (depending on the state institutional architecture) and local governments respectively. The states focus on higher level roads (urban roads and state highways) and carryout maintenance of the paved road network only, which is often done on an ad hoc basis. Local governments cannot carry out their rural road related responsibilities due to lack of capacity and inadequate funding. Again, appropriate classification of state level roads is absent in Nigeria, which creates confusions and, sometimes, leads to inefficient use of scarce resources. At the state level no sustainable intuitional and funding mechanisms for the development, maintenance and management of roads exist. The current state of inadequate financing and confused institutional structure has in effect led to rural roads being in an undefined ownership and permanent poor conditions.

12. Agriculture sector is the second largest sector in Nigeria with services sector being the largest. The sector contribution to the Nigeria gross domestic product was roughly 26 percent in Q4 of 2018 (comparable oil sector figure was just over 7 percent). The sector is projected to grow by 2.4 percent in 2019 compared to overall gross domestic product growth of 2.1 percent. The Economic Recovery and Growth Plan (2017) has prioritized agricultural development. The plan envisaged to boost agriculture sector's yearly growth to more than 8% by 2020, which is unlikely to be achieved. The importance of the sector is increasing given concerns around food security and improving foreign exchange earnings.

13. The development of agricultural sector is a responsibility of both the federal and subnational governments. At the federal level, the Federal Ministry of Agriculture and Rural Development (FMARD) is responsible for development, review and implementation of policies for agricultural development. States have a ministry, responsible for the development and implementation of individual policies and programs that complement the national policy. The local government councils support the state governments in agriculture and rural development. The Nigeria 1999 Constitution gives local councils the authority to develop agriculture and natural resources, barring the exploitation of minerals. The National Council on Agriculture is the highest policy advisory body represented by the minister and commissioners. Capabilities at the state level vary widely, with some states are more reform oriented than others.

14. Nigeria's Agriculture Promotion Policy (2016-2020) has identified two key gaps in agriculture: an inability to meet domestic food requirements, as well as, to export at quality levels required for market success. The policy has identified several crops and activities for domestic consumption and export markets. The Government wants to close the domestic food requirement gap by developing end to end value chain solutions through partnering with private investors across farmer groups and companies. The policy document has acknowledged that infrastructure challenges need overcoming to achieve the policy goals. The policy document attempts to tackle post-harvest losses along with transport and market access issues, among others. A total of 16 policy action areas, under three thematic topics, were identified by the policy. Inadequate and costly transport infrastructure, including rural transport, has been identified as one of the major constraints in several policy action areas.



15. There are many rural markets in Nigeria, which face various problems including lack of physical access and affordable transport, unclear land tenure, poor market management, lack of trading infrastructure and amenities, poor or inadequate storage and processing facilities and opaque market transaction platforms. Rural markets, generally, do not have infrastructure to tackle any produce that require specialized handling and waste management procedures. Also, the small and medium-sized enterprises (SMEs) that operate in rural markets, many of which are owned by women, do not have access to credits, unaware of modern business practices, lack or have limited access to on-going product prices. Nonetheless, many other actors are working in the areas of agriculture value chain improvement, enhancement of smallholder productivity and market information system.

C. Proposed Development Objective(s)

Development Objective(s) (From PAD)

16. The proposed project objective is to improve rural access and agricultural marketing in selected participating states while strengthening the financing and institutional base for sustainable management of the rural road network.

Key Results

17. The project will have five PDO-level indicators in three results areas (Improved rural access, improved agriculture marketing, and sustainable financing and management of the rural and state roads network). While Table 1 provides the five indicators that will serve to measure the PDO achievements, **Error! Reference source not found.** provides links between operation intervention areas and the key results areas.

Table 1: PDO Result Areas and Indicators

PDO-level Result	PDO-level Indicator
Results Area 1: Improve Rural Access	PDO 1: Rural Access (population living within 2km of an all-season road in participating states)
	PDO 2: Travel time on project improved roads
Results Area 2: Improve Agricultural Marketing	PDO 3: Marketed volume of locally produced agricultural commodities by smallholder farmers in improved agro-logistics centers
	PDO 4: Satisfaction level of agro-logistics center users
Results Area 3: Sustainable financing and management of the rural and state roads network	PDO 5: Proportion of rural roads in good or fair condition

**D. Project Description****A. Geographical Coverage**

1. The project will cover 13 states of Nigeria. Of them seven states are northern states (Kano, Katsina, Sokoto, Kebbi, Bauchi, Kwara and Plateau) and the remainder six are southern states are (Abia, Akwa Ibom, Kogi, Ogun, Oyo and Ondo). However, a provision is kept in the project for inclusion of up to three more states if they show demonstrable preparedness progress towards joining the project. The assessment towards progress will be made using a set of project preparedness criteria.

B. Project Financing

2. Out of the total project outlay of US\$575 million, International Development Association (IDA), the French Development Agency (AFD) and the Government of Nigeria (GON) will contribute US\$280 million, US\$230 million (Euro 200 million equivalent) and US\$65 million respectively. These contributions are equivalent to 49 percent, 40 percent and 11 percent of the total costs respectively for IDA, the AF and GON. The World Bank and the AFD will co-finance the project on a *pari-passu* basis. The project has also obtained US\$100,000 from the Climate Resilience-Co-benefit, which has been applied for climate adaptation related technical assistance services.

3. Unlike Second Rural Access and Mobility Project (RAMP-2; P095003), the proposed project will not earmark any funds against the states. RAMP-2 experience shows that the fixed fund allocation approach can lead to inefficient allocation of scarce resources. The financing strategy for RAAMP states will comprise the following: (a) each state will receive a small portion (up to 15 percent) of the notional allocation of funds as an advance after the inception of the project; (b) the remaining funds will be allocated to the states based on their implementation performance, subject to some boundary conditions; and (c) if a state achieve any of the boundary conditions, then the state will be considered as graduated from the project or activity. This strategy has been developed to protect the interests of other participating states.

4. The European Investment Bank (EIB) has expressed its eagerness to co-finance the project. An EIB due diligence mission took place in April 2019. The EIB plans to contribute US\$173 million (Euro 150 million equivalent). The total project cost will stand at US\$748 million with EIB's contributions. The EIB has opted to finance Component A only, given their operational limitations. The EIB participation modalities will be similar to the AFD should it join the project.

Component Details**Component A: Improvement of Rural Access and Trading Infrastructure (US\$254 million; 44 percent of total costs):**

5. *Component Objective.* To improve rural access and to contribute to the improvement of rural agricultural marketing through the upgrading of rural roads, construction of short-span critical cross-drainage structures, improvement of agro-logistics centers and supporting the costs towards consultancies and supervision of construction activities.

6. *Component Strategy.* The component design has number of strategy elements including: (a) rural roads that connect agro-logistics centers planned to be upgraded under the proposed project will be implemented on a priority basis. Next in line for upgrading will be those rural roads that have higher network and agricultural productivity impact when compared with their peers. The remainder of the quota will be fulfilled by roads that are in the longlist; (b) small cross-drainage structures (bridges/culverts), up to a clear span of 15 meters, which are crucial for rural access will be constructed on rural roads; (c) The agro-logistics center interventions will be decided on a market-by-market basis depending on the main roles the particular market plays in rural trading; (d) design-build (with extended defects liability period) procurement method will be adopted that will shift the design, cost-escalation and time overrun risks to the contractors.



7. *Component Targets and activity details.* The component targets will be the following. Sub-component A.1 (a) rural roads upgrading – 1,625km at a cost of US\$171 million; (b) construction of cross-drainage structures 1,040 meters (generally up to 15 meters of clear span) at a cost of US\$12 million; and (c) improvement of 65 numbers of agro-logistics centers at a cost of US\$65 million; Subcomponent A.2 Design, procurement and consultancy supervision support to sub-component A.1 activities at a cost of US\$6 million.

8. *Selection of Roads and Agro-Logistics Centers.* Participating states have already completed studies that long-listed the rural roads and agro-logistics centers. These studies have provisionally identified a total of roughly 8,000km of roads and 94 agro-logistics centers (on average 550km of roads and 7 centers per state). The states used a multi-criteria analysis technique for the provisional selection of the roads and markets. The key criteria for the provisional road selection ranges from overall network connectivity including connectivity to markets, agriculture or agri-business potential of the road corridor, road's potential in serving poor and isolated areas. The initial selection of agro-logistics centers includes social and economic potential as well as physical connectivity of the centers, especially to state of federal road networks. In some cases, one of the criteria was the value chain analysis of leading produce. An agro-logistics validation study is currently being conducted by the Government with an objective to validate the findings and recommendations of state-sponsored agro-logistics studies. The study findings are expected to be available by end-October 2019.

9. *Road Surfacing and Design Standards.* Based on a detailed analysis, the project has devised a surfacing strategy. The main elements of the strategy include: (a) avoidance of gravel surfacing due to its significant disadvantages; (b) use of thin asphalt (up to 30mm) surfacing at the initial stage, along with the trial of single Otta seal low-cost surfacing option. Subject to the suitability of the Otta seal surfacing, it will be systematically mainstreamed, as the capacity of the contractors grows; (d) other low cost options, including road stabilization using chemicals, will also be trialed to assess their efficacy in the context of rural roads in Nigeria. Rigid pavement (cement concrete or reinforced cement concrete) trails will also be made on vulnerable road sections.

10. *Agro-logistics center physical interventions.* The market physical interventions will include: (a) construction of open market shades and small but multiple storage facilities. The open shades will not be allocated to anyone. This will mainly serve the small farmers or producers, who will sell small amount of produce openly. The mini storage facilities (with a single front shutter) will be leased out to small to medium female entrepreneurs. These facilities will serve farmers/sellers to store their produce till the next market days, if they fail to sell the produce in a specific market day; (b) construction of any infrastructure that require specialized handling for any produce; (c) construction of market internal paths, drainage infrastructure, toilets and clean water facilities; (d) construction of facilities for holding the market wastes on a temporary basis; (e) office facilities for the market management committee; and (f) improvement of market parking and loading facilities. However, the above is not an exhaustive list. Market intervention elements will be decided on a market-by-market basis depending on the main roles the particular market plays in rural trading.

Component B: Sector Reform, Asset Management and Agro-logistics Performance Enhancement (US\$253 million; 44 percent of total costs)

11. *Component Objective.* To initiate and carry out the sector reforms, introduction and implementation of the road asset management systems and enhancement of the agro-logistics performance.

12. *Component Strategy.* The component strategy elements include the following: (a) basic institutional and financing reform activities at the state level will top the road subsector reform priority; (b) addressing the road asset management in a comprehensive way through the use of a sustainable framework, appropriate tools and processes for the framework operationalization; (c) agro-logistics performance enhancement will be dependent on the existing knowledge, institutional mechanisms and delivery methods in achieving Sub-component B.2 objectives. The sub-component supports will be targeted to small and medium farmers, in particular women. Studies to generate



knowledge regarding for enhancing agro-logistics performance will only be initiated in cases where there is a dearth of knowledge.

13. *Component Targets and activity details.* The component targets will be the following. Sub-component B.1, Other Civil Works: (a) backlog maintenance – 2,600km - US\$60 million; (b) Spot improvement of rural roads 5,850km - US\$129 million; (c) routine maintenance of rural roads 9,100km - US\$48 million; and (d) piloting of performance-based maintenance contracts on rural roads 260km - US\$6 million. Sub-component B.2, Support for Improving Agro-logistics Activities. Implementation of farm/cooperative level post-harvest agro-logistics study recommendations - US\$2.0 million; and Implementation of activities to support small and micro enterprises (SMEs) at the agro-logistics centers - US\$2.0 million; Sub-component B.3, Consultancies Studies and Supervision. Consultancies, Studies and Supervision (Road Maintenance and Spot Improvement) - US\$4 million; and Consultancies and Studies (Agro-logistics Activities) - US\$2 million.

14. *Sub-component B.1: Other Civil works (Road Maintenance and Spot Improvement of rural roads).* RAAMP has provisions for four road interventions types: upgrading, spot improvement, backlog maintenance/rehabilitation and routine maintenance. The project has developed the following candidacy requirements in choosing road intervention types: (a) Upgrading. Satisfies the socio-economic requirements for this type of interventions and funds are available; (b) Spot improvement. Not substantially improved before, currently not maintainable (i.e. extremely poor condition), fulfills the socio-economic requirements for spot improvement and funds are available for such an intervention; (c) Backlog maintenance or rehabilitation. Major interventions made (e.g. upgrading) before, condition justifies such intervention and funds are available; (d) Routine maintenance. All maintainable road will be undertaken for routine maintenance and will get preference over the other three type of interventions mentioned above. Roads that do not satisfy the aforementioned criteria would not receive any interventions. To aid road intervention related decision making, RAAMP will develop a decision making tool, Nigeria Rural Transport Infrastructure Management System (NiRTIMS). The project has developed a catalog, which details items under different intervention types and will be included in the Project Implementation Manual (PIM).

15. *Sub-component B.2: Support to Agro-logistics Activities.* An analysis, which assessed farmers' requirements in making gains through the value chain improvements, has established the broad agro-logistics project intervention activities. The analysis has used the classical value chain framework that comprises two activity types: primary activities (inbound logistics, operations, outbound logistics, marketing, and sales and services) and support activities (infrastructure, human development, technology development etc.). The project will support the following activities under the Sub-component B.2.

- a. *Support to the processing and packaging.* A study, linked to the processing and packing of different produce, is planned under the project to identify key issues and related solutions, disaggregated by different agriculture produce. While Sub-component B.2 will support the implementation of the study recommended actions, the study itself will be funded from Sub-component B.3. Linkages will be made with other initiatives operating in project states, in achieving optimum outcomes.
- b. *Support to small and medium enterprises.* This activity will particularly target women entrepreneurs of the SMEs in RAAMP improved markets. The project will provide support to the mainly female run SMEs on access to finance, modern business practices, accounts management etc. A detailed project supported study on the issues faced by SMEs, in the rural context, will determine the detailed scopes of the support under the project. The Sub-component B.2 will implement the study recommendations. Again, assistance might be sought from any other organization (e.g. IFAD or IILD or any other NGOs) working in this area. RAAMP will link up with other Association supported projects to maximize synergy between RAAMP and them. Notable among them are the



Women Entrepreneurs in Nigeria or We-Fi Nigeria (P168390) and the Nigeria for Women Project (P161364), currently under preparation and implementation, respectively.

- c. *Support to transport services.* The project will undertake a comprehensive study in order to generate rural transport services knowledge in Nigeria. The study objective will be to assess the mobility needs in rural Nigeria (transport services demand) and to understand to what extent they are being met (supply of transport services). Availability of safe and affordable transport services is crucial for improving mobility in rural areas. The study recommendations will include, among others, how the rural mobility aspects can be tackled under a rural transport intervention in Nigeria. One of the critical issues the study plans to tackle is the demand for transport services for the transportation of agriculture produce from farm to market and how can they be met. The study will have a particular focus on the prospect of enhancing the roles of intermediate means of transport (IMT) in improving rural mobility. The study will look into other transport services aspects (e.g. policy environment, social and cultural issues, design, maintenance and repairs affordability and provision of credits). If the study recommendations warrant transport services investments by the project then such investments will be considered under this sub-component.
16. *Sub-component B.3: Consultancies Studies and Supervision.* The sub-component will support three distinct activities: (a) consultancies, studies and supervision (road maintenance and spot improvement); (b) consultancies and studies (agro-logistics activities); and (c) consultancies, studies and advisory support to sector reform activities. The sector reform activities will include advisory support to the establishment of rural roads agencies and state road funds in participating states.

Component C: Institutional Development, Project Management and Risk Mitigation (US\$45 million; 8 percent of total costs).

17. *Component Objective.* To provide technical and material support for the rural transport and agro-logistics capacity building, smooth functioning of the project and risk mitigation and resiliency activities.
18. *Component Strategy.* The component's institutional development and capacity building support will be targeted for officials those are involved in the rural transport and agro-logistics initiatives. The project will be proactive in project risk mitigation, especially labor-influx, sexual exploitation and abuse and security risks. Climate adaptation activities will be given preference to counteract climate change related phenomenon.
19. *Component Targets and activity details.* The component will finance (a) goods, logistics and project related operating costs (US\$16 million), technical assistance and advisory support (US\$15 million), training and study tours (US\$5 million), monitoring, project impact evaluation & comprehensive technical audit (US\$2 million) and risk mitigation & resiliency related technical assistance (US\$7 million). The areas the risk mitigation & resiliency technical assistance support will include GBV/SEA, grievance redressal & citizen participation, road safety and rural road climate resiliency.

Component D: Contingent Emergency Response (US\$0 million).

20. *Component Objective.* To address any emergency infrastructure needs following a natural disaster.
21. *Component Strategy.* The component will be triggered if there is an emergency infrastructure needs following a natural disaster to restore livelihoods of affected people.
22. *Component Targets and activity details.* This component is expected to support affected rural transport and trading infrastructure affected by the natural disaster in participating states. However, the inclusion of non-project states is not ruled out. The component will draw resources from the re-categorization and/or reallocation of funds from other components. Such re-categorization and/or reallocation of funds will be done only if a specific request is received



from the Government of Nigeria (GON), following a natural disaster event, and all external funding entities, agree to support such a request.

E. Implementation

Institutional and Implementation Arrangements

23. The project will follow similar institutional and implementation arrangements established under RAMP-2. The Federal Project Management Unit (FPMU), under the Federal Ministry of Agriculture and Rural Development and State Project Implementation Units (SPIUs) will be responsible for implementation of project activities at the federal and state levels respectively. The FPMU and SPIUs will be led by a National Coordinator (NCR) and State Project Coordinators (SPCs) respectively.

24. The FPMU, which has already been set up for RAMP-2, will assume additional RAAMP responsibilities. At the state level, the SPIUs have been set up in all 13 states comprising officials with varied competencies including rural road planning, development and maintenance, planning and management of agro-logistics interventions, safeguards (both social and environmental), gender-based violence (GBV)/sexual exploitation and abuse (SEA), financial management, procurement, monitoring and evaluation and communication. The states have also recruited additional technical consultants to support state officials on various project related activities, mainly, safeguard and GBV/SEA risk management. The FPMU has organized training for state level officials on different areas including safeguards, GBV/SEA, communication, procurement and financial management. Substantial technical assistance provisions have been kept in the project to support FPMU and SPIUs in discharging their responsibilities.

25. Apart from FPMU, SPIUs and external financier, a total of 10 other actors will also play distinct roles in the project. **Error! Reference source not found.** provides summary roles of these actors.

Summary Roles of Entities Supporting the Project



Institution	Summary Roles
<i>Federal level</i>	
1. Federal Ministry of Finance (FMoF)	<ul style="list-style-type: none">Liaison with the external financiers and strategic guidance.
2. Federal Ministry of Agriculture and Rural Development (FMARD)	<ul style="list-style-type: none">Operation oversight being the anchoring ministry.
3. National Technical Steering Committee (NTSC)	<ul style="list-style-type: none">Overall strategic and policy guidance and strategic monitoring
4. Office of the Accountant General of the Federation (OAGF)	<ul style="list-style-type: none">Oversight function of Federal Project Financial Management Department (FPPMD).
5. Federal Project Financial Management Department (FPPMD)	<ul style="list-style-type: none">Overall financial management responsibilities at the federal level.
<i>State level</i>	
1. Anchoring Ministry, Department and Agency (MDA)	<ul style="list-style-type: none">Operation oversight at the state level.
2. Other state level technical ministry (ies)	<ul style="list-style-type: none">Specialized technical or administrative support.
3. State Project Monitoring Committee (SPMC)	<ul style="list-style-type: none">Overall strategic and policy guidance and monitoring of the project activities within the state.
4. Office of the Accountant-General of the State (OAGS)	<ul style="list-style-type: none">Oversight of PFMU and deployment of qualified and adequate accounting staff for PFMU.
5. Project Financial Management Unit (PFMU)	<ul style="list-style-type: none">Financial management of the project within the state.

26. A Project Implementation Manual (PIM) is being prepared by the FPMU. The manual contents include, among others, (a) project component descriptions; (b) implementation arrangements clearly showing roles of FPMU, SPIU and other actors; (c) guidance on road and agro-logistics interventions; (d) consultancies, studies and technical assistances envisaged under the project; (e) safeguards, procurement, FM arrangements and risk mitigation measures; (f) reporting requirements; (g) grievance redressal, GBV/SEA and security risk mitigation measures. The manual will be finalized by November 2019.

27. The project will be implemented over a six and a half-year period. A mid-term review will be conducted between two and a half years and three years after the effective date of the credit



F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

The proposed project will be implemented in 13 states of Nigeria, namely: Kano, Katsina, Sokoto, Kebbi, Bauchi, Plateau, Abia, Akwa Ibom, Kogi, Ogun, Oyo, Kwara and Ondo. The project will finance a program of rural infrastructure improvement to be reprioritized in due course of implementation, based on an economic analysis that will use the actual estimated cost and traffic. The participating states will prioritize all potential roads connecting the agro-logistics centers (existing secondary and primary markets) and will identify a package of about 500 km of rural access roads in each state for design and bidding document preparation of which approximately 150 km to 250 km will be selected for upgrading. The identified roads are scattered all over the individual participating state and all the sub-projects sites will not be known in sufficient details before appraisal. The natural and social environment of the roads will be known and potential negative impacts will be identified and the road specific safeguards instruments will be prepared based on the concept design to be carried out in due course of implementation. However, the road infrastructure rehabilitation and upgrading will follow the existing alignments and the civil works will be carried out within the existing right of way (ROW). The rural agro-logistics centers are expected to support upgrading of existing local markets to be selected in due course of implementation and will be designed to suit the existing environment to avoid adverse impact. As part of the Environmental and Social Management Framework (ESMF) and Resettlement Policy Framework (RPF) an environmental and social screening check list has been prepared. Identified roads will be screened to assess if the candidate projects will have adverse negative impacts. Overall, significant adverse environmental and social impacts are not expected. During the detailed assessment, if any road (or other activity) is considered to cause significant adverse negative impact, that specific road (or activity) will be dropped. Any road (or other activity) that will have adverse significant negative environmental and social impact will not be financed by the project.

G. Environmental and Social Safeguards Specialists on the Team

Joseph Ese Akpokodje, Environmental Specialist

Olukayode O. Taiwo, Social Specialist

Omezikam Eze Onuoha, Environmental Specialist

Michael Gboyega Ilesanmi, Social Specialist

SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	The project is categorized as a EA category B and OP 4.01 is triggered as the anticipated environmental and social risks and impacts of the project are



associated with activities in Component A and B and includes small to medium scale civil works entailing the improvement of rural agricultural marketing through the upgrading of rural roads, construction of short-span critical cross-drainage structures, improvement of agro-logistics centers which includes (a) the construction of open market shades and small but multiple storage facilities; (b) construction of any infrastructure that require specialized handling for any produce; (c) construction of market internal paths, drainage infrastructure, toilets and clean water facilities; (d) construction of facilities for holding the market wastes on a temporary basis; (e) office facilities for the market management committee; and (f) improvement of market parking and loading facilities. Other civil works include backlog maintenance/rehabilitation, routine road maintenance and spot improvement of rural roads in the 13 participating states.. Civil works will likely generate adverse site-specific environmental and social risks and impacts for which mitigation measures can be designed, such as but not limited to increased level of dust, noise and vibration by machineries, disposal and management of excavated material generated from construction activities during the construction phase, pollution surface and groundwater sources, occupational health and safety of workers both during the construction and operational phases, community health and safety risks, waste water etc However, the exact locations of sub-projects are not fully known and in order to successfully identify and manage potential adverse environmental and social impacts resulting from sub-project activities, an Environmental and Social Management Framework (ESMF) has been prepared by the Borrower according to the National and World Bank policies with the criteria and procedures for screening sub-project investments and guide the preparation of site-specific ESIAs/ESMPs. The approved ESMF has been disclosed in-country and at the World Bank website on July 30, 2018 (redisclosed on October 23, 2019) and September 6, 2018 (redisclosed on October 23, 2019) respectively. Site specific ESMPs for three different roads in three pilot



		states (i.e. one road per state) have been prepared by the Borrower according to the National and World Bank policies. The states are Abia, Bauchi and Ogun. They were reviewed cleared by the World Bank. The cleared ESMPs have been disclosed in-country and at the World Bank website prior to appraisal on October 23, 2019.
Performance Standards for Private Sector Activities OP/BP 4.03	No	
Natural Habitats OP/BP 4.04	Yes	The project will trigger OP 4.04 in component A and B because some of the activities of the access roads upgrading, river crossing activities and site services may have impact on the natural habitats and could affect downstream rivers, floodplains and other fragile ecological systems thereby triggering OP4.04. In order to mitigate such as adverse impacts, specific procedures are included in the ESMF and subsequent sub-project ESIAs/ESMPs will contain sections detailing the mitigation measures for eliminating or minimizing potential sub-project activities negative impacts on the natural habitats.
Forests OP/BP 4.36	No	The project will not finance the development or use of natural forests or plantations . Given its location, and type of activities, the project will not have impacts on the health and quality of forests or the rights and welfare of people and their level of dependence upon or interaction with forests.
Pest Management OP 4.09	No	The project will not raise potential pest management issues or finance the development the procurement of pesticides, pesticide application equipment or the use of pest management practices.
Physical Cultural Resources OP/BP 4.11	Yes	The project involves the improvement of rural agricultural marketing through the upgrading of rural roads, construction of short-span critical cross-drainage structures, improvement of agro-logistics centers etc. and may involve earthworks in areas of cultural significance and heritage that could impact and/or lead to the discovery of ancient antiques and other physical resources. Specific procedures (such as chance finds procedures) are included in the ESMF and will be included in subsequent ESIAs/ESMPs as required.
Indigenous Peoples OP/BP 4.10	No	There are no indigenous peoples in the project area.



Involuntary Resettlement OP/BP 4.12 Yes

Civil works associated with Components A and B may result in land acquisition, temporary loss of livelihood and/or limited physical resettlement. Given the fact that not all the sub-projects sites are known in sufficient detail before appraisal, the Borrower has prepared a Resettlement Policy Framework (RPF). The RPF provides a practical tool (e.g. screening checklist) to guide the preparation of Resettlement Action Plans (RAPs) for sub-projects during the implementation of the project. The RPF sets out the policies, principles, institutional arrangements, likely categories of affected people, eligibility criteria and categories, compensation rates, methods of valuing affected assets, community participation and information dissemination, Grievance Redress Mechanism and effective monitoring and evaluation.

The preparation of RPF has been reviewed and cleared by the World Bank and was disclosed in country on June 12, 2018 (redislosed on October 23, 2019) and on the World Bank's external website on June 20, 2018 (redisclsoed on October 23, 2019).

In three out of thirteen project states (Abia, Bauchi and Ogun), specific works packages, one in each state, have been identified. Site specific Resettlement Action Plans (RAPs) have been prepared in accordance with the World Bank's Involuntary Resettlement policy (OP/BP 4.12). The RAPs were consulted upon in-country, reviewed and cleared by the World Bank, disclosed in-country and on the Bank's external website on October 23, 2019.

During project implementation, Resettlement Actions Plans (RAPs) will be prepared for each of the remaining/other specific work packages, as needed, following the guidelines set out in the RPF. The RAPs will be consulted upon, reviewed and cleared by the Bank and disclosed publicly in country and on the Bank's external website.

The Government of each participating state will be expected to finance resettlement costs, and civil works will not commence on any specific sub-project



		until Project Affected Persons (PAPs) are properly compensated in accordance with the RAPs.
Safety of Dams OP/BP 4.37	No	This policy is not triggered because project activities will not support the construction of new dams and rehabilitation of existing dams or rely on such dams.
Projects on International Waterways OP/BP 7.50	No	The project will not trigger this policy because the rivers in which this project is intervening are not trans boundary.
Projects in Disputed Areas OP/BP 7.60	No	This policy is not triggered because the project area is not in dispute.

KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

The project is categorized as a EA category B and OP 4.01 is triggered. Anticipated environmental and social risks and impacts of the project are associated with activities in Components A and B, which include small to medium scale civil works entailing the improvement of rural agricultural marketing through the upgrading of rural roads, construction of short-span critical cross-drainage structures, improvement of agro-logistics centers which includes (a) the construction of open market shades and small but multiple storage facilities; (b) construction of infrastructure that require specialized handling for any produce; (c) construction of market internal paths, drainage infrastructure, toilets and clean water facilities; (d) construction of facilities for holding the market wastes on a temporary basis; (e) office facilities for the market management committee; and (f) improvement of market parking and loading facilities. Other civil works include backlog maintenance/rehabilitation, routine road maintenance and spot improvement of rural roads in the 13 participating states. Civil works will likely generate adverse site-specific environmental and social risks and impacts such as but not limited to increased level of dust, noise and vibration by machineries, disposal and management of excavated material from construction activities during the construction phase, pollution of surface and groundwater sources, occupational health and safety of workers both during the construction and operational phases, community health and safety risks, waste water etc. However, the exact locations of sub-projects are not fully known and in order to successfully identify and manage potential site specific and adverse environment and social impacts resulting from sub-project activities, an Environmental and Social Management Framework (ESMF) has been prepared by the Borrower according to the National and World Bank policies. The ESMF provides the criteria and procedures for screening sub-project investments and guide the preparation of site-specific ESIAs/ESMPs. The approved ESMF has been disclosed in-country and at the World Bank website on July 30, 2018 (redislosed on October 23, 2019) and September 6, 2018 (redislosed on October 23, 2019) respectively.

Site specific instruments (ESMPs and RAPs) for three different roads in three pilotstates (i.e. one road per state); Abia, Bauchi and Ogun states have been prepared by the Borrower according to the National and World Bank policies. The approved ESMPs were disclosed in-country (October 23, 2019) and at the World Bank website (October 23, 2019).

An analysis has concluded that the project risk for sexual exploitation and abuse is "High". This is due to a number of



factors including importance of the issue, the size and scope of the proposed project and difficulties in measuring and mitigating GBV risks, specifically arising from sexual exploitation and abuse at the workplace, and borrower's (lack of) safeguards implementation capacity. Mitigation and response measures have been designed considering the assessed risk level. These measures include defining contractual obligation involving the signing of the codes-of-conduct by contractor and consultant's personnel, the use of a project Sexual Exploitation and Abuse (SEA) related Grievance Redress Mechanism, SEA capacity building at the FPMU and SPIU levels, and use of a third-party for the monitoring of SEA risks and effectiveness of the adopted mitigation measures. A Government study for mapping of services for survivors of SEA is currently on-going. The study outputs will define the SEA/sexual harassment mitigation and response strategy, once available services and their capacities are identified. RAAMP plans to employ a third-party (an NGO or a UN agency) to provide exclusive support to SEA victims and to assist in the monitoring and mitigation of SEA risks.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:
Potential long term impacts are largely positive such as reduction in travel time and costs, improved connectivity, accessibility and mobility in the rural areas, improved movement of goods and trades and consequently improvement of the local economy, increased social and industrial activity, reduction in accidents, better drainage systems, reduction in fuel consumption and greenhouse gases. There are no potential indirect and/or long-term adverse environmental and social impacts expected in the project area. Detailed information will be derived from the ESMF and subsequent ESAs/ESMPs and RPF/RAPs.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.
To reduce the effect of erosion due to high intensity and long duration of rainfall sealing options are considered. Different size side drains and protection of steep gradient lateral drainage ditches have been considered. To reduce the impact of dust on health of rural village residents road surface sealing has been considered.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

Multiple instruments have been prepared: (i) An Environmental Management Framework (ESMF); and (ii) a Resettlement Policy Framework (RPF), along with three site specific ESMPs and RAPs for three roads in three project states (Abia, Bauchi and Ogun states). The Environmental and Social Management Framework (ESMF) has been prepared by the Borrower according to the National and World Bank policies. The ESMF provides the criteria and procedures for screening sub-project investments and guide the preparation of site-specific ESAs/ESMPs. The approved ESMF has been disclosed in-country and at the World Bank website on July 30, 2018 (redislosed on October 23, 2019) and September 6, 2018 (redislosed on October 23, 2019) respectively.

Site specific ESMPs for three different roads in three pilot states (i.e. one road per state); Abia, Bauchi and Ogun State have been prepared by the Borrower according to the National and World Bank policies. The approved ESMPs were disclosed in-country (October 23, 2019) and at the World Bank website (October 23, 2019) prior to appraisal.

(b) Natural Habitats (OP/BP 4.04): The project will trigger OP 4.04 in component A and B because some of the activities of the access roads rehabilitation, river crossing activities and site services may have impact on the natural habitats and could affect downstream rivers, floodplains and other fragile ecological systems thereby triggering OP4.04. In order to mitigate such as adverse impacts, specific procedures are included in the ESMF and subsequent sub-project ESAs/ESMPs will contain sections detailing the mitigation measures for eliminating or minimizing potential sub-project activities negative impacts on the natural habitats.



(c) Physical Cultural Resources (OP/BP 4.11): The project involves the improvement of rural agricultural marketing through the upgrading of rural roads, construction of short-span critical cross-drainage structures, improvement of agro-logistics centers etc will carry out activities earthworks in areas of cultural significance and heritage that could impact and/or lead to the discovery of ancient antiques and other physical resources. Hence, OP/BP 4.11 is triggered. Specific procedures (such as chance finds procedures) will be included in the ESMF and will be included in subsequent ESAs/ESMPs as required.

(d) Involuntary Resettlement (OP/BP 4.12): Base on the RPF, screening will be done early in the planning process by trained State Project Implementation Unit (SPIU) staff in consultation with engineers and others who carry out the site design. Alternatives will be considered to minimize the amount of displacement and the justification for the alternative selected will be set out in the RAP. Consultations with affected people and the participation of affected people and possible host communities are mandatory and the concerns and aspirations of community members shall be taken into consideration in the planning process. Each site approved for support by the project can be eligible for financing only when an Environmental Management Plan (EMP) and RAP (if required) satisfactory to the Bank have been completed and disclosed

The FMPU has been implementing the Second Rural Access and Mobility Project (RAMP-2) and has developed adequate capacity in handling Bank's safeguard policy issues. This has been evident from the handling of the preparation of three RAPs and ESMPs in three states under the proposed project. Additional environmental and social safeguards consultants have also been recruited by the FMPU to coordinate and monitor the state safeguards activities and to provide support to the SPIUs, whenever necessary. The SPIUs, already established in all participating states, will be responsible for monitoring and managing environmental and social safeguards issues at the state level. Most SPIUs are new and have limited experience in the implementation of safeguard instruments following World Bank safeguards policies, principles, and procedures. In some states, staff designated as environmental and social safeguards officers have neither the requisite qualification or experience, and are mainly seconded from other MDAs of the state. However, all states are now in their final stage of recruitment of experienced environmental and social safeguards and gender-based violence (GBV) consultants to assist the SPIUs in managing safeguards risks and mitigating their potential impacts. State safeguard safeguards officials have received one round of training, organized by the Government. The World Bank's social and environmental safeguard officials have supported the planning and implementation of the training activities. A follow up training is also planned before the commencement of the project. Additionally, the GON has established a Federal Ministry of Environment that oversees development projects safeguards matters.

The State Project Implementing Units (SPIUs) will be responsible for the monitoring of safeguards aspects of the project. The SPIUs will have one environmental officer and a social safeguards officer. The SPIUs are new and have no experience in handing safeguards aspects of a rural infrastructure projects that applies World Bank safeguards policies, principles, and procedures. The SPIU staff are being trained on safeguards issues and this effort will continue, with support from the World Bank. In addition, the project has a provision to engage social, environmental and GBV consultants in each SPIU and the FPMU to support SPIUs in monitoring safeguards aspect of the project. Based on lessons learnt from the operations in other countries, the SPIUs will strengthen their capacity to monitor social safeguards, including the negative impacts associated with the labor influx and Sexual Exploitation and Abuse.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.



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The key stakeholders include beneficiaries and local communities in the projects areas, local NGOs working in the project area, the respective participating state governments and the federal Government of Nigeria.

As part of the preparation of the ESMF and RPF, the Borrower's project team conducted numerous site visits to the states to identify the potential environmental and social impacts of the project, and consultations were held with several stakeholders across the country.

Consultations that began during the project preparation will continue throughout the design and implementation stages for all works under the project in accordance with Nigeria Law, ESMF and RPF requirements.

B. Disclosure Requirements (N.B. The sections below appear only if corresponding safeguard policy is triggered)

Environmental Assessment/Audit/Management Plan/Other

Date of receipt by the Bank	Date of submission for disclosure	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors
23-October-2019	23-October-2019	

"In country" Disclosure

Nigeria

23-October-2019

Comments

Resettlement Action Plan/Framework/Policy Process

Date of receipt by the Bank	Date of submission for disclosure
23-October-2019	23-October-2019

"In country" Disclosure

Nigeria

23-October-2019

Comments

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting) (N.B. The sections below appear only if corresponding safeguard policy is triggered)

OP/BP/GP 4.01 - Environment Assessment



Does the project require a stand-alone EA (including EMP) report?

Yes

If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?

No

Are the cost and the accountabilities for the EMP incorporated in the credit/loan?

Yes

OP/BP 4.04 - Natural Habitats

Would the project result in any significant conversion or degradation of critical natural habitats?

No

If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?

NA

OP/BP 4.11 - Physical Cultural Resources

Does the EA include adequate measures related to cultural property?

Yes

Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?

Yes

OP/BP 4.12 - Involuntary Resettlement

Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?

Yes

If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?

Yes

Is physical displacement/relocation expected?

Yes

Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods)

Yes

The World Bank Policy on Disclosure of Information

Have relevant safeguard policies documents been sent to the World Bank for disclosure?

Yes

Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?

Yes



All Safeguard Policies

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?

Yes

Have costs related to safeguard policy measures been included in the project cost?

Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?

Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?

Yes

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Nigeria Rural Access and Agricultural Marketing Project (P163353)

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APPROVAL

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