Project Information Document/
Integrated Safeguards Data Sheet (PID/ISDS)

Concept Stage | Date Prepared/Updated: 04-Oct-2018 | Report No: PIDISDSC23239
## BASIC INFORMATION

### A. Basic Project Data

<table>
<thead>
<tr>
<th>Country</th>
<th>Project ID</th>
<th>Parent Project ID (if any)</th>
<th>Project Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rwanda</td>
<td>P164130</td>
<td></td>
<td>Socio-economic Inclusion of Refugees &amp; Host Communities in Rwanda Project (P164130)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Region</th>
<th>Estimated Appraisal Date</th>
<th>Estimated Board Date</th>
<th>Practice Area (Lead)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFRICA</td>
<td>Jan 28, 2019</td>
<td>Apr 30, 2019</td>
<td>Social, Urban, Rural and Resilience Global Practice</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financing Instrument</th>
<th>Borrower(s)</th>
<th>Implementing Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Project Financing</td>
<td>Ministry of Finance and Economic Planning</td>
<td>Ministry of Disaster Management and Refugees</td>
</tr>
</tbody>
</table>

### Proposed Development Objective(s)

To improve access to basic services and economic opportunities for refugees and host communities, and support environmental management, in the target areas in Rwanda.

## PROJECT FINANCING DATA (US$, Millions)

### SUMMARY

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount (US$, Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Project Cost</td>
<td>60.00</td>
</tr>
<tr>
<td>Total Financing</td>
<td>60.00</td>
</tr>
<tr>
<td>of which IBRD/IDA</td>
<td>60.00</td>
</tr>
<tr>
<td>Financing Gap</td>
<td>0.00</td>
</tr>
</tbody>
</table>

### DETAILS

**World Bank Group Financing**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount (US$, Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>International Development Association (IDA)</td>
<td>60.00</td>
</tr>
<tr>
<td>IDA Credit</td>
<td>35.00</td>
</tr>
<tr>
<td>IDA Grant</td>
<td>25.00</td>
</tr>
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</table>
B. Introduction and Context

Country Context

Rwanda's economic success over the last decade is widely recognized. Economic growth rates of close to 8 percent per annum through that period have seen GDP per capita increase from $242 in 2000 to $702 by 2016. The percentage of people living below the national poverty line declined from 58.9 percent in 2000 to 39.1 percent in 2013.¹

The country’s impressive progress has been built on stability, good governance and a strong drive for results. International governance rankings place Rwanda at the average of middle-income countries. The country scores particularly well on government effectiveness, control of corruption, rule of law and regulatory quality. The strength of public institutions represents an important comparative advantage over most other countries in the region.

Rwanda is looking to leverage its institutional advantage by pursuing an ambitious agenda to reach upper middle-income status by 2035 and high-income status by 2050. Growth has been driven by the expansion of agriculture and rural development, but the country is now focusing on second-generation economic reforms and structural transformation. To reach these goals, the government has identified a modern agriculture/food sector, increased trade and regional integration, well-managed urbanization and major investments in human capital as its main priorities.

The country’s Vision 2050 aims to deliver an improved standard of living for all Rwandans. This entails providing food security and nutrition, universal access to water and sanitation, affordable and reliable energy and universal access to quality health care, education, financial services and housing.

Vision 2050 recognizes the pivotal role that the private sector will need to play to achieve these goals. Job-creating growth is central to attaining the vision. This will require a significant shift from public to private sector-led development in a country where private investment remains limited.

Sectoral and Institutional Context

While Rwanda is peaceful and stable today, forced displacement has long been a feature of the region. Instability in neighboring Democratic Republic of Congo (DRC) and Burundi has seen many people flee to Rwanda, with the country hosting 151,250 refugees and asylum seekers (68,306 from Burundi and 75,958 from DRC).² Burundian refugees arrived in 2015, but some of the Congolese have been in the country since the 1990s. Additional influxes cannot be ruled out in

the future given ongoing socio-political tensions in the region. On one hand, the refugee population is a burden on a
country in which 51 percent of people still live below the international poverty line. But, at the same time, refugees
bring skills and potential to contribute to the local economy and to Rwanda’s development goals.

Around 90 percent of refugees in Rwanda live in one of the six Camps spread across the country, with the remainder
living in urban locations, mostly Kigali. The camps are jointly managed by the Ministry of Disaster Management and
Refugees (MIDIMAR) and the United Nations High Commissioner for Refugees (UNHCR). Refugee demography is
balanced, with 51% being female and 49% male. Women and children make up 76% of the refugee population, while 3%
are elderly. Around 53% of the working age refugee population has no formal occupation.

Rwanda has responded progressively to the challenge of forced displacement. The World Bank Group (WBG), in
consultation with UNHCR, has confirmed that Rwanda’s refugee protection framework is adequate. The country is a
signatory to the 1951 Refugee Convention. The 2014 Law Relating to Refugees complies with international law and
entrenches the right to work and freedom of movement. The government has also offered a pathway to naturalization
for refugees, though few have taken up the offer.

Rwanda’s commitment to inclusion comes despite mixed impacts from the protracted refugee presence. The
establishment of camps has affected food availability and strained basic services in the districts hosting refugees. Some
school populations have increased by as much as 300 percent. Access to water has also been affected in Kirehe district
after the 58,000 strong Mahama camp was established in 2015. Several camps have been set up in mountainous areas,
leading to soil erosion and run-off into agricultural land. Deforestation has also occurred as refugees gather wood and
non-timber forest products for cooking fuel and other purposes. Offsetting the negative effects, refugees have
contributed to the local economy in the host districts through labor and trade. The World Food Program’s relatively
recent transition from food aid to cash has been particularly effective, boosting local markets and generating positive
income spillovers.

The proposed Socio-economic Inclusion of Refugees and Host Communities in Rwanda Project would be an important
tool to help translate the government’s commitment to social and economic inclusion of refugees into concrete
action. The government and a number of development partners are beginning to move beyond humanitarian responses
to refugee situations into development approaches that promote self-reliance. But current initiatives are small in scale
and funding is limited. Greater effort is also needed to ensure a whole-of-government commitment to development
responses beyond the agencies responsible for humanitarian assistance. The scale and ambition of the proposed project
would inform the Government on the steps to be taken towards the socio-economic inclusion of refugees.

By adopting an inclusive local economic development approach, the proposed project would also contribute to
economic opportunities for host communities, who live in some of the poorer districts in the country. Poverty in all
the six districts hosting refugees is higher than the national average. Gicumbi (which hosts the Gihembe camp) and
Gisagara (which hosts the Mugombwa camp) are the second and third poorest districts in the country, with poverty
levels of 55 and 53 percent respectively. Host communities suffer from the same development constraints as refugees –
limited employment opportunities, poor quality education and a dependence on low-income agriculture for livelihood.
And, while relations have generally been good between refugees and hosts, the project will strengthen social cohesion
by making assistance available to both groups and through joint planning, monitoring and decision-making processes.

Relationship to CPF

The proposed project is aligned with the Country Partnership Strategy (CPS) for FY14-18 and with emerging themes in
the Systematic Country Diagnostic (SCD) that will guide the next country strategy. The project will promote income-
generation and employment for refugees and host communities. It will also support social and economic infrastructure
in rural areas to enhance access to services and market opportunities. Accordingly, the project activities are consistent with two of the three themes that guide the current CPS – accelerating economic growth that is private sector-driven and job creating; and improving the incomes and productivity of the poor through rural development and social protection. Project beneficiaries and target districts will cover some of the poorest people and areas in the country, consistent with the twin goals of the World Bank Group. The proposed project also aligns with key themes in the draft SCD storyline, which highlights human development, environmental sustainability and private-sector driven growth as important priorities.

C. Proposed Development Objective(s)

To improve access to basic services and economic opportunities for refugees and host communities, and support environmental management, in the target areas in Rwanda.

Key Results (From PCN)

The achievement of the PDO would be measured against the following proposed key results:

i. number of beneficiaries with access to social and economic services and infrastructure (disaggregated by type of service and target group, including refugees/host community members);

ii. number of beneficiaries accessing economic opportunities (disaggregated by type of service, gender, and target group, including refugees/host community members); and

iii. direct project beneficiaries (number), of which percent of females (percent). This will be disaggregated by refugees/host community members.

iv. Environment in and around refugee camps rehabilitated and future risks mitigated.

D. Concept Description

The proposed project seeks to contribute to the ongoing shift in the way refugees are handled in Rwanda from a humanitarian to a long-term, government-led developmental response that includes host communities. Project activities would mitigate the negative impacts of refugees on the environment and in terms of access to and quality of services, while maximizing livelihood and employment opportunities for refugees and host communities to grow the local economy and build self-reliance.

The proposed project will be implemented through four components, as described below:

Component 1: Access to Basic Services

This component seeks to address the strain that refugee populations place on services, including education, health and water. Activities will include the construction of infrastructure to expand the capacity of state systems to meet the needs of refugees and host communities. This could include: (i) new school buildings and/or additional classrooms and facilities for existing schools; (ii) new health centers and/or an expansion of existing health facilities; and (iii) expansion of water supply to host communities.

Component 2: Economic Opportunities

This component will support implementation of the government’s Economic Inclusion of Refugees strategy. The strategy will be enhanced to include host communities. Activities to be financed under this component could comprise:
(i) infrastructure to enhance economic opportunity; (ii) support for waged employment, including market-linked skills training and job referral services; and (iii) income-generating and entrepreneurship, including access to finance and support for small and micro-enterprise development.

Component 3: Environmental Management:
This component will minimize the environmental impacts of the presence of refugees and help implement a comprehensive approach to environmental management in hosting areas. Activities under this component will support the rehabilitation and stabilization of the natural environment in and around the camps to minimize negative impacts, reduce tensions with host communities and improve the productivity of existing natural resources.

Component 4: Project Management/M&E
This component would strengthen the technical and administrative capacity of the government to manage the project and support the ongoing development of policy approaches to refugee inclusion.

SAFEGUARDS

A. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The project is expected to be implemented in the six districts that host refugee camps in Rwanda. These districts are spread across the country from areas near the border with the Democratic Republic of Congo in the west to those adjacent to Tanzania in the east.

The establishment of the camps, a number of which are located in remote, mountainous areas, has generated environmental impacts, including: (i) deforestation; (ii) erosion and soil run-off into agricultural lands; and (iii) depletion of water tables. The project is expected to mitigate some of these effects through drainage systems, tree planting and the improvement of water systems.

The project aims to improve basic services and economic opportunities for refugees and host communities. Under the access to basic services component, the project plans public works such as the construction of schools, health centers, water systems and roads. This component poses risks and has potential negative impacts to the environment. The project also has a component on environmental management where it plans to rehabilitate the natural environment around the camps; and reduce the pressure on wood fuel, water and land resources. The risk of the proposed construction works to the environment is moderate. The potential impacts are confined to the implementation site and relatively easy to mitigate.

The proposed subprojects could potentially displace some people or require land acquisition, triggering OP 4.12 - Involuntary Resettlement. The project will prepare a Resettlement Policy Framework (RPF), as subprojects are not expected to be clearly defined by appraisal. Once subprojects are clear, the client will have to prepare subproject site-specific Resettlement Action Plans (RAPs). Where applicable, Project affected people (PAPs) will have to be compensated before the start of any civil works.

The project is intended to benefit both refugees and host communities. These PAPs and other relevant stakeholders (including local governments, civil society organizations and private sector interests) have not yet been adequately consulted. MIDIMAR is undertaking a stakeholder mapping exercise and is preparing a stakeholder engagement plan to address this gap and ensure that the concerns of the PAPs and other stakeholders, including host communities, are taken
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Socio-economic Inclusion of Refugees & Host Communities Project (P164130)

... into consideration during project identification and preparation, in line with World Bank safeguards policies.

B. Borrower’s Institutional Capacity for Safeguard Policies

The main proposed project implementing agency, the Ministry of Disaster Management and Refugees (MIDIMAR) has not previously implemented a World Bank-funded project, so has no experience with Bank safeguards policies. MIDIMAR does not have safeguards personnel that can oversee the preparation and implementation of safeguards policy instruments. Accordingly, the MIDIMAR Single Project Implementation Unit (SPIU) will need to recruit specialists to prepare the social and environmental assessments, policy instruments and related documentation and to ensure compliance during implementation. The newly recruited specialists will need training and mentoring to ensure they have sufficient knowledge of the World Bank procedures during preparation and into the implementation phase.

It is proposed that technical support be provided to build safeguards capacity for better project implementation at the SPIU as well as the decentralized level. Specific activities would include:

- support to overall project implementation and monitoring of the Environmental and Social Management Framework (ESMF);
- support to MIDIMAR to prepare and implement sub-project specific Environmental and Social Management Plans (ESMPs) and Resettlement Action Plans (RAPs) where applicable, once specific subprojects are identified; and
- training of district personnel on the implementation of the project ESMF and the recommendations and mitigation actions contained in the subproject-specific ESMPs and RAPs.

The Environmental Assessment (EA) category for this project is Category B, owing to the subproject specific and manageable nature of the potential environmental and social risks. This EA category will, however, be reviewed during appraisal subject to the findings of the social and environmental and other relevant assessments.

C. Environmental and Social Safeguards Specialists on the Team

George Bob Nkulanga, Social Specialist
Emmanuel Muligirwa, Environmental Specialist

D. Policies that might apply

<table>
<thead>
<tr>
<th>Safeguard Policies</th>
<th>Triggered?</th>
<th>Explanation (Optional)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Assessment OP/BP 4.01</td>
<td>Yes</td>
<td>The project will support construction in and around the refugee camps and host communities that will potentially have an impact on the environment. The civil works will mainly constitute the construction of schools, health centers and rural road(s). The identified potential risks and impacts to the</td>
</tr>
</tbody>
</table>
environment include soil compaction, dust emissions, vegetation clearing and noise.

Although the actual subproject implementation sites are yet to be determined, they constitute the districts hosting refugee camps. The environmental safeguards instrument to be prepared is an Environmental and Social Management Framework (ESMF). The instrument will be subject to consultation and disclosed before appraisal. The ESMF will include measures proposed to address the potential negative impacts.

<table>
<thead>
<tr>
<th>Performance Standards for Private Sector Activities OP/BP 4.03</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Habitats OP/BP 4.04</td>
<td>No</td>
</tr>
<tr>
<td>The proposed construction works under the project are not envisaged to affect natural habitats. However potentially negative environmental impacts will be assessed during ESMF preparation.</td>
<td></td>
</tr>
<tr>
<td>Forests OP/BP 4.36</td>
<td>No</td>
</tr>
<tr>
<td>The project areas are most likely going to be inhabited locations or areas designated as settlements.</td>
<td></td>
</tr>
<tr>
<td>Pest Management OP 4.09</td>
<td>No</td>
</tr>
<tr>
<td>The project is not envisaged to procure pesticides or pesticide equipment or lead to substantial increase in pesticide use.</td>
<td></td>
</tr>
<tr>
<td>Physical Cultural Resources OP/BP 4.11</td>
<td>Yes</td>
</tr>
<tr>
<td>The construction works are expected to be undertaken in the confines of existing settlements.</td>
<td></td>
</tr>
<tr>
<td>Indigenous Peoples OP/BP 4.10</td>
<td>No</td>
</tr>
<tr>
<td>There are no known indigenous peoples in the project targeted areas. The policy is not triggered.</td>
<td></td>
</tr>
<tr>
<td>Involuntary Resettlement OP/BP 4.12</td>
<td>Yes</td>
</tr>
<tr>
<td>Construction works will probably induce land acquisition. As the site-specific subprojects are yet to be clearly defined, a Resettlement Policy Framework (RPF) will be prepared as a precautionary measure. Once subprojects and sites are clear, the client will have to prepare subproject site-specific Resettlement Action Plans (RAPs).</td>
<td></td>
</tr>
<tr>
<td>Safety of Dams OP/BP 4.37</td>
<td>No</td>
</tr>
<tr>
<td>The project activities do not involve the construction or rehabilitation of any dams and are not dependent</td>
<td></td>
</tr>
</tbody>
</table>
The World Bank
Socio-economic Inclusion of Refugees & Host Communities Project (P164130)

| Projects on International Waterways OP/BP 7.50 | No | The project does not negatively affect the use and protection of international waterways. Nor will any of the investments or project financed activities be located on international waterways. |
| Projects in Disputed Areas OP/BP 7.60 | No | None of the investments, project financed activities or operations will be located in disputed areas. |

E. Safeguard Preparation Plan

Tentative target date for preparing the Appraisal Stage PID/ISDS

Jan 15, 2019

Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing should be specified in the Appraisal Stage PID/ISDS

The preparation of the Environmental and Social Management Framework (ESMF) and Resettlement Policy Framework (RPF) should be launched in October. Terms of Reference have been prepared and MIDIMAR is sourcing funds and experts to undertake the task. The ESMF and RPF will be prepared, reviewed and subject to consultation by December 14, 2018.

During implementation once subprojects are clear, where necessary, the client will have to prepare subproject site-specific Resettlement Action Plans (RAPs) and Environmental and Social Impact Assessments (ESIA).

CONTACT POINT

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04-Oct-2018  
17-Oct-2018