A. Country and Sector Background

1. The urban transition is well underway in Kenya and urbanization is projected to continue at a rapid pace. In 2011 about 30 percent of the Kenyan population was residing in urban areas and the total urban population was estimated to be about 15.2 million people.\(^1\) Kenya’s five largest cities (Nairobi, Mombasa, Kisumu, Nakuru, and Eldoret) account for approximately 34 percent of the urban population. It is forecast that in 2030 the population of Kenya will have reached about 61 million people, of which 30 million will reside in cities (see figure 1).\(^2\) The urban transition in Kenya will play an important role in determining the country’s growth prospects and social stability, which remain fragile after the 2008 post-election violence.

2. The government has requested support from the Bank to help with its urban transformation. The Government of Kenya has asked for support for three Bank-financed projects, each addressing a different element of urban development. The first is the Kenya Municipal Program (KMP), approved in May 2010 and effective in June 2010. This program focuses on strengthening the essential institutions of urban management—budgeting, financial management, participatory planning, project management, operations and maintenance, and good governance—in 15 of Kenya’s largest cities, while also financing investments in city-wide infrastructure. The Kenya Informal Settlement Improvement Project (KISIP), the second of the programs, was approved in March 2011 and became effective in June 2011. It is working in the same 15 municipalities as the KMP, and financing strengthening of tenure security, participatory planning, and basic human settlement infrastructure. The KMP and KISIP will be co-funded with the Agence Française de Développement and the Swedish International Development Cooperation Agency. The third is the Nairobi Metropolitan Services Improvement Project.

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(NaMSIP), the subject of this Project Appraisal Document, is estimated to start in 2012. This will finance investments in infrastructure and service delivery in the Nairobi metropolitan region, Kenya’s largest and most economically important urban conurbation, which accounts for some 17 percent of the country’s population and a significant part of its GDP. Together, the three programs will comprehensively address core issues that constrain the development potential, efficiency, equity, and competitiveness of Kenya’s urban areas. In addition, NaMSIP will create synergies with the Bank’s proposed National Urban Transport Improvement Project (NUTIP), which is currently under preparation, by improving access to transport hubs and integrating land use planning into transport and overall urban planning, especially around commuter rail stations in the Nairobi area. All three urban projects are benefitting from the analysis and advice provided by the Decentralization Knowledge Program under the Bank’s Poverty Reduction and Economic Management unit. The three programs support Kenya’s overall local government reform agenda and align fully with ministerial mandates and institutional arrangements. The KMP aligns with and contributes to two key national programs—the Kenya Local Government Reform Program and the Local Authority Transfer Fund—which commenced between 1996 and 2000, and have been managed by the Ministry of Local Government (MoLG) since inception. Similarly, KISIP complements the national Kenya Slum Upgrading Program—established in 2003, and led by the Ministry of Housing. It also supports the efforts by the Ministry of Lands to introduce planning and strengthen security of tenure in unplanned and poor urban neighborhoods, in accordance with the new national land policy. Finally, NaMSIP will support the Ministry for Nairobi Metropolitan Development (MoNMD), created in 2008, in its mandate of establishing new metropolitan institutions for management of Nairobi city and 14 neighboring local authorities and for enhancing infrastructure and service delivery in the metropolitan area. It is possible that this ministry will cease to exist as a result of the new governance structures in Kenya, expected to take place after the next elections. It is highly likely however, that it will have a successor who will be charged with coordinating and harmonizing the management of the metropolitan area between the four counties that are constitutionally mandated to manage urban services in the geographic region covered by Nairobi metro. To the extent that this transition happens, the project will support the new entity which will functionally replace the MoNMD.

3. **Nairobi is Kenya’s capital city and its most populous urban area.** The city of Nairobi, as currently defined, constitutes one part of the wider Nairobi metropolitan region. Nairobi city in 2009 was home to 3.1 million people, or over 8 percent of the country’s total population of 38.6 million. The city is growing fast, at nearly 4 percent a year and its population is expected to reach 5.2 million by 2030. However, smaller towns around Nairobi, which comprise part of wider metropolitan area, are growing even faster than the capital city, at an estimated 6 percent a year, as people seek affordable housing within commuting distance of work places. The 15 local authorities in the greater Nairobi metropolitan area (excluding Nairobi city) are now home to about 3.5 million people. Thus in 2009, over 17 percent of Kenya’s population lived in the Nairobi metropolitan region.

4. **The Nairobi metropolitan area generates a significant part of the nation’s gross domestic product.** Nairobi has become a regional economic hub serving the eastern and southern African markets and it is becoming the location of choice for firms delivering global services. The Nairobi Stock Exchange is now the fourth largest in terms of trading volumes in Africa. Jomo Kenyatta International Airport is the seventh busiest airport on the continent,
serving as a regional hub and an important international hub for flights connecting Nairobi with Europe, the Middle East, and Asia. This airport also serves as the export point for Kenya’s important horticultural industry and place of arrival for most of Kenya’s overseas tourists. Nairobi is home to Kenya’s financial and telecommunications sectors, which have grown at double-digit rates over the last few years. Several large multinational corporations, including Coca Cola, Cisco Systems, and Google have recently established their regional operations in the city. Nairobi’s inland location provides a good location for manufacturing and industrial goods to be exported to countries within the East African Community, and the larger countries of the Community of East and Southern Africa, including the Democratic Republic of Congo, Ethiopia, and Southern Sudan.

5. Despite its important position as the country’s capital city and most important financial and commercial center, the Nairobi metropolitan region has large unmet needs for infrastructure and services. Demand for modern water and sanitation services, solid waste management, and mass transport is growing far more rapidly than supply. For example, residents and businesses in the Nairobi metro area currently use about 412,000 cubic meters of water per day, but are expected to require six times as much (2.5 million cubic meters per day) by 2030 to meet both the domestic and industrial demand associated with a rising population and increasing incomes. Increased water use requires a commensurate rise in wastewater treatment to protect public health and the environment. Generation of solid waste is expected to triple from 600,000 tons per year in 2012 to 1.8 million tons in 2030. Similarly, the number of trips in the metro region is expected to triple between 2010 and 2030. As a result of current large unmet demand, a large proportion of inhabitants of the Nairobi metro area rely on informal vendors for water, dispose of liquid and solid waste in open ditches and streams, and spend hours on congested roads traveling from home to work, school, and public services in unsafe vehicles.

6. To improve the efficiency of the city and help address some of these gaps in key urban services, City Council of Nairobi (CCN) has undertaken significant administrative reforms. These include reviewing human resources systems with the objective of establishing a modern human resources management system, introducing e-payment and billing systems, improving procurement oversight which resulted in lowering the cost of goods and services procured, restructuring the outstanding loans which reduced the loan service cost and extended loan maturity, significantly increasing city revenues, and reducing operating costs. In partnership with Investment Climate Advisory Services of the World Bank, the CCN also launched in September 2011 the first online construction permit system in Sub-Saharan Africa, outside of South Africa. The e-construction permit system that debuted in Nairobi is envisioned to become part of a comprehensive e-licensing system for Nairobi. Although not sufficient to enable the CCN to provide all the urban service and infrastructure that Nairobi requires, these improvements are nonetheless important reforms.

7. To address the needs of the large metropolitan area, the government in 2008 created the Ministry of Nairobi Metropolitan Development. The ministry in turn conducted a series of workshops and consultations with a broad range of stakeholders—including civil society, the private sector, representatives of the national government and the local authorities, and development partners—to develop a vision for the metropolitan area and a development program to realize it. The ministry in 2008 published the “Nairobi Metro 2030,” which presents the medium and long term vision and the development program for the medium and long terms. The
The proposed NaMSIP will support the implementation of selected activities included in “Nairobi Metro 2030,” aimed at promoting orderly urbanization. This will be achieved by investing in key government institutions, in land use planning, and in infrastructure, such as solid and liquid waste collection and safe disposal, strategic roads, green spaces, markets, and other urban infrastructure.

8. **A new constitution approved in a referendum on August 4, 2010 provides for decentralization of resources and responsibilities to county administrations and strengthens claims of citizens for access to basic services, including adequate housing and water and sanitation.** The constitution gives many of the responsibilities now held by central ministries and by local authorities to county-level administrations. After the next election (expected late 2012 or early 2013), county governments will be responsible for provision of health and education services, construction and maintenance of county roads and street lights, stormwater management, and water and sanitation services. County governments will also be responsible for land surveying and mapping, housing, and markets in addition to other tasks. Parliament approved a new Urban Areas and Cities Act in August 2011, as required by the constitution. This provides for classification of urban areas and cities and for governance and management of cities and municipalities. The constitution as part of its bill of rights also guarantees each person specific economic and social rights, including the right to accessible and adequate housing, to reasonable standards in sanitation, and to clean and safe water in adequate quantities.

9. **Governance arrangements of the local authorities in the Nairobi metropolitan area will change under the new constitution.** The new Kenyan constitution essentially eliminates the existing system of local authorities and empowers the newly introduced counties to create new local authorities as delegated or de-concentrated agencies of the counties. Within the metropolitan area, county governments may choose either to manage urban services themselves, or to establish agencies under county legislation to manage services on their behalf. The transition process, which has not yet been specified, will determine the pace and nature of this evolution. Importantly, whatever local urban service provision agencies are created, they will rely on county governments for financing, either through fiscal transfers, or delegated revenue-raising powers. The institutional character of the local government system in Kenya is thus very unclear. On the one hand this constitutes a significant risk to the project. On the other, it provides a unique opportunity for the Bank to assist a transition that can significantly improve the ability of local authorities to provide services and infrastructure in the Nairobi metropolitan area. The project design takes this important factor into account.

10. **Notwithstanding, two things are clear.** First, the institutional position of the city of Nairobi is unlikely to significantly be affected, as Nairobi is designated as a county. Second, whether or not the new counties create local authorities (the nature of which could vary from county to county), the institutional capacities and physical investments which the project will support will be required to improve urban management and service delivery in the wider Nairobi metropolitan area. The project is designed to minimize the risk of disruption to project implementation and urban service delivery and to maximize the likelihood that the capacity built can be effectively absorbed into the new local government institutional structures.
11. **The creation of metropolitan units for planning and transport is a first step in improving the functioning of the metropolitan systems.** A new metropolitan areas bill for Nairobi and other metropolitan areas is currently under discussion. Its key objectives are to promote integrated planning, development, and management of services within the metropolitan area, and to optimize the mobility and connectivity of people, goods and services through the development of infrastructure and coordination of services within the metropolitan area. To achieve these objectives, the draft bill calls for the establishment of metropolitan advisory councils and several metropolitan authorities to be responsible for coordinating transport, water and waste management, spatial planning, and other functions. However, how these would function in relation to the central ministries and agencies (such as the Kenya Urban Roads Authority) or the county administrations has still to be defined.

12. **Integration of transport and land use planning, which will be supported under the project, is a key element for rapid and sustainable metropolitan growth.** Notwithstanding the above-mentioned institutional ambiguity, the development of Nairobi metropolitan commuter rail system as the backbone of the urban transport system has emerged as a key strategic project that will shape the growth of the metropolitan area. Stipulated in the government’s Medium-Term Plan 2008–2012 as a priority, this project (the Nairobi Commuter Rail Project) aims to support the transformation from the existing central-radial growth pattern that produces the current congestion in the city center into a linear–reticular system by fostering growth not only in the center, but also in the urban nodes surrounding the city center. However, this strategy can succeed only if the implementation of the commuter rail system is accompanied by developing the areas around the commuter stations to high density subcenters with good linkages to the surrounding areas. This can create a win-win situation in which the commuter rail supports decongestive growth and the urban development around the commuter stations ensures that passenger volumes are high enough to support the commuter rail.

**B. Objectives**

13. **The Project Development Objective (PDO) is to strengthen urban services and infrastructure in the Nairobi metropolitan area.** This will be achieved by investing in local infrastructure (roads, markets, street lighting, bicycle and pedestrian pathways, drainage, and the like). It will also be assisted by supporting improvements in integrated solid waste management and in sewerage collection and disposal. Finally, the project will help to improve service delivery by strengthening the current and future entities responsible for service delivery, including the central ministry, current local authorities and future county governments, utilities and other service providers, and possible future metropolitan authorities responsible for planning, transport, and other services.

**C. Rationale for Bank Involvement**

14. **The proposed NaMSIP will contribute to the goals of the government’s Nairobi Metro 2030.** NaMSIP will assist the government to achieve its vision of creating a world class African metropolis by 2030 by addressing several key challenges facing the metro area. Specifically, it will help to promote a metropolitan perspective by supporting implementation of a spatial plan for the entire metropolitan area, by strengthening institutions of urban governance, by linking urban transport with land use, and by investing in key metropolitan infrastructure and
services, including transport, sewerage collection and treatment, and solid waste management. The government’s Medium-Term Plan 2008–2013 specifies the development of a commuter rail for Nairobi and its suburbs as a priority. While the proposed Bank-supported NUTIP will finance the rail infrastructure and stations, the NaMSIP will finance land use planning and public infrastructure around the rail stations to promote private investment in housing, businesses, and services in easy proximity to the stations.

15. **NaMSIP will help achieve the objectives of the Bank’s Country Partnership Strategy 2010–2013.** NaMSIP is an integral element of the Country Partnership Strategy (CPS) that was discussed by the World Bank’s Board of Directors on April 20, 2010. The CPS emphasizes the themes of growth, equity, and environment, with a special emphasis on governance. NaMSIP contributes to the governance, growth, and improved environmental management agendas. It contributes to the governance agenda by strengthening the new structures of governance in the metro area, including the county administrations and the new metropolitan authorities. NaMSIP contributes to the CPS’s growth objective by supporting design and implementation of critical urban services—including transport, sanitation, and solid waste management—that will allow the metro area to meet the needs of businesses and residents. Investment in infrastructure also contributes to the growth agenda by improving the competitiveness of Kenya’s cities as places to live and invest. Finally, NaMSIP directly supports the environmental agenda through its investments in mass transit, sewerage collection and treatment, solid waste management, stormwater drainage, and public parks.

16. **The proposed project is fully consistent with the objectives of the Bank’s 2011 regional strategy for Africa.** The objectives of the strategy, called “Africa’s Future and the World Bank’s Support to It,” are to increase Africa’s competitiveness and employment, to reduce its vulnerability to climatic and other shocks, and to improve governance and public sector capacity. The project will assist Kenya increase its global competitiveness and its vulnerability to shocks by strengthening service delivery in its largest and economically most important urban area. It will help to improve governance and public sector capacity through its direct support for institutional strengthening.

D. Description

17. **Component 1: Institutional reform and planning (IDA US$15 million).** This component will assist existing local authorities within the Nairobi metropolitan area, as well as new entities and authorities that will be created once the devolved government aspect of the new constitution takes effect. These new entities possibly include county governments, metropolitan authorities, and agencies, and other units of administration. This component will support the capacity enhancement and planning activities of these entities. In addition, the component will strengthen the Ministry of Nairobi Metropolitan Development (MoNMD) or its functional successor, if applicable, after the constitutional changes come into place.

18. **Component 2: Local government infrastructure and services (IDA US$60 million).** This component will finance on a grant basis priority urban infrastructure in 13 selected urban
areas in the Nairobi metropolitan area. The infrastructure to be financed will be the responsibility of the current local authorities and under the mandate of the future county governments. The investments to be financed under this component are relatively small-scale local projects; the large projects that cross local administrative boundaries will be supported under component 3. The investments to be selected by the local authorities can include drainage systems, local streets, bicycle and foot paths, street and security lighting, public parks, public markets, solid waste management and street cleaning, and firefighting equipment and facilities. All subprojects will be selected on the basis of the existing participatory process for prioritizing local investments, called the Local Authority Service Development Action Plan, which provide the basis for local authority strategic plans. A number of priority investments have already been selected through citizen participation in the project’s selected urban areas. The specific activities NaMSIP will finance out of these lists will be limited by the project’s financial allocation for each urban area and will be defined by the municipal councils, which are democratically elected bodies representing citizens of urban areas.

19. The urban areas to benefit from the project have been selected out of the total 24 within the Nairobi metropolitan area. The selection criteria for these areas include: (a) population size (current and projected), (b) population density, and (c) high population growth since 1999. Additionally, these urban areas have been identified as critical for the growth of the metropolitan area as per Nairobi Metropolitan Spatial Plan. As explained further in annex 2, the allocation of funds for each urban area is based on a simple population formula. Most of the current local authorities, including those within the 13 selected urban areas will functionally cease to exist as administrative units following the elections (expected in December 2012, or latest in March 2013) and they will be succeeded by county governments. Thus, the approach of the project to focus on urban areas, rather than on specific local authorities will allow the project to adapt to the changing governance arrangements and support the emerging institutional structures, once the new constitution is implemented.

20. Component 3: Metropolitan infrastructure and services (IDA US$250 million). This component will assist in providing large-scale metropolitan infrastructure in the areas of solid waste, transport, and sewerage services. In contrast to those financed under component 2, these investments will be large-scale which is crucial for the development and integration of the metropolitan area as a whole. Regarding solid waste, the component will support the preparation and implementation of an integrated metropolitan-wide solid waste management (ISWM) strategy. The ISWM strategy will identify the policy, institutional, legal, and regulatory changes required to create a well-functioning solid waste system. The project will support design and implementation of such reforms. Regarding transport, the component will strengthen the connectivity between centers of growth in the metropolitan area by (a) preparing land use plans and constructing or upgrading public infrastructure surrounding commuter rail stations and other nodes of transport; (b) constructing and rehabilitating strategic roads as identified in the Mass Rapid Transit Study undertaken by Ministry of Transport; and (c) improving traffic management and flow. The general location of the commuter rail stations has been agreed with the KRC, and

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3 Nairobi, Ruiru, Kikuyu, Kangundo/Tala, Thika, Mavoko, Karuri, Ngong, Limuru, Kiambu, Kitengela, Juja, Ongata Rongai.
4 All the current mandates of the local authorities will become county functions. Counties will also gain additional responsibilities under the new constitution.
the exact locations will be identified in a study to be financed under NaMSIP. Support for transport-related activities will be undertaken in close coordination with the Bank-supported National Urban Transport Improvement Project (NUTIP), currently under preparation. Support for sewerage services will include the construction and rehabilitation of wastewater collection systems to enable urban growth in strategic areas, as well as wastewater treatment and disposal facilities. Specifically, the component will support the construction of the Ruiru-Juja-Thika sewerage system.

21. **Selection of activities under components 1, 2 and 3 will be done in close cooperation between central and local authorities.** As discussed in detail in section 4 on implementation arrangements and in annex 3, most project activities will be implemented by the MoNMD. Specific activities will be determined by the local authorities in close consultation with the ministry. Upon agreement between the ministry and the local authority, the respective local authority will pass a council resolution confirming its participation in the project. In addition to the MoNMD, some project activities will be implemented by existing local authorities or their successor county governments when they are assessed as having the required capability to implement activities in accordance with Bank guidelines or procedures. At that stage, the relationship between them and the MoNMD (or its legal successor) will be governed by a legally-binding agreement.

22. **Activities to be supported at the local government level will be identified through a participatory process and included in the local government strategic plans.** The local authorities currently follow a participatory process in identifying investments to be financed with local funds. Projects selected through this process are included in the strategic plans of local authorities and their annual budgets. NaMSIP will finance only those projects that are in local government strategic plans that also (a) involve one of the targeted 13 urban areas, and (b) can be implemented within the budget envelope allocated for each urban center.

23. **Component 4: Project management, and monitoring and evaluation (IDA US$5 million).** This component will finance the management activities associated with project implementation, including establishing and implementing a comprehensive monitoring and evaluation (M&E) system and training of the implementing agencies in environmental and social management. This component will also provide funds to undertake feasibility studies and prepare designs for implementation under a potential follow-on project in the urban sector in Kenya, and for other studies identified and agreed during implementation.

### E. Financing

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<td>2. Critical local infrastructure and services</td>
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<td>3. Critical metropolitan infrastructure and services</td>
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<td>4. Project management, and monitoring and evaluation</td>
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<td>300.0</td>
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</table>
F. Implementation

24. **Overall responsibility.** The Recipient is the Government of the Republic of Kenya. The Ministry of Finance (MoF) will be responsible for ensuring that project resources are budgeted for and released. The Office of the Auditor General will be responsible for auditing of project accounts. The project financing will be a Credit from the International Development Association to the Ministry of Finance. The Ministry of Finance will provide the funds as a grant to the MoNMD and other implementing agencies to undertake the agreed activities.

25. **Executing and implementing agencies.** The MoNMD or its successor is the executing agency. A project coordination team (PCT) at the MoNMD comprising a project coordinator and key officers has been established at the ministry, and is successfully using the Project Preparation Advance to prepare the project. It will be responsible for overall program coordination (including liaising with senior government officials and the Bank team), financial management, procurement and evaluation (M&E), and reporting. The PCT will also be responsible for managing MoNMD’s and local authorities’ learning and communications activities. Since participation in the PCT of staff of all the selected urban centers is not feasible, the project coordinator will ensure that they participate in key events, meet quarterly, and receive all key information. The PCT has been strengthened with a technical advisor to the coordinator. It also has expertise in procurement and financial management and in design and implementation of infrastructure projects. It will be further strengthened in the areas of environment and social safeguards, and others as required. Independent consulting engineers—who will be responsible for following up on implementation of construction contracts and to certify construction quality—will be contracted prior to the start of works, and will report directly to the NaMSIP coordinator.

26. **The MoNMD will implement all components, with exceptions for some component 2 and component 3 activities.** The MoNMD will implement component 2 activities until county governments (or their delegated agencies) are in place and assessed by the Bank to have adequate capacity in financial management and procurement to implement activities in accordance with Bank guidelines and procedures. Until then, four county project coordination teams (one for each future county) will guide the implementation of component 2 activities. Each team will comprise representatives of both the MoNMD and the local authorities. As the CCN already has capacity, it will lead the Nairobi county team. The CCN is likely to become an implementing agency during the project’s implementation period. However, other counties are not likely to possess the required financial management and procurement capacity (as assessed by the Bank) to serve as implementing agencies during the early years of their existence. Therefore, until they develop required capacity, the MoNMD will lead the teams and serve as the implementing agency for component 2 activities in the other three counties. Should the counties develop capacity during the lifetime of NaMSIP, they may also become implementing agencies.

G. Sustainability

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5 The Bank under the KMP has already accessed the procurement and financial management capacity as being satisfactory to the Bank (for procurement of works contracts up to US$500,000).
27. **Sustainability of investments in infrastructure and service delivery depends on incentives and availability of resources for operations and maintenance.** NaMSIP will finance infrastructure investments only if the local government or relevant service provider takes responsibility for operating and maintaining the assets. Local authorities will include an operations and maintenance plan in the design of infrastructure projects (such as for street lighting or drainage), prior to submission to the MoNMD for review and the Bank for no objection. NaMSIP will support the creation of autonomous solid waste management firms, which will operate as commercial enterprises with the right to recover their costs through user charges. Similarly, the water service providers will recover the operation and maintenance costs of sewage collection, treatment, and disposal through tariffs imposed on users. Kenya has adopted national tariff guidelines for sewage collection and treatment. The country also has in place a well-functioning independent regulator for water supply and sewerage. Counties will take over responsibility for operating and maintaining urban infrastructure from the local authorities once the constitution is fully implemented after the next election. The institutional scenario regarding local government structures, responsibilities, and revenues is not clear at this point. A grant from the Public Private Infrastructure Advisory Facility will assist the City Council of Nairobi to identify its current and future revenue potential. Funding is available under NaMSIP for similar studies for the other counties in the Nairobi metropolitan area.

H. **Lessons Learned from Past Operations in the Country/Sector**

28. Experience in Kenya, in other Sub-Saharan African countries (including, Tanzania, Senegal, Burkina Faso, and Mali), and in other regions (for example, Indonesia and Latin America) offers the following key lessons:

- **Focusing on a few key investments will ensure that the project generates concrete results, and does not overstretch the capacity of the government to implement the project.** NaMSIP will focus on three key metropolitan services—sewerage, solid waste, and transport, the latter with a focus on integrating the commuter rail system with land development around the commuter rail stations.

- **Paying attention to the political economy will facilitate successful implementation of the project.** While the project will benefit the great majority of people living and working in the Nairobi metropolitan area, inevitably there will also be losers. For example, waste pickers may lose their livelihoods due to closure of existing waste dumps, and therefore may block its development. A social assessment will be carried out under NaMSIP to identify the groups that may be negatively affected by the project and to develop plans to ensure that they are not harmed. In addition, the government under the project will host periodic metro-wide stakeholder forums to discuss issues and build consensus for the approach as a way to avoid capture by any particular interest group. Hosting such forums will also create an opportunities for civil society liaison.

- **Provide flexibility in the project design to ensure that the project succeeds.** The project includes a long-list of potential investments for the metropolitan area to allow flexibility to support those for which commitment is clear.
• **Support the devolved government entities in addition to the central ministry.** NaMSIP provides capacity building support to current local authorities and future county governments in the metropolitan area. This will help to ensure a smooth transition to the new institutional arrangements being put into place under the constitution.

• **Involve several entities as implementing entities.** Based on experience with the Water and Sanitation Services Improvement Project (WaSSIP), NaMSIP includes several implementing entities to increase overall capacity for implementation. Involving several entities also promotes competition and provides opportunities for less effective entities to learn from those that are more successful. In addition, a number of subprojects are at various stages of preparation for implementation under NaMSIP, allowing the entities that have the capacity to move forward, even while others are developing capacity.

I. **Safeguard Policies (including public consultation)**

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J. **List of Factual Technical Documents**

TBC

K. **Contact point**

Contact: Andreas Rohde  
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1818 H Street, NW

*By supporting the proposed project, the Bank does not intend to prejudice the final determination of the parties' claims on the disputed areas*
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