Note to Task Teams: The following sections are system generated and can only be edited online in the Portal.

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

Concept Stage | Date Prepared/Updated: 21-Feb-2017 | Report No: PIDISDSC20287
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>Togo</td>
<td>P161772</td>
<td>Togo - Urban Infrastructure Project (P161772)</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>Region</th>
<th>Estimated Appraisal Date</th>
<th>Estimated Board Date</th>
<th>Practice Area (Lead)</th>
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<tbody>
<tr>
<td>AFRICA</td>
<td>Oct 16, 2017</td>
<td>Feb 22, 2018</td>
<td>Social, Urban, Rural and Resilience Global Practice</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Lending Instrument</th>
<th>Borrower(s)</th>
<th>Implementing Agency</th>
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<tbody>
<tr>
<td>Investment Project Financing</td>
<td>Government of Togo</td>
<td>Ministre de l’Urbanisme, de l’Habitat et du Cadre de Vie</td>
</tr>
</tbody>
</table>

Proposed Development Objective(s)

To support the government in improving urban management and increasing access to basic infrastructure services in participating cities.

The project will support the Government of Togo (GoT) to rehabilitate, restore, improve and expand access to basic infrastructure services for the population of the most deprived districts of beneficiary municipalities. The achievement of this objective would support GoT’s efforts to demonstrate visible and tangible improvements in the lives of its citizens that are critical for sustaining social and political stability in the country.

Financing (in USD Million)

<table>
<thead>
<tr>
<th>Financing Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>International Development Association (IDA)</td>
<td>30.00</td>
</tr>
</tbody>
</table>

**Total Project Cost**  
30.00

Environmental Assessment Category

B-Partial Assessment

Concept Review Decision

Track II-The review did authorize the preparation to continue

Note to Task Teams: End of system generated content, document is editable from here.
Other Decision (as needed)

B. Introduction and Context

Country Context

With a population of about 7.3 million people, mainly located along the coast of Gulf of Guinea between Ghana and Benin, Togo is a small country in sub-Saharan Africa yet facing big development challenges. In the past half century since its independence in 1960, the country’s economy has gone through some initial steady growth followed by a period of volatility, and even experienced a few dips into negative growth. The country currently faces significant challenges as it emerges from a period of relative isolation following years of political and economic troubles and donor disengagement in the 1990s and 2000s. These challenges include a high level of poverty (55 percent) and lower living standards than comparable countries, weak governance and institutional capacity, and an unfinished political reform agenda. Togo’s per-capita GDP in 2015, at US$560 (in current terms), was just about a third of that of its neighboring country, Ghana; and its current GNI per capita is the 9th lowest among the 35 countries in sub-Saharan Africa. Meanwhile, Togo was ranked 162nd out of 188 countries in the UN’s Human Development Index 2015.

In recent years, the country has experienced some significant growth and made modest progress in reducing poverty, but its economy appears to be vulnerable to shocks and remains unsustainable. Agriculture and the services sectors are the mainstay of Togo’s economy, which account for 41 and 22 percent of GDP, respectively. Industrialization is at its infancy, mostly located at the coastal region of the country. Economic growth over the past few years (2010-2015), averaging at five percent annually, was driven primarily by the growth in the tertiary sector, particularly in trade and other services. The country is now positioned to become a transport and commercial hub in the sub-region, thanks to its favorable geographic location, a recently upgraded national transport infrastructure, and a natural deep sea port. Growth in agriculture was also significant but volatile due to impacts of natural shocks and high climate risks. The country’s main goods exports consist of crude materials such as carbonated phosphate. Togo also has other less exploited mineral reserves which could play an important role in the country’s future economic development. Poverty rates in Togo declined from 61.7 percent to 55.1 percent between 2006 and 2015.

To accelerate and sustain poverty reduction, Togo will need to unleash a more robust, inclusive, and sustainable growth process, led by private economic agents, and supported and amplified by more effective government policies, public investments, and services.

The expansionary fiscal policy adopted by the government following HIPC completion point has led to a trend of widening fiscal deficit, which needs to be reversed. Since 2013, the Government has adopted a proactive fiscal policy with total public spending up by 61.8 percent between 2013 and 2015. This has led to an overall fiscal deficit of 5.8 percent and 7.8 of GDP in 2013 and 2015, respectively. Spending, largely for infrastructure rehabilitation, has been funded by borrowing, including short-term non-concessional loans, leading to public debt rising from 55.4 percent in 2013 to some 74 percent of GDP in 2015. As public debt is growing rapidly, another fiscal crisis could be on the horizon. Recent changes in Government policy directions were observed in early September 2016. This was triggered by the appointment of a new Minister of Economy and Finance. The government is now taking serious measures to reverse the deficit trend and restore macroeconomic stability. The Government has agreed on a program with the IMF. The program is expected to be approved by the IMF by April 2017.

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Urbanization in Togo has been accelerating since the end of the 1960s, and the role of urban markets and service centers is becoming increasingly important in the modernization of the economy. At four percent per year, urban population growth rates in Togo are among the highest in the world. Currently, about 2.9 million people (or about 40 percent of the national population of 7.2 million) live in urban and peri-urban areas. Lower than expected rainfall, as well as periodic flooding has caused agricultural soil erosion and worsened already poor rural market access, leading to increased urban migration. If the current trend persists, by 2030, the population of Togo is projected to reach 10 million inhabitants with urban population representing over 50% of the country’s total population. The country’s urban population is predominantly concentrated in its Capital City, Lomé. Metropolitan Lomé, also doubling as the country’s commercial capital, holds nearly half of the country’s urban population, estimated at 1.8 million inhabitants. Secondary cities are fairly small in Togo, but they are growing rapidly. The number of cities with a population of more than 50,000 has grown from none to six in the past two decades, namely, Kara, Sokodé, Kpalimé, Atakpamé, Dapaong, and Tsévié. The total population living in these six secondary cities nearly tripled between 1981 and 2016, with an estimate of nearly 500,000 inhabitants in 2016.

Cities in Togo are rapidly expanding yet there is a big service delivery gap in most municipalities. More than 60 percent of Togo’s urban population lives in slums, which suffer from poor water and sanitation services, as well as higher risks of flooding due to inadequate drainage and other preventative investments. Infrastructure services in secondary cities and rural areas are generally inadequate, and those that pose the most binding constraints vary by locality. Poor access to clean water, proper sanitation and solid waste management has led to many urban health issues, including severe negative impacts on welfare of citizens and the economy.

- **Poor sanitation and negative health outcomes.** Nearly eight out of ten urban households use latrines or rudimentary septic tanks which pollute the water table (CITAFRIC, 2014 urban development report on Togo). Modern toilets are used by only about 3 percent of households in almost all secondary municipalities. The increase of housing density and number of latrines within housing compounds, the proximity of the water table to the surface, and the occasional flooding of poorly covered latrines—all contribute to the bacterial contamination of underground water and to the spread of waterborne diseases (CITAFRIC, 2014 urban development report on Togo).

- **Limited and unreliable solid waste collection.** Trash pickup services are not available to residential neighborhoods. In downtown areas of most cities, formal shops and some city markets may have their trash collected provided they pay a municipal tax, but this service is unreliable at best. Such service is totally absent in other parts of the cities, where piles of trash accumulate in most residential and commercial areas. Haphazard and illegal dumping of solid waste in many sensitive areas of urban centers (mostly waterways) have led to the spread of many diseases, especially malaria and cholera which have reached epidemic levels in some cities.

- **Inadequate drainage and widespread flooding.** With climatic change and increasingly higher than normal precipitation (mostly out of sync with known rainfall patterns) occurring in Togo, the natural drainage has become insufficient, especially in most of the peri-urban neighborhoods, putting numerous households under high flooding risks. About 15,000 houses, or about 75,000 to 100,000 residents of most cities in Togo, are subject to recurrent flooding for more than twenty days every year, and incur heavy yearly repair and maintenance expenses. The inadequate drainage and lack of maintenance also put the urban roads network in a poor condition—only 18 percent of the 56 km of paved roads, and 16 percent of the 148 km of unpaved roads in...
Lomé are in good condition. With the extensive deterioration and destruction of the road infrastructure, GoT has prioritized works to be carried out immediately so as to provide for the initial reinstatement of the vital major urban roads rehabilitation in Kara, Sokodé and Atakpamé.

**Inadequate urban investments, combined with outdated master plans and restrictive standards are the major barriers towards effective and feasible city management and upgrading.** Settlements in Togo’s secondary cities, are haphazardly developed according to customary practices without urban planning or sound infrastructure programming. Outdated urban development master plans dating back to the early 1960's, are still the only available references. With oversized standards for infrastructure improvement—paved streets and drainage systems in the existing settlements—interventions in the neighborhoods have been further complicated by requiring resettlement of households located in the right-of-way for drainage channels and streets. This has contributed to making urban development very expensive for government and citizens alike. Meanwhile, urban growth in Togo has not been matched by urban investment. Investment in basic urban infrastructure is mainly public and donor-financed, with the construction of a network of primary urban roads, the rehabilitation and extension of a few major drains, financed, among others, by the World Bank, Agence Francaise de Développement (AFD), BOAD and the European Union (EU). Private sector investment in urban infrastructure has remained negligible. On average, public investment in urban infrastructure in the last five years stood at around one billion CFAF per year or less than US$3 per capita. This amount represents about three percent of the overall public investment, budgeted in 2014, which is quite limited for addressing the huge infrastructure gaps that urban areas are facing. At the same time, urban public assets are deteriorating rapidly because of lack of maintenance. The government has developed urban rehabilitation programs with the support of some technical and financial partners (including the World Bank, EU, GIZ, AFD and AfDB). The mobilization of private financing for the urban municipal infrastructure and related intervention (the financial viability of which is not yet established) remains difficult.

**Stagnant decentralization efforts and limited capacity of municipalities in Togo are further preventing the service delivery gaps from being filled, especially in secondary cities.** As in many other African countries, local governments in Togo are generally weak, with inadequate revenue mobilization, weak legal bases for tax collection at local levels, and unavailability of the necessary resources to finance municipal services. There is a strong need to empower the local governments and to better facilitate intergovernmental fiscal transfers so as to bring resources to the local governments where it is most needed. However, Togo’s decentralization efforts have been feeble and stagnant till the recent Bank engagement started to help move the process forward, but slowly. The national decentralization agenda has largely been stagnant and leaves cities with limited means and capacity to discharge their functional mandate. In spite of a Decentralization Policy enshrined in the Decentralization Law (n° 2007-011 dated March 13, 2007), the current framework law is still encountering implementation difficulties owing, in particular, to: (i) the government's delay in genuinely transferring powers (responsibilities) and the resources needed for their effective implementation by local governments; (ii) the lack of institutional capacity of these local governments; and (iii) the lack of defined urban policies and the failure by municipalities to enforce regulations in terms of land use and management of public investments. This operation plans on entrenching the dialogue through preparing the Administrations of the participating Municipalities to strengthen their capacity to account for funds the central Government would transfer to them as well as the taxes allowed to be collected by them in the Decentralization Policy.

**Relationship to CPF**

The project is fully aligned with the new Country Partnership Framework under finalization (CPF) for the period 2017-2020. The CPF will support Togo to: (i) consolidate the macroeconomic framework; (ii) improve social and basic infrastructure services, (iii) build capacity for public investment decisions, public financial management and procurement practices. This project supports the latter two of these three aforementioned goals by; (a) improving access to urban services in targeted areas and; (b) promoting the capacity of municipalities to improve access to infrastructure and services.
The project will also contribute to the WB’s twin goals of eliminating extreme poverty and boosting shared prosperity. By improving and infrastructure services in project participating cities, the proposed interventions would directly improve living conditions of the residents, especially those in extreme poor households, through better access to services and opportunities. By improving water, sanitation, drainage and solid waste management services in the participating cities, the project would help reduce the high health risks and flood risks currently faced by poor urban households, thus protecting them from losses of family assets caused by flooding/illness. While investing in urban infrastructure, the proposed investments of this project will create labor-intensive jobs for the poor, especially the youth, thus improving the livelihoods of those households both in the short run (due to increased income from temporary jobs) and in the long run (due to gained job skills and increased employment opportunities). In addition, by building the capacity of the participating municipalities, the project is expected to also promote better urban management which in turn would lead to better urban development and poverty reduction outcomes in the future.

C. Proposed Development Objective(s)

The Proposed Development Objective (PDO) of this project is to support the government in improving urban management and increasing access to basic infrastructure services in participating cities.

The project will support the Government of Togo (GoT) to rehabilitate, restore, improve and expand access to basic infrastructure services for the population of the most underserved districts of targeted cities. The achievement of this objective would support GoT’s efforts on promoting inclusive growth and demonstrate visible and tangible improvements in the lives of its citizens that are critical for sustaining social and political stability in the country.

Key Results (From PCN)

The achievement of the PDO would be measured by the following outcome indicators:

(i) Direct project beneficiaries (number), of which female (percentage) (core indicator)
(ii) Number of persons with access to within 500 meters along the all-season roads rehabilitated/constructed financed by the project
(iii) Additional population provided with access to other infrastructure;
(iv) Sub-projects or investments for which arrangements for community engagement in post-project sustainability and/or operations and maintenance are established (percentage);
(v) Number of master plans and/or urban management policies updated and adopted.
D. Concept Description

With high rates of rural-urban migration, secondary cities in Togo are growing rapidly yet the urban infrastructure services in those cities are lagging behind. Over the past years, financing sources and development aids to Togo’s urban infrastructure was limited and focused mainly on Lomé. There has been little attention paid to the secondary cities where there is an urgent need to fill the service delivery gap as well as to improve the living conditions of the urban inhabitants. The urgency was echoed by Mayors of several secondary cities during client consultations on preparation of the 2017-2020 CPF recently. In such circumstances, this project is being proposed to provide support to those municipalities in improving their urban infrastructure services. This project is informed by and will build upon the experiences and lessons learned from the recent operation of the Togo Emergency Infrastructure Rehabilitation and Energy Project (PURISE), which closed in June 2016 with a satisfactory rating. The proposed interventions of this Project will likely fall in the areas of infrastructure rehabilitation and extension covered by PURISE, and use similar processes, systems and institutional arrangements. While PURISE mainly focused on access to basic infrastructure, the proposed project will also include a component on capacity building for the participating municipalities to better prepare them to perform their future role within the government’s new decentralization framework currently under preparation.

The project will also build on the available results of similar operations conducted by other development partners in the participating cities, including the French Development Agency (FDA) the African Development Bank (AfDB), the European Union, and the German cooperation (GIZ). It is expected that the proposed project will be able to: (i) incorporate the achievements of PURISE (particularly in terms of implementation of basic infrastructure, community engagement and job creation); (ii) expand its impact by addressing the problems of capacity-building for municipalities to enable them to better perform their roles in urban and local development and enable private sector; and (iii) introduce the tools needed to ensure the sustainability of the investments through community involvement in project selection, preparation and implementation and creation of small construction companies to support labor intensive works.

The proposed project will be implemented in Lomé and six secondary cities (Kpalimé, Tsévié, Atakpamé, Sokodé, Kara and Dapaong). These six secondary cities, corresponding to five regional capitals of Togo and an important tourism center, are among the largest secondary cities in Togo, where the service gaps are the greatest and the most urban beneficiaries could be reached. The selection of these six secondary cities also takes into consideration the geographic balance in project coverage, assuring equitable repartition of investments throughout the country. A participatory workshop held on May 5, 2016 with municipalities were held to initiate preliminary discussions on areas of capacity building and investment needs. Consideration was given to providing services in high demand, promoting short term employment generation, and ensuring selected projects can be maintained.

Given the limited financing available, the proposed operation is being designed to be flexible to allow for a programmatic approach to address the beneficiary cities’ needs and facilitate integration of other donors in the program to help address the funding gap in the sector. The project will start with a first round of investments in the proposed seven cities under existing financing. This could lead to a second round if more funding becomes available, e.g. from donors or the Bank. Discussions with Islamic Development Bank has been ongoing and they have expressed interest providing parallel-financing to the operation. The EU and AFD have carried out some analytical work on the urban sector that is being utilized in preparation of the operation and the team is also working closely with BOAD and other entities to ensure complementarity.
1. Description

The proposed Project has three components: (1) Urban infrastructure and services; (2) Institutional support and capacity building; (3) Management, coordination, monitoring and evaluation.

Component 1 (US$ 20 million): Urban infrastructure and services. This component will finance investments to rehabilitate or construct major socio-economic infrastructure in project cities, in coordination with investments being implemented by the central and provincial governments and other donors to strengthen the cities’ role as centers of economic growth. Under the project, investments will likely cover, inter alia road, drainage, markets, and water. The actual investments in each city will be determined by development plans prepared by each municipality and reviewed by the Bank. During the process of preparing these investment plans, the municipalities will have public hearings, rigorous consultation with communities, as well as other citizen engagement strategies to ensure transparency. To be eligible, a sub-project must reasonably fulfill a number of eligible criteria: The full list of detailed eligibility criteria will be included in the Project Implementation Manuel (PIM).

Component 2 (US$7 million): Institutional support and capacity-building. This component will provide support to strengthen the institutional capacity of the participating cities to deliver basic urban services. Support will be focused on areas that could improve service delivery and urban management in general, including planning, programming, infrastructure investment and maintenance, environmental and social protection measures, as well as municipal revenues generation and collection. The actual formats and contents of the capacity building activities will be determined based on needs of the municipalities.

Component 3 (US$3 million): Project management, coordination, monitoring and evaluation. This component will finance project management costs, audits, monitoring and evaluation of project activities, training and the costs of oversight of environmental protection activities.

Note to Task Teams: The following sections are system generated and can only be edited online in the Portal.

SAFEGUARDS

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

The proposed project will be implemented in Lomé and six other participating urban communities (Kpalimé, Tsévié, Atakpamé, Sokodé, Kara and Dapaong). This corresponds to five regional capitals of Togo and an important tourism center, assuring equitable repartition of investments throughout the country.

B. Borrower’s Institutional Capacity for Safeguard Policies

The Recipient has several years of experience in applying and implementing World Bank projects. There are considerable legal and institutional frameworks in the country to ensure compliance with World Bank safeguards policies triggered by the proposed project. In Togo, the Ministry of Environment, and Forestry Resources (MERF) is responsible for setting policy guidelines on environmental issues and ensuring compliance with national environmental standards. It has different departments among which the National Agency of Environment Management (ANGE, Agence Nationale de Gestion de l’Environnement) in charge of safeguards compliance of all projects in the country. The unit is well staffed and
its capacities are acceptable. With regard to the PCU, capacity building efforts to support project implementation will be done by implementing recommendations contained in the safeguards instruments prepared for the project. The project will also receive guidance from the Bank’s environmental and social specialists in the Project team.

The PIU will be responsible for preparation and implementation of EIAs or RAPS, if deemed necessary for sub-projects. Such activities will be executed in full collaboration with the environmental and social units in the various ministries and agencies. Local capacity for environmental and social management is weak. Therefore, capacity building training sessions will be conducted to enhance skills and oversee the environmental and social management process, while providing institutional strengthening and on-the-job training services throughout the project period.

C. Environmental and Social Safeguards Specialists on the Team

Abdoul Wahabi Seini, Abdoulaye Gadiere

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 aims at financing activities that will include the rehabilitation and/or construction of socio-economics infrastructures such as roads, small bridges, integrated health centers, primary schools, and other municipal infrastructure in the targeted cities. In addition, drainage, and anti-erosion works will be carried out under component 1. Furthermore, the sites and subprojects will also be selected by local governments on the basis of their local development plans which potentially include the rehabilitation of roads and construction works, that usually involve the opening of quarries. All these activities may induce negative environmental impacts but of limited significance and magnitude, which can be easily managed and mitigated. Therefore, the project is classified as category B. However, because the exact locations of the project’s activities are yet to be identified, an Environmental and Social Management Framework (ESMF) would be the relevant safeguards instrument to be prepared. Thereafter, it will be reviewed by the Bank, consulted upon and disclosed both in country and at the World Bank Website prior to the Decision meeting.</td>
</tr>
<tr>
<td>Natural Habitats OP/BP 4.04</td>
<td>No</td>
<td>This policy is not triggered as there will be no potential adverse impact on natural habitats.</td>
</tr>
<tr>
<td>Forests OP/BP 4.36</td>
<td>No</td>
<td>The proposed project is not expected to have any impact on forests.</td>
</tr>
<tr>
<td>Pest Management OP 4.09</td>
<td>No</td>
<td>There will be no use of pesticides or health-related concerns with respect to vector management.</td>
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</table>
The proposed operations are not expected to pose risks of damaging cultural properties. Nevertheless, some of the works may take place in inhabited areas and may involve excavations and probably resulting in the destruction of artifacts of cultural significance. The possibility of chance finds of physical cultural resources are not negligible. However, no separate safeguards instrument is needed to be prepared. The ESMF will include a chapter related to physical cultural resources, describing the assistance for preservation of historic or archeological sites. In case such opportunities occur, cultural property management plans would be prepared for such sub-projects.

There are no indigenous people in the project areas.

Component 1 of the project (Urban Infrastructure and Services) will induce land acquisition related to the rehabilitation and/or construction of socio-economic infrastructures such as roads, markets, water supply and sanitation sub-projects, municipal halls, schools, health and social centers, erosion control and environmental works. As the not all specific locations of infrastructures are known, a resettlement policy framework (RPF) will be prepared prior to appraisal and subsequent resettlement action plans (RAPs) will be prepared and implemented as needed for these investments. For investments with known sites, investment-specific RAPs will be developed before appraisal. The RPF and the RAPs will be consulted upon, reviewed and cleared by the Government and the Bank and disclosed in-country and at Info-shop.

This policy is not triggered, as there will be no dam construction or rehabilitation of dams that will necessitate safety status reports.

The project will not finance any activities with impacts on international waterways.

This policy is not triggered because project intervention sites will not be within disputed areas.

## E. Safeguard Preparation Plan

Tentative target date for preparing the Appraisal Stage PID/ISDS

May 02, 2017
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 June 2017

CONTACT POINT

World Bank
Mahine Diop
Senior Municipal Engineer

Borrower/Client/Recipient
Government of Togo

Implementing Agencies
Ministre de l’Urbanisme, de l’Habitat et du Cadre de Vie
Fiatuwo Kwadjo Sessenou
Minister
secretariat.mindre@urbanisme.gouv.tg

FOR MORE INFORMATION CONTACT

The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 473-1000
Web: http://www.worldbank.org/projects

APPROVAL

Task Team Leader(s): Mahine Diop

Approved By

Safeguards Advisor: Maman-Sani Issa 13-Mar-2017