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IDA/R2017-0047/1

March 9, 2017

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<p><b>Closing Date: Monday, March 20, 2017 at 6 p.m.</b></p>
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FROM: Vice President and Corporate Secretary

**Nigeria - Multi-Sectoral Crisis Recovery Project for North Eastern Nigeria**

**Project Appraisal Document**

Attached is the Project Appraisal Document regarding a proposed credit to Nigeria for a Multi-Sectoral Crisis Recovery Project for North Eastern Nigeria (IDA/R2017-0047), which is being processed on an absence-of-objection basis.

Distribution:

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Report No: PAD1992

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED CREDIT

IN THE AMOUNT OF SDR 148.8 MILLION  
(US\$200 MILLION EQUIVALENT)

TO THE

FEDERAL REPUBLIC OF NIGERIA

FOR A

MULTI-SECTORAL CRISIS RECOVERY PROJECT FOR NORTH EASTERN NIGERIA  
March 7, 2017

Social, Urban, Rural and Resilience Global Practice  
Africa Region

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## CURRENCY EQUIVALENTS

(Exchange Rate Effective December 30, 2016)

Currency Unit = Nigerian Naira (NGN)

NGN 304.20 = US\$1

US\$1.3443 = SDR 1

## FISCAL YEAR

January 1–December 31

## ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
AfDB	African Development Bank
ARAP	Abbreviated Resettlement Action Plan
BAY	Borno, Adamawa, and Yobe
BH	Boko Haram
CERC	Contingent Emergency Response Component
CSDP	Community and Social Development Project
CSO	Civil Society Organization
DA	Designated Account
DFID	Department for International Development
E&S	Environmental and Social
EA	Environmental Assessment
EIA	Environmental Impact Assessment
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
ESSU	Environment and Social Safeguards Unit
EU	European Union
FADAMA III	Third National Fadama Development Project
FM	Financial Management
FMBNP	Federal Ministry of Budget and National Planning
FME	Federal Ministry of Environment
FMoF	Federal Ministry of Finance
FPFMD	Federal Project Financial Management Division
FPM	Financial Procedures Manual
GDP	Gross Domestic Product
GIZ	German Agency for International Cooperation
GoN	Government of Nigeria
GPS	Global Positioning System
GRM	Grievance Redress Mechanism

GRS	Grievance Redress Service
IDP	Internally Displaced People
IFR	Interim Financial Report
IRM	Immediate Response Mechanism
IsDB	Islamic Development Bank
ISP	Implementation Support Plan
LGA	Local Government Authority
M&E	Monitoring and Evaluation
MCRP	Multi-Sectoral Crisis Recovery Project
MDA	Line Ministry/Department/Agency
MDB	Multilateral Development Bank
MTR	Midterm Review
NE	North East
NEDC	North East Development Commission
NEMA	National Emergency Management Authority
NGO	Nongovernmental Organization
NPHCDA	National Primary Health Care Development Agency
NSHIP	Nigeria State Health Investment Program
OAG	Office of Account General
OAGF	Office of Account General of the Federation
OP	Operational Policy
PCNI	Presidential Committee for the North East Initiative
PCU	Project Coordination Unit
PDO	Project Development Objective
PFMU	Project Financial Management Unit
PIM	Project Implementation Manual
PINE	Presidential Initiative for the North East
PMC	Project Management Consultancy
PP	Procurement Plan
PPE	Personal Protective Equipment
PPSD	Project Procurement Strategy for Development
RAMP	Rural Access and Mobility Project
RAP	Resettlement Action Plan
RPBA	Recovery and Peace Building Assessment
SAP	Safeguards Action Plan
SEPIP	State Education Program Investment Project
SOE	State-owned Enterprise
SPARS	Strategic Plans of Actions for Recovery and Stabilization
SWB	State Water Board
TA	Technical Assistance
ToR	Terms of Reference
TPMA	Third-party Monitoring Agent
UN	United Nations
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development

WASH	Water, Sanitation, and Hygiene
WB	World Bank
YESSO	Youth Employment and Social Support Operation

Regional Vice President: **Makhtar Diop**

Country Director: **Rachid Benmessaoud**

Senior Global Practice Director: **Ede Jorge Ijjasz-Vasquez**

Practice Manager: **Meskerem Brhane**

Task Team Leader(s): **Ayaz Parvez, Paula Andrea Rossiasco Uscategui**

**BASIC INFORMATION**

Is this a regionally tagged project?	Country(ies)	Lending Instrument
No		Investment Project Financing

☒ Situations of Urgent Need of Assistance or Capacity Constraints

☐ Financial Intermediaries

☐ Series of Projects

Approval Date	Closing Date	Environmental Assessment Category
20-Mar-2017	31-May-2021	B - Partial Assessment

Bank/IFC Collaboration
No

**Proposed Development Objective(s)**

The objectives of the Project are to: (a) support the Government of Nigeria towards rehabilitating and improving critical service delivery infrastructure, improve the livelihood opportunities of conflict and displacement-affected communities, and strengthen social cohesion in the North East Participating States of Borno, Yobe and Adamawa; and (b) in the event of an Eligible Crisis or Emergency, to provide immediate and effective response to said Eligible Crisis or Emergency.

**Components**

Component Name	Cost (US\$, millions)
Strengthening Peace Building, Stability and Social Cohesion	30.00
Infrastructure Rehabilitation and Service Delivery Restoration & Improvement	150.00
Technical Assistance and Project Management Support	20.00
Contingent Emergency Response	0.00

**Organizations**

Borrower : Federal Ministry of Finance

Implementing Agency : State Governments of Borno, Adamawa and Yobe

**Safeguards Deferral**

Will the review of safeguards be deferred?

☒ Yes   ☐ No

**PROJECT FINANCING DATA (IN USD MILLION)**

<input type="checkbox"/> Counterpart Funding	<input type="checkbox"/> IBRD	<input checked="" type="checkbox"/> IDA Credit <input type="checkbox"/> Crisis Response Window <input type="checkbox"/> Regional Projects Window	<input type="checkbox"/> IDA Grant <input type="checkbox"/> Crisis Response Window <input type="checkbox"/> Regional Projects Window	<input type="checkbox"/> Trust Funds	<input type="checkbox"/> Parallel Financing
Total Project Cost: 200.00		Total Financing: 200.00  Of Which Bank Financing (IBRD/IDA): 200.00		Financing Gap: 0.00	

**Financing (in US\$, millions)**

Financing Source	Amount
International Development Association (IDA)	200.00
<b>Total</b>	<b>200.00</b>

**Expected Disbursements (in US\$, millions)**

Fiscal Year	2017	2018	2019	2020	2021
Annual	2.00	43.00	50.00	55.00	50.00
Cumulative	2.00	45.00	95.00	150.00	200.00

**INSTITUTIONAL DATA****Practice Area (Lead)**

Social, Urban, Rural and Resilience Global Practice

**Contributing Practice Areas**

Education

Governance

Health, Nutrition & Population

Transport & ICT

Water

**Climate Change and Disaster Screening**

This operation has been screened for short and long-term climate change and disaster risks

**Gender Tag**

Does the project plan to undertake any of the following?

a. Analysis to identify Project-relevant gaps between males and females, especially in light of country gaps identified through SCD and CPF

Yes

b. Specific action(s) to address the gender gaps identified in (a) and/or to improve women or men's empowerment

Yes

c. Include Indicators in results framework to monitor outcomes from actions identified in (b)

Yes

**SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)**





Risk Category	Rating
1. Political and Governance	● High
2. Macroeconomic	● Substantial
3. Sector Strategies and Policies	● Moderate
4. Technical Design of Project or Program	● Substantial
5. Institutional Capacity for Implementation and Sustainability	● High
6. Fiduciary	● High
7. Environment and Social	● Moderate
8. Stakeholders	● Moderate
9. Other	● High
10. Overall	● High

## COMPLIANCE

### Policy

Does the project depart from the CPF in content or in other significant respects?

☐ Yes ☒ No

Does the project require any waivers of Bank policies?

☐ Yes ☒ No

Safeguard Policies Triggered by the Project	Yes	No
Environmental Assessment OP/BP 4.01	✓	
Natural Habitats OP/BP 4.04	✓	
Forests OP/BP 4.36		✓
Pest Management OP 4.09		✓
Physical Cultural Resources OP/BP 4.11	✓	
Indigenous Peoples OP/BP 4.10		✓
Involuntary Resettlement OP/BP 4.12	✓	
Safety of Dams OP/BP 4.37		✓
Projects on International Waterways OP/BP 7.50		✓



Projects in Disputed Areas OP/BP 7.60



**Legal Covenants**

Sections and Description

Prepare Project Implementation Manual

Due Date: 18-August-2017

Description of Covenant:

No later than two (2) months after the Effective Date, the Borrower shall, and shall cause each Participating State, to adopt the Project Implementation Manual (PIM) in form and substance satisfactory to the World Bank, and, thereafter carry out the Project and cause each Participating State to carry out its respective activities under the Project in accordance with the provisions of the PIM , which shall include: (a) institutional coordination and day-to-day execution of the Project; (b) Project budgeting, disbursement and financial management; (c) procurement; (d) environmental and social safeguard guidelines; (e) monitoring, evaluation, reporting and communication; and (f) such other administrative, financial, technical, and organizational arrangements and procedures as shall be required for the Project.

Sections and Description

Effect institutional arrangements

Due Date: 18-July-2017

Description of Covenant:

The Borrower shall cause each Participating State to establish, not later than one (1) month after the Effective Date, and thereafter maintain, throughout the implementation of the Project, a state project coordination unit (PCU) for said Participating State with functions, staffing and resources satisfactory to the World Bank. The Borrower shall cause each Participating State to ensure that the respective PCU shall be responsible for the administration of overall planning, coordination of the carrying out of activities under its respective activities of the Project, the technical, fiduciary (i.e., procurement and financial management), environmental and social safeguards compliance, monitoring, evaluation, reporting and communication of the activities under the Project in the corresponding Participating State.

**Conditions**

Type

Disbursement

Description

Financing to Participating States

Due Date: Continuous

Description of Condition:

No withdrawal shall be made under Components (1), (2) and (3) for payments to any Participating State until and unless: (a) the respective Participating State has entered into a Subsidiary Agreement with the Borrower; and (b) the World Bank



	has received an opinion satisfactory to it establishing that said Subsidiary Agreement has been duly authorized or ratified by the Borrower and the respective Participating State and is legally binding upon the Borrower and the respective Participating State in accordance with its terms.
Type Disbursement	<p>Description</p> <p>Contingent Emergency Response Expenditures</p> <p>Due Date: Continuous</p> <p>Description of Condition:</p> <p>No withdrawal shall be made under Component (4) for Emergency Expenditures unless and until the World Bank is satisfied, and has notified the Borrower of its satisfaction, that all of the following conditions have been met in respect of said Emergency Expenditures:</p> <p>(a) the Borrower has determined that an Eligible Crisis or Emergency has occurred, has furnished to the World Bank a request to include said Eligible Crisis or Emergency under Component (4) of the Project in order to respond to said Eligible Crisis or Emergency, and the World Bank has agreed with such determination, accepted said request and notified the Borrower thereof;</p> <p>(b) the Borrower has prepared and disclosed all safeguards instruments required for said Eligible Crisis or Emergency, and the Borrower has implemented any actions which are required to be taken under said instruments; and</p> <p>(c) the Borrower has adopted the Emergency Response Operations Manual in form, substance and manner acceptable to the World Bank so as to be appropriate for the inclusion and implementation of Component (4) of the Project.</p>

## PROJECT TEAM

### Bank Staff

Name	Role	Specialization	Unit
Ayaz Parvez	Team Leader(ADM Responsible)		GSU13
Paula Andrea Rossiasco Uscategui	Team Leader		GSU01
Daniel Rikichi Kajang	Procurement Specialist(ADM Responsible)		GGO01
Akinrinmola Oyenuga Akinyele	Financial Management Specialist		GGO25
Aisha Garba Mohammed	Team Member		GED13
Alexander Agosti	Team Member		GSU13



Amos Abu	Safeguards Specialist	GEN07
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Atishay Abbhi	Team Member	GSU13
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Christoph Pusch	Team Member	GSU18
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Joyce Chukwuma- Nwachukwu	Team Member	AFCW2
Khairy Al-Jamal	Team Member	GWA08
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Maria Angelica Sotomayor Araujo	Team Member	GSU13
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Olatunji Ahmed	Team Member	GTI07
Omezikam Eze Onuoha	Team Member	GTI01
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Robert Curle Jesse Reid	Team Member	GSU19
Roland Lomme	Team Member	GGO27
Rosa Maria Martinez	Team Member	GSU01
Ruth Adetola Adeleru	Team Member	AFCW2
Shahrzad Mobasher Fard	Team Member	GSU19
Tesfamichael Nahusenay Mitiku	Team Member	GTI07
Veronique Morin	Team Member	GSU19
Zoe Kolovou	Counsel	LEGAM
Extended Team		
Name	Title	Organization
		Location





**Federal Republic of Nigeria  
Multi-Sectoral Crisis Recovery Project for North Eastern Nigeria**

**TABLE OF CONTENTS**

<b>I.</b>	<b>STRATEGIC CONTEXT .....</b>	<b>11</b>
	A. Country Context .....	11
	B. Sectoral and Institutional Context .....	14
	C. Higher-level Objectives to which the Project Contributes.....	17
<b>II.</b>	<b>PROJECT DEVELOPMENT OBJECTIVES.....</b>	<b>18</b>
	A. PDO .....	18
	B. Project Beneficiaries.....	18
	C. PDO-level Results Indicators .....	19
<b>III.</b>	<b>PROJECT DESCRIPTION.....</b>	<b>19</b>
	A. Project Components.....	21
	B. Project Cost and Financing.....	23
	C. Lessons Learned and Reflected in the Project Design.....	24
<b>IV.</b>	<b>IMPLEMENTATION.....</b>	<b>25</b>
	A. Institutional and Implementation Arrangements.....	25
	B. Results Monitoring and Evaluation .....	27
	C. Sustainability .....	28
	D. Role of Partners.....	29
<b>V.</b>	<b>KEY RISKS .....</b>	<b>30</b>
	A. Overall Risk Rating and Explanation of Key Risks .....	30
<b>VI.</b>	<b>APPRAISAL SUMMARY.....</b>	<b>33</b>
	A. Economic and Financial (if applicable) Analysis.....	33
	B. Technical .....	34
	C. Financial Management .....	35
	D. Procurement.....	35
	E. Social (including Safeguards).....	36
	F. Environment (including Safeguards) .....	37
	G. Other Safeguard Policies (if applicable) .....	38



<b>H. World Bank Grievance Redress .....</b>	<b>38</b>
<b>VII. RESULTS FRAMEWORK AND MONITORING .....</b>	<b>39</b>
<b>ANNEX 1: DETAILED PROJECT DESCRIPTION .....</b>	<b>50</b>
<b>ANNEX 2: IMPLEMENTATION ARRANGEMENTS.....</b>	<b>63</b>
<b>ANNEX 3: IMPLEMENTATION SUPPORT PLAN .....</b>	<b>100</b>
<b>ANNEX 4: ECONOMIC ANALYSIS.....</b>	<b>106</b>
<b>ANNEX 5: COMPLEMENTARITY WITH OTHER INTERVENTIONS IN NORTH EAST NIGERIA .....</b>	<b>109</b>
<b>ANNEX 6: MAP OF THE TARGET STATES IN NIGERIA .....</b>	<b>121</b>



## I. STRATEGIC CONTEXT

### A. Country Context

1. **The Buhari administration took office in May 2015 in the context of a severely weakened economy, large infrastructure gaps, and poor service delivery that accumulated over the years.** Three major economic transitions—the slowdown and rebalancing of the global economy; the lower commodity prices, especially the sharp drop in oil prices; and the tightening financial conditions and risk aversion of international investors—have had a significant impact on the Nigerian economy. These shocks have compounded an already challenging development environment. Due to declining oil revenues, revenues declined from 10.5 percent of gross domestic product (GDP) in 2014 to 7.8 percent of GDP—with an even more negative outlook for 2016. In 2015, the collapse of Nigeria’s terms of trade resulted in Nigeria being for the first time in decades a net importer of savings from the rest of the world. From generating an average current account surplus of 3.5 percent of GDP in 2012–2014, the current account deficit reached around 3 percent in 2015. Inflation has been accelerating and reached 16.5 percent in June 2016 (year on year). In this context, GDP growth fell from 6.3 percent in 2014 to 2.7 percent in 2015 and further into negative territory in 2016. The economy is now in recession.
2. **The new administration also took office in the context of pronounced security challenges.** The Boko Haram (BH) insurgency in the North East (NE) has proved a considerable challenge for the country’s security forces and has led to the loss of more than 20,000 lives and the displacement of 2 million people and has negatively affected the livelihoods of 6 million more people. The impact of the insurgency has transcended the geographic borders of the country, imposing economic and security costs on neighboring countries. In parallel, the attacks by Fulani herdsmen on farmers have intensified as they move south across Nigeria’s ‘middle belt’ as the Sahel encroaches their pastures. Other security challenges include crime and kidnapping, particularly in urban areas; attacks on oil and gas infrastructure; and threats of renewed militancy in the Niger Delta. There is also some simmering discontent in Biafra in the South East. At the root of the security challenges are high levels of poverty, joblessness, growing numbers of frustrated youth, and natural resources degradation and climate stressors.
3. **Nigeria suffers from severe subnational disparities, with the NE and North West (NW) regions lagging behind in a number of key indicators.** Compared to the wealthier southern states that benefit from oil production, the NE and NW are heavily dependent on agriculture, with roughly 80 percent of the population engaged in farming. Over the past two decades, the pace of development of the NE has been slower than the rest of the country with persistently lower education levels and limited access to healthcare and other basic services and infrastructure.
4. **While the total number of the poor in the south declined by almost 6 million since 2004, it increased by almost 7 million in the north.** The number of the poor nationwide is thus the outcome of two completely opposite trends: substantial poverty reduction in the southern zones (except for the South East) and a substantial increase in poverty in two of the three northern zones; in North Central, the number of the poor decreased by about a million. The number of the poor residing in the NE and North West was 29 million in 2004, and it had risen to 37 million by 2013 (Figure 1). These additional 8 million poor people were equally split between the NE, the area most affected by the recent conflict,





and the North West. Among the southern zones, the South West benefited from the lion's share of poverty reduction, 4 million fewer poor.

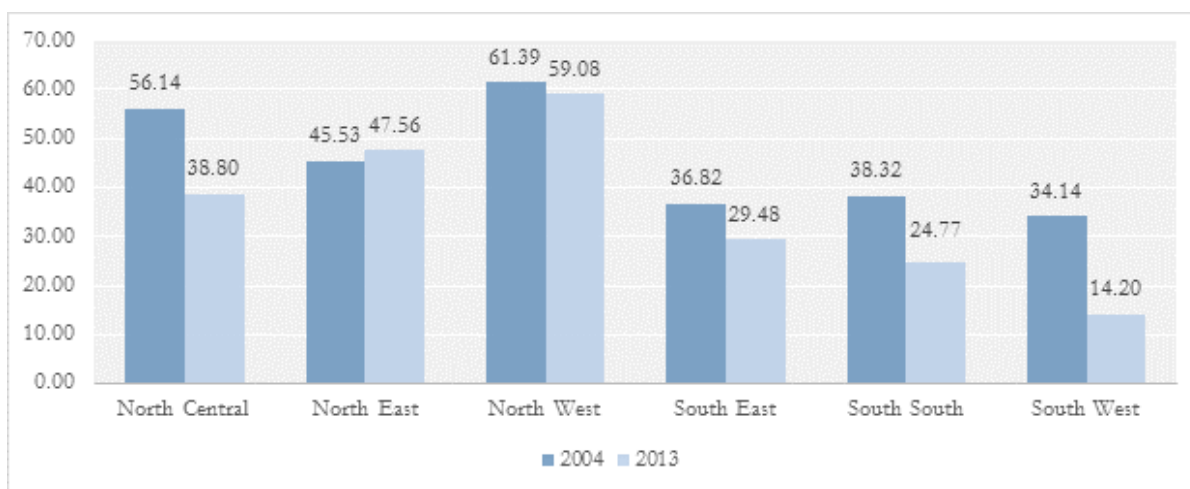


Figure 1. Poverty Incidence by Region in Nigeria

Source: World Bank. 2016. *Poverty Reduction in Nigeria in the Last Decade*.

5. **President Buhari has acted decisively to tackle the challenges of insecurity.** Steps have been taken to build a more efficient and effective coalition with Nigeria's neighbors against the BH. An offensive in late 2015 drove the BH from much of the territory it held in the NE. Since then, the militants have relied on terrorist attacks against civilians, including suicide bombings. The Government's response to the crisis in the NE has focused largely on security, on humanitarian support, and, to a lesser degree, on restoring service delivery. The critical and immediate challenge facing the Government is to secure peace and stability, following its military gains, by ensuring the welfare of internally displaced persons (IDP), the host communities, and the population in the NE.

6. **The Government of Nigeria (GoN) seeks to implement stabilization and recovery measures addressing the medium- and long-term development agenda, while making parallel efforts to combat corruption.** The stabilization and recovery measures focus on (a) restoring macroeconomic resilience and growth and (b) improving security in the NE and Niger Delta. Restoring macroeconomic resilience and growth will be critical not only for Nigeria but also for West Africa as a whole, given the strong links between Nigeria and the neighboring countries in trade and capital flows. The medium- and long-term agenda is to promote job creation and build an economy led by a strong and responsible private sector; provide physical and economic infrastructure; enact social policies that will increase opportunities for the poor and vulnerable; and address climate change and other stressors.

#### *Situation of Urgent Need of Assistance*

7. **Since 2009, the NE has been affected by the BH conflict and the resulting military operations, affecting the lives of over 15 million people.** The ongoing conflict takes place in a setting characterized by deep poverty, poor social and economic conditions, lack of infrastructure and basic services, poor governance, weak institutions, and high income inequality. All these complex and long-standing factors contributed to the emergence of the conflict by stoking frustration and a sense of injustice among



citizens. A number of incidents acted as triggers, while the abovementioned structural drivers provided fertile ground for the emergence and rapid spread of violence. The BH conflict was characterized by extreme levels of violence and destruction. The fighting became particularly intense in 2014, leading to the loss of at least 20,000 lives and the displacement of 2.5 million people internally and across international borders. About 84 percent of the forcibly displaced people have remained within the three conflict-affected states of Borno, Adamawa, and Yobe (BAY), while 8 percent are scattered through northern and central Nigeria, and the remaining 8 percent are in neighboring countries such as Cameroon, Chad, and Niger.<sup>1</sup>

8. **The BH conflict has triggered an acute humanitarian and forced displacement crisis, with devastating social and economic impacts on the population, further deepening poverty and fragility in the NE region.** Across the six states of the NE—Borno, Yobe, Adamawa, Bauchi, Gombe, and Taraba—there has been an estimated infrastructure damage of US\$9.2 billion and accumulated output losses of US\$8.3 billion.<sup>2</sup> Such extensive damage exacerbated the existing deficit in socioeconomic development in the NE, further straining a vulnerable population already among the poorest in the country. Social cohesion was deeply eroded, with social interaction among various social groups and ethnicities becoming increasingly challenging in an atmosphere characterized by mistrust, property and interpersonal disputes, and retaliation. Conflict and insecurity have also affected regular economic activities, bringing the already weak local economies to a virtual standstill. In the most directly and heavily affected BAY states, hundreds of thousands of households are living without access to basic infrastructure and social services. These pressing conditions demand immediate action to be taken as a response to recover from the damages and losses in the conflict-affected areas and to help the conflict-affected population restore their lives.

9. **In July 2015, after a series of successful military efforts that led to the recovery and stabilization of a part of the territory once controlled by the BH, the GoN requested the World Bank's support in the recovery efforts in the NE.** In response to this request, the World Bank in partnership with the European Union (EU) and United Nations (UN) conducted a Recovery and Peace Building Assessment (RPBA) from January to April 2016, which identified and measured crisis recovery needs in the NE. The RPBA involved extensive data collection, dialogue and stakeholder consultation, and the quantification of recovery and peace building needs across the affected states. It estimated the total needs for recovery and peace building at US\$6.7 billion across the three strategic areas of intervention—US\$150.5 million for peace building, stability, and social cohesion; US\$6.0 billion for infrastructure and social services; and US\$473.5 million for economic recovery. These needs are spread across the initial stabilization and early recovery phase (Years 1–2) and the subsequent medium-term recovery phase (Years 3–4). The overall needs in BAY states by sector according to the RPBA are summarized in annex 1. The GoN has also requested the support of the World Bank, EU, and UN in implementing the recommendations provided by the RPBA, including the adoption of a programmatic approach for stabilization and recovery. As such, a post-RPBA process has been agreed with the GoN, under which the World Bank and other partners will provide technical assistance (TA) to strengthen the institutional and legal frameworks for recovery, the prioritization and monitoring and evaluation (M&E) mechanisms, and a financing strategy for the NE.

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<sup>1</sup> Lake Chad Regional Forced Displacement Assessment 2016.

<sup>2</sup> Recovery and Peace Building Assessment for North-East Nigeria, 2016.



10. **The GoN has demonstrated strong commitment to address the recovery and development challenges in the NE and requested financial support for its crisis recovery program.** The initial World Bank response, totaling US\$775 million, includes (a) the development of this proposed US\$200 million Multi-Sector Crisis Recovery Project (MCRP) for NE Nigeria, which serves as a node of convergence in supporting the overall recovery efforts in the NE, and (b) a US\$575 million additional financing (AF) program to six existing projects, already approved by the World Bank Board, to address service delivery gaps. The World Bank program targets short- and medium-term recovery, stabilization, and peace building through coordinated emergency transition and stabilization activities in the six NE states.

11. **Now that significant portions of the territory formerly controlled by the BH are under Government control, it is of critical importance to support the GoN to immediately secure, consolidate, and translate these gains into developmental progress.** Given the limited window of opportunity created by improved security, combined with a high-level authorizing environment, there is a critical need for immediate action on early recovery. The significant scale of the crisis triggered by the conflict has overwhelmed the Government's response systems. This, combined with the fact that the BH heavily targeted service delivery infrastructure and government offices during the conflict, has further limited the capacity of the Government to address the basic needs of the population. The project is therefore being processed under paragraph 12 (Situations of Urgent Need of Assistance) of OP 10.00 (Investment Project Financing) and is being prepared using condensed procedures, including deferral of environmental and social requirements to the project implementation phase.

## B. Sectoral and Institutional Context

### *Dynamics of the BH Conflict and Impacts on Social Cohesion*

12. **Besides the socioeconomic disparities, the lagging NE states suffer from deep governance and institutional issues that contribute to the BH conflict.** The state's limited presence has given rise to an array of non-state institutions and actors—traditional, community, private, and sometimes criminal—that have grown to fill the governance void in areas such as security, service provision, and justice. A series of incidents—the most pivotal being the detention and death of the movement's leader, Mohammed Yusuf, while in custody in 2009—were factors that caused the violent radicalization of the BH members. These issues combined with social and economic disparities and lack of opportunities for the youth created conditions for the emergence and spread of the conflict.

13. **The BH's extremist ideology and its heavy reliance on tactics of indiscriminate terror, perpetrated against a wide array of targets, have significantly affected social relations, further dividing and polarizing an already fragmented society.** The group was identified as the single deadliest terrorist group globally in 2014.<sup>3</sup> The repeated but unpredictable incidences of violence have created widespread suspicion, mistrust, and apprehension, leading to fragmentation along religious, ethnic, and other cultural fault lines and undermining the social contract between the Government and its citizens. Traditional institutions and community-level conflict management mechanisms (such as local government councils, local courts, and religious institutions) have been undermined by the conflict, leaving significant gaps in the capacity of these institutions to mediate and manage conflicts.

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<sup>3</sup> Institute of Economics and Peace 2015.



14. **The potential for increased tension between host communities and IDPs is also a concern, as the coping mechanisms and services in host communities are largely stretched by the influx of 2 million displaced people.** The majority (81 percent) of Nigerian IDP currently live in host communities, while the remaining 19 percent live in camps or camp-like settings,<sup>4</sup> adding to the strain of already overstretched service delivery systems available in urban areas. Services and livelihoods previously available in their places of origin are also affected, limiting prospects of return.

15. **The conflict has had disproportionate impacts along gender lines, making this a factor that should be taken into account when planning and implementing recovery efforts.** As in other armed conflicts, casualties in NE Nigeria are predominantly young men. This, together with the separation of families and the systematic migration of men toward larger and safer cities to be able to provide for their families back home, has translated into a significant increase of ‘unconventional’ households, with women, elders, and even youth and children as their main breadwinners. Women have also become targets of violence during the conflict, being victims of sexual and gender-based violence and abduction, and have been disproportionately affected by forced displacement, being overrepresented among the most vulnerable.

*The Urgent Need to Rehabilitate Basic Service Delivery Infrastructure*

16. **One of the furthest-reaching effects of the conflict is the vast scale of forced displacement that it has caused, overstressing the capacity of the host communities in resources and service delivery.** Displacement has drastically affected the living conditions, poverty status, and social cohesion of the affected population and communities. Individuals and families fled from conflict and lost all their productive assets, homes, and possessions. In the process of displacement, families and communities became separated, severing crucial social ties and safety nets, all of this translating into an increased level of vulnerability, particularly on the part of unaccompanied children, women heads of households, and older people.

17. **The BH conflict has inflicted huge damages and losses on the physical infrastructure in the NE states, and social services have been interrupted or deteriorated in many places.** More than three-quarters of the damages are in Borno (US\$6.9 billion), followed by Yobe (US\$1.2 billion) and Adamawa (US\$828 million). The combined impact on the physical and social sectors has been so substantial that access to basic services has become a major issue for the residents of the conflict-affected areas. Damages and recovery needs are the highest among some of the following key public service delivery sectors:

- (a) **Transport.** Roads and bridges have been damaged extensively by explosive devices and the unprecedented movement of military vehicles, seriously affecting the mobility of goods, services, and people. Destroyed and damaged local roads have limited residents’ access to markets, schools, health facilities, and other community services.
- (b) **Education.** The conflict has particularly affected the education and vocational systems, which were heavily targeted by the BH. Schools were damaged and destroyed, teachers were threatened and in some cases killed, and schools were transformed into shelters for

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<sup>4</sup> International Organization for Migration. 2016.



IDP. Schools that are in operation across the three BAY states are overcrowded and are largely unable to meet the needs of the host population and IDP.

- (c) **Health.** Health facilities have also been systematically targeted, leading to damage and destruction of hospitals, health centers, and nonpermanent facilities. As a result, the already weak health infrastructure in these states has further deteriorated. Even in communities where health facilities are functioning, lack of medicines and the cost of treatment are key factors preventing IDP from accessing health services.
- (d) **Water and sanitation.** The conflict has seriously damaged water and sanitation infrastructure, and the increase in population due to the inflow of IDP has placed an additional burden on already strained water and sanitation facilities. The provision of sufficient water points and sanitation facilities is a priority need in locations where an influx of IDP has led to overcrowding and saturation of such facilities.
- (e) **Public buildings.** In the conflict-affected areas, nearly 700 public buildings were destroyed or rendered dysfunctional including police stations, jails, post offices, and other state and local administrative buildings which provided key municipal services to the residents. Recovering these services and rehabilitating these public buildings also, therefore, represents an urgent need and challenge for the affected states.

#### *Institutional Context*

18. **The federal and state governments have formulated several initiatives and plans for recovery and development in the NE.** Historically, these have included the Presidential Initiative for the North East (PINE) and the North East States Transformation Strategy (NESTS), and more recently, these have galvanized in the form of the Buhari Plan for NE Interventions. The Buhari Plan is an amalgamation of a number of plans focused on the NE, including the RPBA. At the same time, state-level prioritized Strategic Plans of Actions for Recovery and Stabilization (SPARS) are being developed by the BAY states to prioritize immediate needs and identify financing gaps. These are being developed based on extensive consultations with affected communities, ensuring a bottom-up and state-driven approach, to complement the implementation frameworks recommended in the Government's RPBA and Buhari Plan.

19. **The Buhari Plan and the RPBA provide the analytical underpinnings for developing and operationalizing an overall programmatic implementation framework of crisis recovery for the NE.** The GoN, World Bank, and key development partners agreed that such an implementation framework will comprise the following five elements: (a) policy development; (b) prioritization and sequencing of recovery; (c) institutional framework and implementation strategy; (d) recovery financing strategy; and (e) program oversight and M&E. This approach will allow the prioritization of both the immediate and medium-term needs identified in the RPBA, which will pave the way for incrementally addressing the longstanding developmental deficits identified in the Buhari Plan, the PINE, and the NESTS.

20. **At the federal level, the institutional landscape for the coordination and oversight of the Government's NE recovery program is firming up.** The mandate for the Presidential Committee for the North East Initiative (PCNI) was formalized by the Presidential Executive Order from President Buhari in September 2016. The PCNI will serve as the primary national strategy, coordination, and advisory body



in the federation for the transformational and developmental efforts in the NE to achieve peace, stability, socioeconomic rehabilitation, reconstruction, and long-term sustainable development of the region.<sup>5</sup> This mandate will focus on coordination and oversight and not on implementation. According to the Presidential Executive Order, the PCNI will have a tenure of three years, by which time, a long-term regional development framework or entity is expected to be designed and formalized to drive the long-term development of the NE region. In parallel, the Federal Ministry of Budget and National Planning (FMBNP) is leading a high-level task force on the coordination of humanitarian relief efforts in the NE.

21. **At the state level, multi-sector coordination forums are needed, or existing coordination mechanisms should be strengthened to manage recovery and stabilization programs.** Borno and Adamawa already have some mechanisms in place that can provide a starting basis for the evolution of such state-level coordinating bodies, including the establishment of a Ministry of Reconstruction, Rehabilitation, and Resettlement in Borno and a state-level committee in Adamawa. Yobe is in the process of setting up structures to perform these functions. These coordination bodies are expected to play a critical role in coordinating with the World Bank and other development partner projects at the state level.

### C. Higher-level Objectives to which the Project Contributes

22. **The proposed operation will contribute to the World Bank's global twin goals of eliminating extreme poverty and boosting shared prosperity.** By rehabilitating basic service delivery infrastructure in the affected areas and by providing support to rebuild social cohesion at the community level, the proposed MCRP interventions aim to improve the living conditions of the residents of the affected areas, provide the means for reducing extreme poverty, and strengthen the social platforms necessary for them to enjoy the benefits of shared prosperity. Given that this project is supporting the BAY states in the NE region, where the country's highest concentration of poor population resides, the MCRP will, through providing substantial support to rehabilitate the services and restore the lives and livelihoods, contribute to mitigate the severe poverty situation in the NE region as well as in the country as a whole.

23. **The operation is also fully aligned with the World Bank's Country Partnership Strategy for Nigeria.** The Country Partnership Strategy for FY14–FY17 (Report No. 82501-NG) is structured around three strategic priorities: (a) promoting diversified growth and job creation, (b) improving the quality and efficiency of social service delivery at the state level to promote social inclusion, and (c) strengthening governance and public sector management with gender equity and conflict sensitivity. The proposed operation lies at the heart of the second priority in that it will significantly improve social services in three NE states by recovering and rebuilding infrastructure and social service facilities with the 'building back better' principle. It also responds to the third priority by providing technical support to the states for social cohesion and peace building efforts while promoting gender equity and conflict sensitivity as key guiding principles for project design and implementation.

24. **The MCRP fully aligns with and is an integral part of the broader recovery strategic framework outlined in the RPBA toward the GoN's priority agenda of affecting sustainable and resilient crisis recovery in the NE region.** The proposed objectives of the MCRP are aligned with the four strategic outcomes for recovery and peace building set out by the RPBA, including (a) safe, voluntary, and dignified return resettlement of displaced populations; (b) improved human security, reconciliation, and

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<sup>5</sup> The Federal Government of Nigeria, the Presidential Committee on the North East Initiative Establishment Directives 2016.





violence prevention; (c) enhanced government accountability and citizen engagement in service delivery; and (d) increased equity in the provision of basic services and employment opportunities.

25. **The MCRP has been designed in a complementary manner with the World Bank AF operations, becoming an integral part of the World Bank response to the NE.** The immediate World Bank response includes the following Board-approved AF projects: the Community and Social Development AF-2 (CSDP - P157898), the Youth Employment and Social Support AF (YESSO - P157899), the Additional Financing Nigeria State Health Investment Project (NSHIP - P157977), the Additional Financing NG- Polio Eradication Support Project (P158557), AF - State Education Program Investment Project (SEPIP - P157890), and the Third National Fadama Development Project (FADAMA III - P096572).

26. **The proposed MCRP approach is also aligned with the analytical conclusions and guidelines provided by the recent study of forced displacement in the Lake Chad region conducted by the United Nations High Commissioner for Refugees (UNHCR)-World Bank.**<sup>6</sup> This entails the incorporation of the principle of providing integral and holistic responses to forced displacement, focusing on the needs of the displaced population and host communities in a joint and comprehensive manner, between the Government, communities, and development partners.<sup>7</sup>

## II. PROJECT DEVELOPMENT OBJECTIVES

### A. PDO

27. The proposed Project Development Objective (PDO) is to (a) support the Government of Nigeria towards rehabilitating and improving critical service delivery infrastructure, improve the livelihood opportunities of conflict and displacement-affected communities, and strengthen social cohesion in the North East Participating States of Borno, Yobe and Adamawa; and (b) in the event of an Eligible Crisis or Emergency, to provide immediate and effective response to said Eligible Crisis or Emergency, through the proposed Contingent Emergency Response Component.

### B. Project Beneficiaries

28. **Project beneficiaries will include forcibly displaced populations, host communities, and other conflict-affected communities in the BAY states, across urban and rural areas.** Accordingly, the project results monitoring system will track support provided to individual beneficiaries from the IDP, host, and other affected communities. While the project is designed to directly benefit conflict- and displacement-affected populations in the BAY states, the total number of direct beneficiaries will depend on the states' annual investment plans. It is expected that, given the existing budget, approximately 150,000 people (including forcibly displaced and host community members) will benefit from interventions supporting stabilization, social cohesion, infrastructure rehabilitation, and service delivery restoration and improvement. The proposed operation will pay special attention to the needs of the most

<sup>6</sup> The UNHCR, and the World Bank Group. 2016. *Forced Displacement by the Boko Haram conflict in the Lake Chad Region*.

<sup>7</sup> "...The wider paradigm advocated here [Forced Displacement Assessment by the Boko Haram conflict] should encompass the needs and priorities of host communities and people in areas of return, as well as those of the displaced, under a common vision and planning framework. Too often, displacement proves itself to be protracted. Even where it is not, integrating displaced populations into local planning mechanisms can bring sustained benefits to both host and the displaced." (The UNHCR and the World Bank Group 2016, 62)



vulnerable groups, such as widows and orphans, to ensure that they benefit from the proposed interventions.

29. In addition to the aforementioned direct beneficiaries of the project, a major proportion of the overall crisis-affected population of the BAY states will benefit from efforts to strengthen the Government's capacity to respond to and manage the recovery process. The people of Nigeria in general will also indirectly benefit from stabilized security and improved development outcomes in the NE region.

### C. PDO-level Results Indicators

30. Achievement of the intended PDO will be monitored by the following indicators:

- Number of direct project beneficiaries (percentage of which are women)
- Number of beneficiaries that have improved livelihood opportunities with project support
- Number of beneficiaries with additional or improved access to service delivery infrastructure (percentage of which are women)
- Percentage of beneficiaries satisfied with project activities towards increased social cohesion (percentage of which are women)

## III. PROJECT DESCRIPTION

31. **The project bridges the gap between humanitarian and development activities.** It takes a gradual, phased, and two-pronged approach that includes: (a) a surge of high-impact, early recovery interventions in the period of stabilization for rebuilding lives and livelihoods while humanitarian operations continue in tandem; and (b) a gradual transition toward medium-term recovery and resilience building through investments in social cohesion, productive capital, and social infrastructure. The key elements of the proposed approach are the following:

- (a) Respond to the immediate needs of forcibly displaced populations and host communities to bridge the gap between humanitarian support and medium-term development in areas that remain largely underserved. While focusing primarily on medium-term multi-sector recovery and strengthening of social cohesion, the project will facilitate the transition from humanitarian operations to early recovery. In this regard, the project will help scale up the provision of basic necessity kits and livelihood assistance to vulnerable populations.
- (b) Facilitate the restoration of the social fabric and the social contract between the Government and its citizens, by bringing different groups together, and supporting initiatives that address some of the root causes of the conflict, as well as providing psychosocial support to those affected by the conflict.
- (c) Sustainably restore and improve service delivery and economic livelihood opportunities across sectors, through reconstruction, rehabilitation, and improvement of service delivery infrastructure in affected areas.





32. **The proposed MCRP will adopt a programmatic approach to recovery and peace building as recommended by the RPBA.** Under this approach, the MCRP is seen as a subset of a larger multi-sector and multi-partner solution to crisis recovery, addressing the service delivery and social cohesion needs identified in the RPBA. The MCRP is intended to serve as a central node of convergence, promoting a platform for coordinating among related interventions from the Government, development partners, and other World Bank projects. This will help deliver mutually complementary multi-sector outcomes while following the key guiding principles and synchronized implementation modalities described below.

33. **Flexibility.** The MCRP will allow flexibility in resource allocation across various project components and various geographic locations in the BAY states. Such flexibility is necessary to avoid risks of disruption and/or destruction of project investments because of security reasons and to avoid overlaps and maximize complementarity with other projects as they materialize in the coming years. Taking such a flexible approach also requires building flexibility in the project Results Framework and other related aspects.

34. Flexibility in the project design is reflected in the following aspects: (a) the PDO allows the selection of interventions across multiple sectors and is not confined to specific sectors; (b) the infrastructure component retains flexibility to allocate resources across subcomponents progressively during implementation, based on specific annual investment plans prepared by the states; and (c) about 20 percent of the project amount will remain unallocated and distributed to the three states based on their relative implementation performance.

35. **Systematic and progressive prioritization.** Given the gaps between the overall needs identified by the RPBA and the available resources from both domestic and international sources, there will be a need for systematic, criteria-based, and progressive prioritization of needs across and within various sectors and the affected states. Such an approach will increase the likelihood of a smoother transition from immediate to medium-term recovery as well as ensure the deepening, consolidation, and sustainability of the expected project impact. The proposed prioritization process comprises three dimensions:

- (a) Geographic prioritization, based on a bottom-up consultative approach led by the states using multiple prioritization criteria and conflict-sensitive programming
- (b) Sectoral and subsectoral prioritization, based on the results of a prioritization exercise conducted together with these states and the relevant development partners (see Section D. Role of Partners)
- (c) Temporal prioritization, premised on a combination of support to address both immediate and medium-term needs for stabilization and recovery as proposed by the RPBA

36. **Conflict sensitivity.** The prioritization process, along with overall project preparation and implementation, will be conducted adopting a bottom-up approach led by the states and informed by community consultations. Conflict sensitivity will be central to this project, ensuring proper identification and mitigation of conflict risks, supporting conflict resilience, and addressing key drivers of conflict.



37. **Maximizing complementarity and avoiding overlaps.** The programmatic-framework approach adopted by the MCRP ensures complementarity and reduces the risk of duplications across the range of interventions proposed or undertaken by government institutions and development partners. The MCRP has been designed based on a rigorous gap analysis, ensuring complementarity with all known responses in the NE including the World Bank AF projects, the proposed African Development Bank (AfDB) and Islamic Development Bank (IsDB) projects, and the EU-supported interventions (see annex 5). Institutional strengthening will be provided to enhance the Government's capacity to coordinate among relevant actors in the region and ensure ongoing activities are mutually supportive (see Section IV.A - Institutional and Implementation Arrangements for further details).

38. **Selectivity and impact maximization.** The project resource allocation is only a fraction of the overall needs estimate of the RPBA. The project will only target the three most heavily and directly affected BAY states to concentrate and deepen the project impact in fewer states rather than spreading it thin across the six affected states. Hence, the selection of the project states, and subsequent project resource allocation across these states, is based largely on the principles of 'impact proportionality' and 'impact maximization'. The AfDB and IsDB infrastructure interventions are being spread across the six affected states, which also allows the World Bank project to place focus on the BAY states.

39. **Build-back-better principle.** This principle will be adhered to, taking into account both the drivers of conflict (as mentioned above) and climate and disaster risks. Extreme climate events could negatively affect the project outcomes, and therefore, all assets and services financed under the project will be designed to improved build-back-better standards, taking into account climate and disaster risks, which will come at an added cost. It is estimated that adaptation to climate and disaster risks will add approximately 10 percent to reconstruction costs.

## A. Project Components

40. **Component 1: Strengthening Peace Building, Stability, and Social Cohesion<sup>8</sup> - SDR 22.3 million (US\$30 million equivalent).** The focus is on:

- (a) Transitional support toward stabilization and self-reliance by
  - (i) Increasing and improving the access to basic necessity kits<sup>9</sup> and
  - (ii) Restoring immediate access to productive assets by providing agricultural inputs<sup>10</sup> and livestock for farming families and trading commodities for non-farmers.
- (b) Increasing community resilience and cohesion by

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<sup>8</sup> Social Cohesion describes the nature and quality of relationships across people and groups in society, including the state (The World Bank 2013). In the context of the MCRP, strengthening social cohesion implies supporting the creation of convergence mechanisms and platforms across groups in society that allow them to peacefully manage collective action as well as improving their immediate living conditions.

<sup>9</sup> This could include, but not necessarily be limited to, items necessary for the restoration of households, including kitchen sets, mosquito nets, plastic mats, blankets, hygiene kits, and other necessities.

<sup>10</sup> Inputs to be provided could include, but not necessarily be limited to, seeds of local staple crops (such as maize, sorghum, beans or cowpea); fertilizers (such as nitrogen, phosphorus, and potassium and urea); and manual tools. Pesticides are excluded from support packages.



- (i) Setting up local peace groups that bring together local authorities (government, traditional, and religious) and representatives of different segments of the population;
  - (ii) Financing social cohesion initiatives that address the key drivers of the conflict and the acute needs emerging from it, such as social integration of out-of-school children and youth at risk; provision of life and soft skills for collective action; conduct of cultural, sport, and social activities that promote common identities and intergroup interaction; and conduct of various violence-prevention and de-stigmatization campaigns; and
  - (iii) Providing community-based psychosocial support.
- (c) Citizen-government relationship building for recovery by strengthening government capacity to consult stakeholders at local and ward levels and support them in planning for recovery and peace building.

41. **Component 2: Infrastructure Rehabilitation and Service Delivery Restoration and Improvement – SDR 111.6 million (US\$150 million equivalent).** This component will include the rehabilitation of critical physical infrastructure and the sustainable restoration of service delivery. Interventions under this component will be spread across the following sectors:

- (a) **Transport.** Rehabilitation and improvement of critical state and local transport infrastructure, including reconstruction and repair of damaged bridges and state and local roads
- (b) **Restoration of municipal services.** Reconstruction and rehabilitation of water supply facilities, sanitation, and solid waste management infrastructure and service delivery
- (c) **Education.** Reconstruction and repair of damaged school infrastructure such as classrooms, offices, fences, playgrounds, latrines, labs, and other associated service delivery interventions
- (d) **Health.** Reconstruction or rehabilitation of health center buildings and other associated service delivery interventions in respect of staff, furniture, and supplies
- (e) **Public buildings.** Rehabilitation and reconstruction of damaged local government buildings particularly those seen as critical for restoring service delivery functionality across multiple sectors

42. **Component 3: Technical Assistance and Program Management Support – SDR 14.9 million (US\$20 million equivalent).** This component will include TA for (a) strengthening the institutional capacity for the coordination of the programmatic recovery program, in line with the Buhari Plan and the RPBA and (b) strengthening the MCRP implementation capacity. Support for overall programmatic and policy coordination at the federal, interstate, and intrastate levels will include the provision of TA for the development of implementation and performance management frameworks for programmatic recovery. Project implementation support will include (a) program management costs, including the



engagement of a project management firm; project M&E; contract management; financial management (FM) and procurement; and safeguards implementation, monitoring, and management; (b) immediate and medium-term support and capacity building for project implementation in the Project Coordination Units (PCUs) and sectoral line agencies; and (c) setting up of citizen engagement and third-party monitoring mechanisms.

43. **Component 4: Contingent Emergency Response – SDR 0 million (US\$0 million equivalent).** This contingent emergency response component (CERC) is included under the project in accordance with OP/BP 10.00, paragraphs 12 and 13, for situations of urgent need of assistance, as a project-specific CERC. This will allow for rapid reallocation of project funds in the event of a natural or man-made crisis in the future, during the implementation of the project, to address eligible emergency needs under the conditions established in its operations manual. This component will have no funding allocation initially and will draw resources from the unallocated expenditure category in the case of activation. If an Immediate Response Mechanism (IRM) is established, this component will serve as an IRM CERC to allow the reallocation of uncommitted funds from the project portfolio to the IRM Designated Account (DA) to address emergency response and recovery costs, if approved by the World Bank.

## B. Project Cost and Financing

44. **Project cost and implementation period.** The total project cost is SDR 148.8 million (US\$200 million equivalent), which will be financed by an IDA Credit. The distribution of costs across the proposed components is provided in Table 1. The implementation period for the project is proposed to be four years.

**Table 1: Project Cost and Financing by Component**

Project Components	Project Cost (millions)		IDA Financing (millions)	
	SDR	US\$	SDR	US\$
Component 1: Strengthening Peace Building, Stability, and Social Cohesion	22.3	30	22.3	30
Component 2: Infrastructure Rehabilitation and Service Delivery Restoration and Improvement	111.6	150	111.6	150
Component 3: Technical Assistance and Program Management Support	14.9	20	14.9	20
Component 4: Contingent Emergency Response	0	0	0	0
<b>Total Project Costs</b>	<b>148.8</b>	<b>200</b>	<b>148.8</b>	<b>200</b>

45. **Project funds are proposed to be apportioned to the three BAY states based on a combination of factors including relative level of needs, implementation readiness and absorption capacity, and prevailing and expected security levels and risks.** The total current overall allocation of US\$155 million to the states includes US\$65 million for Borno (32.5 percent of total project resources) and US\$45 million (22.5 percent of total project resources) each for Yobe and Adamawa. The Federal Government will receive US\$5 million (2.5 percent of total project resources) in TA and project management. Each component amount will be distributed according to the same percentages, with the possible exception of any components that require the use of common resources such as certain types of project



management costs, which will be handled through the PCNI. The Project Management Consultancy (PMC), for example, is expected to be hired and managed by the PCNI, on behalf of the three states.

46. **The remaining US\$40 million will remain unallocated, and its distribution will be decided at the project midterm stage, based on a set of agreed criteria.** This is due to the very fluid situation in the country, with regard to the security situation, the movement of displaced persons, and the available financing from the Government's budget and donors for specific sectors in the respective states. This will also provide an incentive for the states to demonstrate their absorptive capacity and not delay disbursements and will mainly affect Component 2. Criteria will, therefore, consider factors such as implementation performance, level of support from other development partners and associated financing gaps in the project sectors, and a reassessment of the security situation. Such allocation shall be done through the Federal Ministry of Finance (FMoF) in consultation with the PCNI and the BAY states. Once this allocation is decided, this remaining balance will be allocated to the respective states' DAs.

### C. Lessons Learned and Reflected in the Project Design

47. **The proposed project design builds upon and has benefited from experiences and lessons learned from similar emergency and/or crisis recovery situations nationally and internationally.** These include the 2015 Iraq Emergency Operation, the 2016 Malawi Drought Recovery and Resilience Project, ongoing lending activities in NE Nigeria by the World Bank and other development partners, and the Development Response to Displacement Impacts Project in the Horn of Africa. Key lessons learned include issues related to flexibility and conflict sensitivity of the project design to adapt to the evolving security context.

48. **Holistic multi-sectoral programming and progressive prioritization are necessary for an effective and sustainable response to crisis and displacement.** The RPBA highlights that interventions aimed at the physical reconstruction and rehabilitation of social, physical, and productive assets need to be paired with peace building and social cohesion activities to ensure the sustainability of the recovery efforts. In addition, a framework project resource allocation and implementation approach is necessary in such situations as it provides room for periodic course corrections and relies on progressive prioritization exercises throughout the project implementation period. This takes into account the need to encourage other development partners to use the same programmatic approach and ensure complementarity with existing initiatives.

49. **Building back better and smarter through community-level activities.** Based on the World Bank's experience in postcrisis engagement worldwide and in view of the socioeconomic situation in NE Nigeria, a sustainable response to crisis recovery requires not only the restoration of physical, productive, and social assets to improved standards, but also the rebuilding of the social fabric at the local level to address the root causes of conflicts and generate inclusive benefits for the broader population. This will require developing and implementing adequate bottom-up and participatory community engagement mechanisms for the design and implementation of the project interventions.

50. **State-led investment planning and subprojects.** Given the overwhelming needs for recovery, peace building, and reconstruction revealed by the RPBA and the available resources from both domestic and international sources, the needs and corresponding responses should be prioritized for actual implementation. The prioritization and sequencing of intervention activities will be led by the



respective states, with involvement of key stakeholders and in consultation with local population. These will be reflected in the preparation of state-level annual investment plans based on clear and objectively verifiable prioritization criteria and will be aligned with the Buhari Plan and the RPBA Strategic Framework and will also take into account ongoing and proposed projects and programs by other development partners.

## IV. IMPLEMENTATION

### A. Institutional and Implementation Arrangements

51. **The proposed project will build on existing institutional structures and will establish new bodies only where needed, with specific and time-bound mandates.** Given the unprecedented nature of this conflict, new bodies for the coordination of the recovery program in the NE have been established at the federal and state levels, including the PCNI and the Ministry of Reconstruction, Rehabilitation, and Resettlement in Borno State. Yet, some of these institutions will evolve with time, and possibly new and more permanent ones will emerge, including the possible creation of the North East Development Commission (NEDC). The project is hence proposing to (a) strengthen existing institutions such as the PCNI to perform roles such as coordination at the federal and state levels and (b) strengthen the MCRP implementation capacity. To this end, the GoN will develop and maintain a detailed Project Implementation Manual (PIM) to further elaborate the roles and responsibilities of the project's implementation apparatus as well as lay out detailed technical and operational decision-making processes.

#### *Recovery Program Coordination*

52. **The MCRP activities will align with the overall recovery and stabilization program for the NE proposed by the RPBA and Buhari Plan, coordinated by a federal-level apex committee.** According to the Presidential mandate establishing the PCNI, this will be initially convened by the PCNI and anchored within the Vice President's office. The committee will include representatives from the Vice President's office, the PCNI, the Secretary to the Government, the FMoF, the FMBNP, and the BAY State Governors. This committee is also envisioned to provide oversight of the recovery program activities in the NE, as well as central policy guidance and standard-setting as required on a periodic basis to ensure effective coordination and harmonization of recovery and peace building initiatives in the NE, supported by the Government as well as the development partners.

53. **Institutional coordination necessary at the programmatic level includes the setup of the Nodes of Strategic and Operational Convergence for the NE Program.** As explained earlier, the project will promote coordination across various development partner programs for the NE by supporting the establishment and activation of three critical nodes of strategic and operational convergence:

- (a) Federal-level coordination will be carried out through an apex body (the PCNI and, possibly in the future, the NEDC), facilitating the recovery program coordination between federal government entities, development partners, and state governments, monitoring progress toward the overall recovery and peace building plans of the GoN, and facilitating coordination with humanitarian efforts.



- (b) Interstate coordination will be carried out on a regular basis by the PCNI, ensuring consistency of recovery policy and programming across different states and regular dialogue between the states to ensure effective policy coordination and alignment of implementation arrangements. Interstate meetings will take place at least on a six monthly or needs basis. The PCNI's state officers will also play a key role in facilitating coordination across the states and between the states and the Federal Government.
- (c) Intrastate steering committees will be in charge of the overall coordination of recovery and peace building activities within each state and collective decision making among line ministries, departments, and agencies (MDAs) involved in the recovery and peace building process through the setup of a recovery and peace building steering committee. The state steering committees will coordinate and oversee the implementation of recovery and peace building efforts at the state level, ensuring synergies across initiatives supported by different development partners.

54. Two additional nodes of convergence over and above the project-supported mechanisms are envisioned for development partner coordination. This includes the North East Development Coordination Group, currently led by the United Kingdom's Department for International Development (DFID), as well as an internal coordination mechanism for all World Bank initiatives in the NE.

#### *Project Implementation*

55. In line with the overall recovery program for the region, the MCRP implementation is designed to be adaptive to the evolving situation and, therefore, will also require a high degree of multi-sectoral coordination across all recovery and peace building initiatives.

56. **State-level PCUs.** The PCUs will focus on quality and process oversight, FM, procurement, reporting, contract management, and M&E and on ensuring social and environmental safeguards compliance. In addition to coordination upwards to ensure the project responds to the evolving recovery needs of the state, the PCUs will also coordinate across different sectoral line agencies to implement the multi-sectoral project activities. To develop economies of scale and a coherent state-led crisis recovery program, the PCUs will also ensure the MCRP coordination with related infrastructure projects supported by the IsDB and AfDB.

57. **Sector-specific activities will build on existing institutional capacity and structures of the MDAs.** For Component 1, project implementation will be carried out by the state PCUs, given the intersectoral nature of the component and that functions such as return and reintegration of forcibly displaced population or social cohesion fall beyond the mandate of a single ministry. In this case, while the activity implementation will be outsourced to specialized service providers (as few as possible to ensure consistency), the state PCUs will be responsible for carrying out technical functions of site identification, development of bidding documents, technical assurance, and other necessary oversight. For Component 2, project implementation will be carried out by the relevant sectoral/technical MDAs in each state. The project will finance the operating costs of the respective project teams in these MDAs to ensure that existing capacity and organizational structures are used and enhanced where necessary. The staff working on the project will report to the respective line agency hierarchy on a daily basis for technical implementation and will report back to the PCUs on a regular basis on overall project implementation progress.





58. **The three state PCUs will be reinforced by a PMC that will provide timely and quality support in technical, fiduciary, and safeguards areas and will be supported by local partners for synergy of cooperation.** The PMC will provide implementation support to the PCUs on a phased basis. This will include intensive support in the first year to build the capacity of the PCUs and then gradually phase out over the lifetime of the project. The PMC shall be expected to provide the PCUs with intensive ‘on the job’ training during the first phase of the project. The PMC will ensure that the management of all aspects of the MCRP implementation, including fiduciary, safeguards, and technical, is done in accordance with the guidelines of the World Bank and within procedures of the State Governments. A single PMC supporting the three states could create economies of scale and enhance learning, cooperation, and harmonization between the different states. In addition, the project will link with local partners such as universities and civil society organizations (CSOs) to fully mobilize available resources to improve the implementation capacity of the PCUs and to synergize cooperation from all partners under this project as a whole.

## **B. Results Monitoring and Evaluation**

59. **The project will put in place a multitier quality oversight and control and results monitoring mechanism entailing** (a) physical quality control and supervision, (b) results M&E system, (c) social accountability and grievance redress systems, and (d) periodic third-party performance verification and audits by independent parties. This is shown in detail in Figure 2.1 in annex 2, which also proposes the information flow and reporting mechanisms across multiple agencies.

60. **The target values of the indicators listed in the Results Framework were estimated based on preliminary assumptions surrounding the proposed budget allocation among the subsectors included in the proposed project components.** These targets may need to be adjusted during project implementation, based on possible variances in actual resource distribution across these subsectors because of the flexibilities requested under the proposed framework approach for this project. Under the framework approach, while priority sectors have been identified for financing under the project, the actual annual resources allocation to the sectors will depend on the results of the planned annual joint prioritization and work programming conducted by the states for the World Bank and other development partner projects. In addition, given the complexity of the context and project design, the project’s Midterm Review (MTR) will be undertaken after 18 months of project implementation.

61. **Outcome M&E.** The state PCUs will be responsible for operationalizing the state-level Results Frameworks and results monitoring system. The state PCU M&E reports will be centrally consolidated and maintained by the PCNI in the form of a project-level results M&E system. The PCNI will be responsible for the overall M&E of the project by maintaining an overall project-level results monitoring system to issue quarterly updates on the overall project implementation to all concerned quarters and the project’s constituent agencies at the federal and state levels.

62. **Implementation support will entail both routine and ad hoc quality checks at various stages of implementation.** Periodic monitoring will include process reviews, reporting of outputs, and maintaining of updated records. This will include the following: (a) social and environmental monitoring, (b) regular quality supervision and certification, (c) periodic physical progress and process monitoring, (d) third-party monitoring, and (e) results M&E. Third-party independent performance verification will be conducted on an annual basis to complement the above internal quality oversight mechanisms, particularly in remote locations that are difficult to reach, in addition to the World Bank’s routine





implementation support, with clear guidelines for the contracting and conduct of such activities to ensure the independence of such assessments.

63. **Social accountability and community engagement mechanisms will be enhanced through project initiatives.** First, Component 1 of the project includes a foundational principle of citizen involvement in the investment decisions. This will be done through the financing of community-based approaches that will focus on engaging those affected by the conflict (forcibly displaced population and host communities) and local government authorities (LGAs). Second, the project will focus on strengthening local governance through the reconstruction and repair of buildings where local authorities operate and the improvement of participatory mechanisms for recovery planning. Third, citizen feedback mechanisms will be put in place to gather the feedback of beneficiaries in communities benefiting from investments in infrastructure and service delivery (Component 2 of the project). Feedback tools will include conflict-sensitive indicators to provide early warning of potentially negative impacts of interventions, which may necessitate further mitigation strategies and adaptation. Community involvement could be enhanced by including community-based mapping of results, for example, using simple cell phone based applications. This requires the active mobilization of the communities in NE Nigeria, presence in the field, and communication in local language. A dedicated M&E team that works closely with the communities will therefore be required.

### C. Sustainability

64. The MCRP seeks to achieve sustainability by adhering to the following principles in the design and implementation of the project:

- **Multi-sector, multi-partner, programmatic approach.** Sustainable response to crisis recovery requires not only the reconstruction, rehabilitation, and restoration of physical, productive, and human assets to improved standards but also the rebuilding of the social fabric at the local level to address root causes of conflicts and generate inclusive benefits for the broader population.
- **Area-based, phased approach.** As the project matures, a gradual shift will be effected toward a more area-based recovery planning approach, including through bottom-up and participatory community-level engagement processes and civil society involvement, to create and sustain ownership of the interventions carried out and the impacts generated under the project.
- **Build back better.** All assets and services will be designed to improved, build-back-better standards. This could entail elements such as right-sizing, right-siting, structural improvements, improved quality control and service delivery regulation, and strengthened operation and maintenance standards.
- **Capacity building.** Given the considerable capacity limitations after years of conflict, substantial support will be provided under the project to strengthen the capacity of the states. Hence, the project will make adequate resource allocation for project management, capacity and skills enhancement, and TA, along with partners such as the AfDB and IsDB.



#### D. Role of Partners

65. **Given the overwhelming and urgent needs in the NE and the dozens of government and development partners engaged in meeting those needs, the project team has put a premium on coordination.** On the government side, these include the PCNI, FMBNP, FMOF, Office of the Secretary to the Government, Office of the Vice President, National Emergency Management Agency (NEMA), and the representatives of the state governments of BAY. From development partners, these include the EU, the UN, DFID, the United States Agency for International Development (USAID), the German Agency for International Cooperation (GIZ), the IsDB, and the AfDB. The World Bank convened these partners at a workshop in Abuja on August 17, 2016, to support the Government in the implementation of the recovery and stabilization program for the NE proposed by the RPBA and Buhari Plan.

66. **A number of development partners are supporting immediate humanitarian interventions and are planning to provide assistance for stabilization and medium-term recovery.** In addition to humanitarian responses and joint efforts on physical recovery, interventions that address critical social cohesion and service delivery needs of all affected population (including both IDP and host community members) are key in preventing conflict relapse in areas recently secured, as well as in tackling root causes of conflicts in a sustainable manner. Currently, over 62 partners are providing urgent multi-sectoral humanitarian assistance to conflict-affected people in BAY. The UN has developed a US\$248 million Humanitarian Response Plan for the NE supported by key bilateral donors, multilateral agencies, and the Red Cross. Multilateral Development Banks (MDBs) such as the AfDB and IsDB are also preparing to support medium-term recovery and reconstruction in collaboration with the World Bank and other partners.

67. **Project implementation will also follow an inclusive and consultative process with key development partners through existing donor coordination mechanisms and new coordination mechanisms as necessary.** This will help ensure close strategic harmonization and operational coordination across the interrelated interventions under various development partner programs under way or in the planning stages to contribute toward the broader crisis recovery program. The project team will also continue to leverage and promote the recovery and peace building strategy agreed under the RPBA to influence the crisis recovery planning and implementation of various development partners.

68. **Alignment with the MDBs.** The project team has discussed and agreed on the key elements of a common programmatic approach with the IsDB and AfDB, which are also developing similar infrastructure-focused recovery projects for the NE using the RPBA findings as a basis for project design. It has been agreed that the three states will work closely with the three MDBs to ensure that their respective projects are not designed and implemented as three separate interventions but as independent yet synchronized parts of a common programmatic framework. The AfDB has noted that its US\$250 million project on 'Inclusive Basic Social Service Delivery and Livelihood Improvement' has been realigned to the RPBA findings. The IsDB has noted that it is developing an investment package for the NE and has agreed to align with the joint programmatic approach.

69. **It was agreed that common implementation modalities and institutional arrangements will achieve economies of scale and empower the states to coordinate a sizeable MDB investment program for the NE.** Going forward, this will entail close collaboration between the World Bank, AfDB, and IsDB in the areas of (a) prioritization and sequencing of interventions and gap analysis to determine how to allocate resources in key infrastructure sectors across the three projects; (b) capacity assessment



of the three states to determine how to provide coordinated capacity-building support for efficient and effective program implementation; and (c) maximizing of the use of common implementation resources, consistent technical design processes, and harmonized FM, procurement, and safeguards compliance processes and procedures.

## V. KEY RISKS

### A. Overall Risk Rating and Explanation of Key Risks

70. **The overall risk for achieving the PDO is rated Substantial.** The rating for each category is listed in Table 2, with explanations underneath.

Table 2. MCRP Risk Ratings by Category

Risk Categories	Rating (H, S, M, or L)
1. Political and governance	H
2. Macroeconomic	S
3. Sector strategies and policies	M
4. Technical design of project	S
5. Institutional capacity for implementation and sustainability	H
6. Fiduciary	H
7. Environmental and social	M
8. Stakeholders	M
9. Others (Security)	H
<b>Overall</b>	<b>H</b>

71. **Political and governance risks are rated High.** The unprecedented nature of the issues leading to the emergency in the NE states poses a number of challenges for successful project implementation. Clear government policies related to the emergency transition and stabilization phases are needed, as well as mechanisms for federal and state government convergence of recovery and peace building priorities. The project, therefore, proposes the provision of TA at the federal and state levels for the formulation of consistent government policies on recovery and peace building. In light of the multi-sectoral nature of the MCRP, there are multiple actors at the state and federal levels that need to be involved in the recovery and stabilization efforts in the NE. The project will put a lot of emphasis on designing effective institutional arrangements necessary to ensure effective coordination among relevant government, civil society, and development partner stakeholders. Further, the nature of project interventions, targeting criteria, and geographical coverage are also politically sensitive. The project will make use of the Project Steering Committee and State Coordination Body for decision making and criteria setting to ensure multi-sector information flow is systematic and robust. Furthermore, the project will maximize opportunities for joint activity planning and implementation for activities that cut across various stakeholders and development partner programs.

72. **Macroeconomic risks are rated Substantial.** Falling oil prices have undermined economic growth in the country and remain a major source of risk, which may be exacerbated further by natural disasters and climate change. With reliance on a few primary exports and a relatively undiversified economy, Nigeria remains vulnerable to external demand and price shocks. The macroeconomic instability is compounded by pressures from weak fiscal management. The BH conflict in the NE



continues to threaten economic stability across the country, and so, the Government will need to continue to ensure a strong security presence in the years to come to combat future BH attacks.

73. **Risks related to technical design of the project are rated Substantial.** This project is designed to implement recovery interventions, which will involve multiple sectors in the three states, engaging different levels of government. Such complexity could lead to challenges related to resource allocation, prioritization, beneficiary targeting, and project implementation. To mitigate these risks, substantial TA and capacity-building support will be provided in the design and implementation of the activities at the federal and state levels to ensure these issues are considered up front. An additional technical design risk for this project is the potential rising of social tensions between IDP and host communities due to perceived inequalities arising from the project activities. To avoid this, activities under this project have been designed to address the needs of both groups. Beneficiary targeting mechanisms will be publicly disclosed, and communication and outreach strategies will be implemented to engage communities in the planning and oversight of project activities.

74. **Risks related to institutional capacity for implementation and sustainability are rated High.** The responsibility for project implementation will rely heavily on the states, whose capacity is weak, especially in the NE. Due to the dichotomized nature of institutional capacity and investment commitments, it is very challenging to commit large investments when the capacity of local institutions is inadequate. One of the ways to overcome this issue is to prioritize investments that could be implemented within the existing capacity and with adequate oversights of the state and federal program M&E structures. Because capacity building is a time-consuming activity, it is important to initiate this as part of the technical support subcomponent of the program in the immediate term and to streamline the project implementation processes in the medium and long terms. Substantial support will be used to strengthen the capacity of the PCUs. In addition to specific technical and fiduciary functions to be supported by individual consultants, a consulting firm is also being considered to support the Government in project management. Detailed definitions of respective roles and responsibilities of implementing partners will be clarified in the PIM.

75. **Implementation readiness of the states.** While implementation readiness seems to vary across the three targeted states, state ownership of the objectives and design of the proposed project remains high. This is manifested by their agreement to strengthen their existing institutional capacity on an urgent basis by setting up the PCUs agreed during appraisal. The states have also started providing their first-year specific investment plans across multiple sectors based on the prioritization process and criteria agreed with the World Bank team. The states will be utilizing the services of the existing Project Financial Management Units (PFMUs) at the state level and have also begun working on developing the project procurement strategy and plans. However, given the emergency nature of the project, the states have agreed to engage the services of the PMC that will provide services to help the states kick-start and maintain the project implementation momentum during the first two years of the project while their own capacity is gradually built.

76. **The project fiduciary risk is rated High.** All states of the federation have a PFMU. However, with the level of devastation in the NE, the FM Unit of the World Bank is committed to ensure that the required support is rendered to the project units. The current FM risk ratings for projects in Adamawa, Borno, and Yobe are Modest, Substantial, and Substantial, respectively. However, given the conflict situation of the project areas and the overstretched capacity of the financial management and procurement staff in the three states, it is estimated that the fiduciary risk associated with this project



would be higher than regular operations in the three states. Therefore the project fiduciary risk is rated High. Since 2003, the World Bank's assisted projects in Nigeria have benefited immensely from the PFMU, which is a platform of the FMoF, with assistance from the World Bank, to attend to the fiduciary responsibilities of the project at both the state and federal levels. The staff of this unit are usually the accountants and internal auditors seconded from the Offices of the State Accountants General or the Office of the Accountant General of the Federation. In this way, ready capacity is available for new projects at reduced cost and low risk. The PFMU ensures that all accounting information is properly captured and reported on time to the stakeholders through the required reports. Because building materials such as cement, roofing, and equipment and machinery are affected by the exchange rates, the cost of construction and rehabilitation of facilities could experience serious cost and time overruns. This means that physical and financial contingencies should be adequately provisioned in the investment plans.

**77. Security risks are rated High.** The dynamic nature of the conflict poses significant implementation and supervision risks for the project. All project interventions will be carried out in moderate- to high-risk security environments, given that the BH still maintains the ability to launch periodic attacks in some parts of Borno and Yobe. This can put both the project implementation staff and the assets created under the project at medium to high risk. For mitigation, the use of third-party monitors, local nongovernmental organizations (NGOs), and other civil society groups for supervision and M&E will be explored. To further mitigate this risk, the subproject selection criteria under the strategic action planning exercise will consider security factors and avoid high-risk areas based on periodic security assessments. Flexibility and adaptability of the project design has also been built in the project, allowing it to adapt to the situation in case of an escalation of the conflict. Also, security premiums have been factored into the project cost estimates, and bidders of works and services contracts will be required to include security costs into their bid prices. Additionally, the World Bank and other development partners will also work with the Federal Government to set up a mechanism for receiving regular security assessments and updates. Under such a mechanism, any upcoming security risks could be brought up by the states and the development partners and mitigation measures accordingly agreed and put in place by the federal and respective state governments. Meanwhile, to mitigate the security risks associated with explosive remnants which might be found in the three BAY states, all subproject activities will only be conducted in the areas that have been declared safe and clear of explosive remnants of war. The GoN and the governments of the three BAY states are responsible to ensure that any area in which the Project will be implemented has been cleared, by providing a confirmation in form and substance satisfactory to the World Bank. Detailed process and requirements regarding this matter will be included in the PIM.

**78. Climate risk.** Nigeria is registering changes in its climate patterns. Average maximum temperatures have been increasing, with maximum temperatures ranging between 31°C and 33°C. Average precipitation per year has decreased significantly in Nigeria by 3.5 mm per month, and desertification has been intensifying in the northern areas of Nigeria, with deserts migrating southward. Flooding is also becoming more frequent throughout the country. Projections indicate an increase in the number of days with 'extreme' rainfall.<sup>11</sup> Extreme climate events could negatively affect resilience-building efforts. In view of these challenges, all assets and services financed under the project will be designed to improved, build-back-better standards that take into account climate and disaster risks.

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<sup>11</sup> The World Bank's Climate Change Knowledge Portal.

## VI. APPRAISAL SUMMARY

### A. Economic and Financial (if applicable) Analysis

79. **The economic analysis conducted as part of the project preparation process indicates that the proposed interventions are economically feasible.** The main focus of the economic analysis was around Component 2, because the majority of investments are dedicated to that component. The typology of interventions is expected to lead to positive economic rates of return, largely in excess of the discount rate of 6 percent assumed for these interventions. This assumes benefits from the following benefit streams: (a) greater regional connectivity through bridge and road access, with ensuing benefits in reduced cost and time of travel for individuals and businesses, and greater regional integration; (b) better water, sanitation, and hygiene (WASH) services, with ensuing gains on health conditions; (c) greater access to health care facilities, with ensuing gains in productivity and reduced health care expenditures through preventive measures undertaken; (d) greater access to educational facilities, with ensuing gains in productivity and social cohesion; and (e) greater capacity for LGAs to deliver projects. In addition to the typologies identified under Component 2, the MCRP supports peace building and greater social cohesion through a number of programs and in-kind support to vulnerable segments of society affected by the conflict under Component 1. The details of the economic analysis performed are presented in annex 4.

80. **The sensitivity analysis performed indicates that the economic rate of return for interventions under Component 2 remains significant even if potential downside adjustments to the economic assumptions made were to materialize.** The results of the sensitivity analysis are presented in Table 3.

**Table 3. Estimated Economic Rate of Return for Component 2 under Various Assumptions**

Scenario	Economic Rate of Return (%)
Baseline	17.6
Costs increase by 10%	16.0
Benefits reduce by 10%	11.3
Benefits lag by two years	8.5

Source: World Bank calculations.

81. **Rationale for public sector engagement.** The interventions identified under the MCRP will deliver essential services to the most vulnerable segments of the population and bear positive externalities on the overall population through numerous direct and indirect benefits being engendered. Furthermore, the interventions will strengthen the capacity of various levels of the public sector administration and deliver services at the community level to support the empowerment of the most vulnerable segments of the population affected by the conflict. These justify the rationale for public sector engagement.

82. **Value added of World Bank support.** The World Bank has extensive international experience in areas such as education, health, infrastructure, agriculture, water and sanitation, and social development. Moreover, it has extensive knowledge of the local conditions and the key stakeholders involved in the stabilization and recovery of NE Nigeria through its presence in the country and the conduct of the RPBA exercise. These factors, along with its ability to leverage the contribution of other international donors, justify the support of the World Bank in the process of stabilization and recovery of NE Nigeria.





## B. Technical

83. **As agreed during project preparation, the BAY states have initiated an iterative process of prioritization based on systematic criteria to develop specific investment plans for the first year and medium-term plans for Years 2–4, based on the findings of the RPBA and the current realities in the respective states.** The states engaged in productive discussions about their initial plans of action with the World Bank mission team and development partners like the AfDB, IsDB, the EU, the UN, and DFID during the August MCRP mission. These discussions allowed states to start developing their plans of action, subsequently refined through state-level consultative workshops, engaging LGA and traditional leaders, religious leaders, CSOs, and representatives of IDPs. As a result, the latest state-level plans of action are the product of an intensive, iterative, and ongoing process of consultation with the development partners and state and local stakeholders.

84. **The latest drafts of the state-level plans of action prepared over September 2016 align well with the multi-sectoral, programmatic approach embraced by the MCRP.** The plans of action for Adamawa and Yobe model the prioritized, multi-sectoral approach of the MCRP. Both plans give high priority to the sectors included in the MCRP and show prioritization along geographic, sectoral, and temporal lines. Adamawa proposes interventions in both the social cohesion (for example, safe and voluntary return and resettlement of forcibly displaced population and peace building) and infrastructure for example, education, health, public buildings, transport, and water and sanitation) components. Yobe similarly proposes interventions in both Component 1 (for example, safe and voluntary return and resettlement of forcibly displaced population and peace building) and Component 2 (for example, education, health, public buildings, and water and sanitation). Both plans also propose some investments that are currently outside the scope of the MCRP such as in the agriculture, irrigation, and energy sectors, which will be referred to other development partners and the World Bank AF projects that are part of the larger post-RPBA framework. The Borno plan of action is still in development and is based on the same guidance and templates for prioritization, which the MCRP team has provided to Adamawa and Yobe.

85. **Details of the prioritization process and criteria developed under the MCRP may be found in the section on ‘Investment Prioritization and Selection Process’ in annex 2.** Considering the conflict management challenges facing NE Nigeria, the processes of infrastructure and social service sector investment planning and project identification will initially attempt to target ‘low-hanging fruit’ for investments that provide immediate impacts and overall benefits to the local economy. This could include investments for scaling up of ongoing successful programs, the repair of infrastructure assets damaged during the conflict, and efficient operation of existing facilities by enhancing their maintenance expenditures and institutional capacity to implement such investments. However, medium-term investment planning and prioritization under the MCRP will take into account criteria such as direct impact on conflict- and displacement-affected communities, level of priority for states and affected communities, labor input intensity and cost effectiveness, beneficiary and spatial targeting, potential for growth of local economies, community welfare, and promotion of social cohesion and peace building in conflict- and displacement-affected communities. Projects ranked by priority investments will also take into account the institutional capacity of the local administration and organizations active on ground to implement them within the shortest time possible and to ensure participation of local communities.



## C. Financial Management

86. **The responsibility for establishing and maintaining acceptable FM arrangements for the project will be handled by the existing PFMUs in the three states and the Federal Project Financial Management Department (FPFMD) at the federal level.** The Federal Treasury Circular of March 2010 established the FPFMD in the Office of the Accountant General of the Federation (OAGF) to handle the FM responsibilities for funds provided to MDAs by donor partners. At the state level, the PFMUs are also under the Office of the Accountant General (OAG) in each State.

87. **The PFMUs and FPFMD are multi-donor and multi-project FM platforms, established in all states and at the federal level, respectively, through the joint efforts of the World Bank and the Government.** These common FM platforms feature robust systems and controls. The PFMUs and FPFMD are presently involved in the implementation of a number of World Bank assisted projects. The World Bank's recent review showed that these units have been performing satisfactorily. To strengthen the FM system in the PFMUs and FPFMD, implementation of some action plans is required. The FM risk for this financing is assessed as High. Annex 3 provides additional information on FM.

88. **The FPFMD and the PFMUs will designate from the pool of professional accountants in the OAGF and the OAG in each state, respectively, a project accountant, a project internal auditor, and other supporting accounting technicians that will make for appropriate segregation of duties.** The PFMUs and FPFMD will render annual audited financial statements and periodic unaudited interim financial reports (IFRs) in the format and frequency satisfactory to the World Bank within agreed timelines. A computerized accounting system will be used and shall be configured in line with the formats of the IFR and the annual financial statements. The project bank account at the federal level will be opened with the Central Bank of Nigeria, and at the state level, the accounts will be opened with a reputable commercial bank acceptable to IDA.

## D. Procurement

89. **Procurement under the MCRP will be carried out in accordance with the World Bank Procurement Regulations for IPF Borrowers and other provisions stipulated in the Financing Agreement.** All procuring entities as well as bidders and service providers shall be expected to observe the highest standard of ethics during the procurement and execution of contracts financed under the project in accordance with Sections I and II of the World Bank Procurement Regulations for IPF Borrowers of July 2016.

90. **The project design will provide a window to enable the Borrower to carry out advance contracting and retroactive financing in accordance with Section V (paragraphs 5.1 and 5.2) of the World Bank Procurement Regulations for IPF Borrowers.** The retroactive financing will be allowed up to 20 percent of the Credit covering the expenditures incurred by the project on or after May 1, 2016.

91. **As part of the preparation of the project, the Borrower (with TA from the World Bank/partners) prepared a draft Project Procurement Strategy for Development (PPSD), which describes how procurement activities will support project operations for the achievement of the PDOs and deliver value for money.** The procurement strategy will be linked to the project implementation strategy at both the country and the state levels ensuring proper sequencing of the activities. It will consider institutional arrangements for procurement; roles and responsibilities; thresholds,





procurement methods, and prior review; and the requirements for carrying out procurement. It will also include a detailed assessment and description of state government capacity for carrying out procurement and managing contract implementation, within an acceptable governance structure and accountability framework. Other issues to be taken into account will include the behaviors, trends, and capabilities of the market (market analysis) to respond to the Procurement Plan (PP). The MCRP activities will also require strong technical capability to prepare proper technical specifications to avert lack of, or inadequate, market response. This capability, or a plan to enhance it, will be described in the strategy. Also, special arrangements like direct contracting; the use of state-owned enterprises (SOEs), UN Agencies, third-party monitors, local NGOs, and force account; or civil servants needs, results-based arrangements, and need for prequalification, if any, will be addressed. The strategy will include a summary on procurement risk, mitigation action plan, and procurement implementation support and supervision plan. The procurement management risk for this project is assessed to be Substantial. Annex 2 provides additional information on procurement management.

92. **Following the situation on the ground, the strategy may trigger OP 10.00, paragraph 12, on the use of emergency procedures.** This has become necessary for the procurement systems to readily respond to the emergency situations at hand. (Phases 1 and 2 of the procurement operation will respond to the emergencies dealing with life-, health-, and safety-threatening conditions; restoration of livelihood; reconstruction and so on; and to subsequently revert to normal procedures once the emergency is stabilized.) The design of the strategy by the Borrower will be finalized by project effectiveness and agreed with the World Bank.

#### E. Social (including Safeguards)

93. **Safeguards Action Plan (SAP).** This project is being prepared under the provisions of paragraph 12 of OP 10.00 for projects in situations of urgent need for assistance. Thus, the preparation of safeguards instruments is proposed to be deferred to the implementation phase, and an SAP has been prepared and is included in annex 2. The SAP explains the identification and mitigation of the environmental and social (E&S) impacts and risks at the early stage of project implementation until the full safeguards instruments are finalized and publicly disclosed in Nigeria and through the World Bank. It also lays out the sequencing and tentative implementation schedule for the safeguards, the roles and responsibilities for the safeguards preparation and implementation and monitoring, and the estimated costs to do so.

94. **The World Bank policy OP 4.12 (Involuntary Resettlement) is triggered.** The reconstruction and rehabilitation of affected basic social and physical infrastructure may in some cases entail the reconstruction of infrastructure in new locations to reduce risk and respond to the needs of displaced and host communities affected by the crisis in the BAY states. As such, the project could involve land acquisition.

95. **Resettlement and livelihood restoration are expected to be of moderate complexity.** The foreseen low- to medium-intensity civil work activities will include reconstruction and rehabilitation of roads, schools, health centers, WASH infrastructure, and public buildings. The land acquired for this purpose may lead to loss of assets, sources of income, or means of livelihoods for some households of conflict-affected people. In case any activity or subproject leads to a loss of assets, sources of income, or means of livelihoods, a Resettlement Action Plan (RAP) or Abbreviated Resettlement Action Plan (ARAP) will be prepared in compliance with the World Bank policy and Nigerian laws before actual



implementation of the activity or subproject. Upon clearance, disclosure of the produced social safeguards documents will be carried out locally (in local languages) and through the World Bank.

96. **Due to the displacement of people, traditional authorities have been weakened, which will make it more difficult to establish land ownership.** This will have an impact on how voluntary land donation will be established in cases of resettlement. As a result, resettlement as well due diligence for establishing ownership of land may be challenging and needs to be well managed to prevent negative impact. In the event of any contestation over land, ownership and user rights will be verified using the traditional institutions at the ward/village/district and emirate levels as the case may be. In areas where land mines could have been placed, the project will ensure that no activities are undertaken by the project in such areas until the Government confirms that the area is cleared. Educational campaigns for the prevention of mine and unexploded ordinance accidents in areas where the project is being implemented will also be undertaken.

97. **Some public institutions such as hospitals and schools have been converted to formal and informal camps for accommodating persons displaced by the conflict, which will necessarily imply relocation of already displaced people.** In the event that such activities are likely to occur at the implementation phase, the subproject will not proceed until appropriate mitigation instruments are prepared.

#### F. Environment (including Safeguards)

98. **The project is classified as Environmental Category B.** No unprecedented or cumulative adverse E&S risks and impacts are envisaged to result from the implementation of activities that will be financed under the MCRP. Operational Policies OP 4.01, OP 4.04, OP 4.11, and OP 4.12 have been triggered.

99. **Activities supported under the proposed project are expected to potentially cause a number of site-specific adverse E&S impacts.** Therefore, the proposed project will trigger four E&S safeguards policies: OP 4.01 (Environmental Assessment), OP 4.04 (Natural Habitats), OP 4.11 (Physical Cultural Resources), and OP/BP 4.12 (Involuntary Resettlement), as shown in Table 4.

100. **Environmental and Social Impact Assessments (ESIAs) will be prepared depending on the scale and impact of the subprojects.** For the expected scope of freestanding subprojects, comprehensive ESIAs will mostly not be required, as all structures and installations will have existed before, and the project will only finance their repair, reconstruction, or reinstatement. For some larger projects (for example, bridge reconstruction), limited ESIAs and Environmental and Social Management Plans (ESMPs) will be required. Site-specific environmental safeguards instruments will be prepared, consulted upon, and disclosed both countrywide in Nigeria and at the World Bank, before the physical start of project activities, as required. Following World Bank best practice, all safeguards instruments should be prepared before the bidding of contracts, ensuring their adequate integration and implementation by contractors before the commencement of any civil works.



**Table 4: Safeguards Policies Triggered by the MCRP**

<b>Safeguard Policies Triggered</b>	<b>Yes</b>	<b>No</b>
Environmental Assessment (OP/BP 4.01)	X	
Natural Habitats (OP/BP 4.04)	X	
Forests (OP/BP 4.36)		X
Pest Management (OP 4.09)		X
Physical Cultural Resources (OP/BP 4.11)	X	
Indigenous Peoples (OP/BP 4.10)		X
Involuntary Resettlement (OP/BP 4.12)	X	
Safety of Dams (OP/BP 4.37)		X
Projects on International Waterways (OP/BP 7.50)		X
Projects in Disputed Areas (OP/BP 7.60)		X

### **G. Other Safeguard Policies (if applicable)**

101. No other safeguard policies are triggered for the project.

### **H. World Bank Grievance Redress**

102. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org).



## VII. RESULTS FRAMEWORK AND MONITORING

### Results Framework

COUNTRY : Nigeria

Multi-Sectoral Crisis Recovery Project for North Eastern Nigeria

#### Project Development Objectives

The objectives of the Project are to: (a) support the Government of Nigeria towards rehabilitating and improving critical service delivery infrastructure, improve the livelihood opportunities of conflict and displacement-affected communities, and strengthen social cohesion in the North East Participating States of Borno, Yobe and Adamawa; and (b) in the event of an Eligible Crisis or Emergency, to provide immediate and effective response to said Eligible Crisis or Emergency.

#### Project Development Objective Indicators

Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
<b>Name:</b> Direct project beneficiaries	✓	Number	0.00	150000.00	Annual	Project Monitoring Reports, Beneficiary Survey. The target value of this indicator is tentative. The actual number of direct project beneficiaries will depend on the annual investment plans prepared by the BAY state governments under this project.	PCUs, Bank M&E support, Survey consultancy
Percentage of direct		Percentage	0.00	50.00	Annual	Project Monitoring Reports,	PCUs, Bank M&E



Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
project beneficiaries who are female						Beneficiary Survey	support, Survey consultancy
<p><b>Description:</b> Direct beneficiaries are people or groups who directly derive benefits from an intervention (i.e., children who benefit from an immunization program; families that have a new piped water connection). Please note that this indicator requires supplemental information. Supplemental Value: Female beneficiaries (percentage). Based on the assessment and definition of direct project beneficiaries, specify what proportion of the direct project beneficiaries are female. This indicator is calculated as a percentage.</p>							
<b>Name:</b> Number of beneficiaries that have improved livelihood opportunities with project support		Text	0	23000 to 33000	Annual	Project Monitoring Reports, Beneficiary Survey	PCUs, Bank M&E support, Survey consultancy
<p><b>Description:</b> This indicator measures the number of beneficiaries who have received project support to improve their livelihood opportunities through restoring immediate access to productive assets, including farmers who have received agricultural inputs and/or livestock as well as non-farmers who are provided trading commodities and/or skill training.</p>							
<b>Name:</b> Number of beneficiaries with additional or improved access to service delivery infrastructure		Text	0	120000~15 0000	Annual	Project Monitoring Reports, Beneficiary Survey	PCUs, Bank M&E support, Survey consultancy
Percentage of beneficiaries with additional or improved access to service delivery infrastructure who are		Text	0	40%	Annual	Project Monitoring Reports, Beneficiary Survey	PCUs, Bank M&E support, Survey consultancy



Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
female							
<p><b>Description:</b> This indicator measures the number of people benefiting from the reconstruction/rehabilitation and/or improvement of critical infrastructure, such as roads, bridges, water, sanitation, health centers, schools, and/or public buildings.</p>							
<b>Name:</b> Percentage of beneficiaries satisfied with project activities towards increased social cohesion		Text	0	42% to 60%	Twice: Mid-term and End-of-project	Project Monitoring Reports, Beneficiary Survey	PCUs, Bank M&E support, Survey consultancy
Percentage of female beneficiaries satisfied with project activities towards increased social cohesion		Text	0	42% to 60%	Twice: Mid-term and End-of-project	Project Monitoring Reports, Beneficiary Survey	PCUs, Bank M&E support, Survey consultancy
<p><b>Description:</b> This indicator measures the achievements of various project activities towards increased social cohesion, including increased trust amongst communities and between different population groups. Such activities include, but are not limited to, financing social cohesion initiatives, setup of peace groups, provision of community-based psychosocial support, and the strengthening of existing community mobilization and engagement mechanisms.</p>							

### Intermediate Results Indicators

Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
<b>Name:</b> Number of affected households that have received packages of life		Text	0	21000 ~ 30000	Annual	Project Monitoring Reports	PCUs, Bank M&E support, Humanitarian



Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
support and/or basic necessity assistance from the project							agencies reporting systems
<b>Description:</b> This indicator measures the total number of affected households that have received life support and/or basic necessity assistance from the project. Such assistance includes provision of kitchen sets, mosquito nets, plastic mats, blankets, as well as hygiene kits and other essential basic life needs.							
<b>Name:</b> Number of forcibly displaced people and host community members who have received support to re-engage in productive activities		Text	0	21000 ~ 30000	Annual	Project Monitoring Reports	PCUs, Bank M&E support, Humanitarian agencies reporting systems
Percentage of female beneficiaries in forcibly displaced people and host community members who have received support to re-engage in productive activities		Text	0	50%	Annual	Project Monitoring Reports	PCUs, Bank M&E support, Humanitarian agencies reporting systems
<b>Description:</b> This indicator measures the number of IDP beneficiaries who receive support from the project to regain/maintain self-reliance through restoring productive activities or other necessary means of production.							
<b>Name:</b> Number of people who have participated in social cohesion initiatives launched or strengthened		Text	0	21000 ~ 30000	Annual	Project Monitoring Reports	PCUs, Bank M&E support



Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
through project financing							
<b>Description:</b> This indicator measures the number of people who actively participate in the various social cohesion initiatives funded by the project, such as basic skill training for youth, sports for peace activities, cultural activities for promoting common identities, etc.							
<b>Name:</b> Number of people who have participated in peace groups created through the project		Text	0	21000 ~ 30000	Annual	Project Monitoring Reports	PCUs, Bank M&E support
Percentage of vulnerable population (including women and forcibly displaced persons) among the participants of peace groups created through the project		Text	0	30%	Annual	Project Monitoring Reports	PCUs, Bank M&E support
<b>Description:</b> This indicator measures the number of people who participate in the peace groups created through the project, such as local peace platforms and other similar activities. This indicator will also be disaggregated to measure the percentage of vulnerable population (including women and forcibly displaced persons) among the participants.							
<b>Name:</b> Number of trauma victims who have received psychosocial service/support from community programs		Text	0	3500 ~ 5000	Annual	Project Monitoring Reports, Beneficiary Survey	PCUs, Bank M&E support, Survey consultancy





Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
<b>Description:</b> This indicator measures the number of trauma victims of BH who receive community-based psychosocial support funded through the project, including recreational, ritual and social activities, as well as provision of counseling services to groups or individuals.							
<b>Name:</b> Percentage of subprojects with citizen engagement mechanisms		Text	0	70% to 100%	Annual	Project Monitoring Reports, MIS, Beneficiary Survey	PCUs, Bank M&E support
<b>Description:</b> This indicator measures the level of citizen engagement in the planning, budgeting and implementation of subprojects during the lifespan of the operation. Subprojects such as creation of community-based initiatives, reconstruction/rehabilitation of critical infrastructure facilities will incorporate a selection of functional and appropriate tools and/or mechanisms to engage citizens to the largest extent possible, including but not limited to project education and communication channels, public notice and citizen participation mechanisms, grievance redress system, etc.							
<b>Name:</b> Length of roads reconstructed or rehabilitated, in kilometers		Text	0	105km ~ 150km	Annual	Project Monitoring Reports	PCUs, Bank M&E support
<b>Description:</b> Number of kilometers of roads (including functioning drainage structures) reconstructed/rehabilitated with transport services restored.							
<b>Name:</b> Number of schools reconstructed, rehabilitated, improved, and/or equipped		Text	0	105 to 150	Annual	Project Monitoring Reports	PCUs, Bank M&E support
<b>Description:</b> Number of schools reconstructed, rehabilitated, improved, and/or supplied with equipment for restoring normal operation							
<b>Name:</b> Number of health facilities reconstructed,		Text	0	105 to 150	Annual	Project Monitoring Reports	PCUs, Bank M&E



Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
rehabilitated, improved, and/or equipped							support
Description: Number of health facilities reconstructed, rehabilitated, improved, and/or supplied with medical supplies or equipment for restoring normal operation.							
<b>Name:</b> Number of beneficiaries provided with access to improved water, sanitation, and/or hygiene facilities		Text	0	10500 ~ 15000	Annual	Project Monitoring Reports	PCUs, Bank M&E support
Percentage of beneficiaries provided with access to improved water, sanitation, and/or hygiene facilities who are female		Text	0	50%	Annual	Project Monitoring Reports	PCUs, Bank M&E support
Description: Number of people who are provided with access to constructed or rehabilitated water, hygiene and/or sanitation facilities under the project, including water points, boreholes, latrines, septic tanks, and/or solid waste management facilities.							
<b>Name:</b> Number of public buildings rehabilitated or reconstructed		Text	0	28 to 40	Annual	Project Monitoring Reports	PCUs, Bank M&E support
Description: Number of public buildings destroyed in BH conflict that have been reconstructed or rehabilitation for restoring normal operation.							
<b>Name:</b> Number of		Text	0	210 to 300	Annual	Project Monitoring Reports	PCUs, Bank M&E



Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
government officials trained in crisis recovery management skills							support
<b>Description:</b> Number of federal, state, and local government officials who have received skill training related to crisis recovery management topics, such as emergency responses, budget planning and monitoring, transparency and accountability, grievance redress mechanisms, etc.							
<b>Name:</b> Submission of annual investment and prioritization plans by each state during the project cycle		Yes/No	N	Y	Annual	Project Monitoring Reports	PCUs, Bank M&E support
<b>Description:</b> This indicator tracks the capacity of each state government and PCU to successfully prepare and submit annual investment and prioritization plans under the project, according to acceptable templates and standards by the WB.							

**Target Values****Project Development Objective Indicators**

Indicator Name	End Target
Direct project beneficiaries	150000.00
Number of beneficiaries that have improved livelihood opportunities with project support	23000 to 33000
Number of beneficiaries with additional or improved access to service delivery infrastructure	120000~150000
Percentage of beneficiaries satisfied with project activities towards increased social cohesion	42% to 60%
Percentage of direct project beneficiaries who are female	50.00
Percentage of beneficiaries with additional or improved access to service delivery infrastructure who are female	40%
Percentage of female beneficiaries satisfied with project activities towards increased social cohesion	42% to 60%

**Intermediate Results Indicators**

Indicator Name	Baseline	End Target
Number of affected households that have received packages of life support and/or basic necessity assistance from the project	0	21000 ~ 30000
Number of forcibly displaced people and host community members who have received support to re-engage in productive activities	0	21000 ~ 30000



Indicator Name	Baseline	End Target
Number of people who have participated in social cohesion initiatives launched or strengthened through project financing	0	21000 ~ 30000
Number of people who have participated in peace groups created through the project	0	21000 ~ 30000
Number of trauma victims who have received psychosocial service/support from community programs	0	3500 ~ 5000
Percentage of subprojects with citizen engagement mechanisms	0	70% to 100%
Length of roads reconstructed or rehabilitated, in kilometers	0	105km ~ 150km
Number of schools reconstructed, rehabilitated, improved, and/or equipped	0	105 to 150
Number of health facilities reconstructed, rehabilitated, improved, and/or equipped	0	105 to 150
Number of beneficiaries provided with access to improved water, sanitation, and/or hygiene facilities	0	10500 ~ 15000
Number of public buildings rehabilitated or reconstructed	0	28 to 40
Number of government officials trained in crisis recovery management skills	0	210 to 300
Submission of annual investment and prioritization plans by each state during the project cycle	N	Y
Percentage of female beneficiaries in forcibly displaced people and host community members who have received support to re-engage in productive activities	0	50%
Percentage of vulnerable population (including women and forcibly displaced persons) among	0	30%



Indicator Name	Baseline	End Target
the participants of peace groups created through the project		
Percentage of beneficiaries provided with access to improved water, sanitation, and/or hygiene facilities who are female	0	50%



## ANNEX 1: DETAILED PROJECT DESCRIPTION

COUNTRY: Nigeria

Multi-Sectoral Crisis Recovery Project for North Eastern Nigeria

### Introduction

1. This annex provides a detailed description of the project design approach, proposed project components, and resource allocation across these components.

### Project Design Approach

2. The design of the MCRP is guided by the programmatic-framework approach to crisis recovery that the World Bank and development partners have jointly developed and implemented in various countries successfully. Under this approach, the MCRP is seen as a subset of a larger multi-sector and multi-partner solution to crisis recovery toward addressing the service delivery and social cohesion needs identified under the RPBA. Making use of the World Bank's leadership and comparative advantage in this area, the MCRP is intended to serve as a central node of convergence for coordinating the related interventions from the Government, development partners, and other World Bank projects. This will help deliver mutually complementary multi-sector outcomes while following the key guiding principles and synchronized implementation modalities described below.

3. **Flexibility.** Despite the Government's military success in regaining territory and restricting insurgency operations to a few pockets of resistance, the BH retains the ability to periodically stage attacks, marking a transition to a more asymmetric conflict. This means that while the return of forcibly displaced population and reconstruction is possible in some areas, displacement is likely to continue; reconstruction outcomes will remain at risk; and there will be limited scope for reconciliation in some areas. Urban centers are likely to remain more secure than large swathes of rural territory. Given these circumstances, the proposed framework will allow room for midcourse adjustments and flexibility during the project implementation in the selection of specific subprojects across the project components that spread over multiple sectors. It will also allow flexibility in resource allocation across various project components, as well as in the distribution of project funds across three targeted states under the project. This is also necessary given the uncertainty on what other development partners will be funding over the next few years, so as to avoid overlaps and/or gaps. However, taking such a flexible approach also requires building flexibility in the project Results Framework and other related aspects.

4. **Systematic and progressive prioritization.** Given the gaps between the overall needs identified by the RPBA and the available resources from both domestic and international sources, there will be a need for systematic, criteria-based, and progressive prioritization of needs across and within various sectors and the six affected states. This process of prioritization has been commenced by the GoN and is informed by the Buhari Plan and the RPBA Strategic Framework and factors in the existing and planned programs by the GoN and other development partners. This has manifested in the prioritization of the MCRP resources along the following lines:

- (a) **Geographical prioritization.** The MCRP has been designed to respond to critical needs in the three most affected BAY states only. Within these states also, the selection of specific interventions will be based on a bottom-up consultative approach led by the states. Such



selection shall be a function of multiple prioritization criteria and conflict-sensitive programming conducted together by the states and development partners.

- (b) **Sectoral and subsectoral prioritization.** Similarly, the MCRP is limited to interventions in elected critical sectors, based on the results of preliminary post-RPBA prioritization exercises conducted together with these states and the relevant development partners. The project will use similar prioritization criteria and inclusive processes for developing specific investment plans and distributing project resources within and across various project components and subcomponents during the course of implementation.
- (c) **Temporal prioritization.** The MCRP is premised on a multi-phased engagement with the GoN that entails providing a combination of support for both immediate and medium-term conflict recovery and resilience building. Such an approach will increase the likelihood of a smoother transition from immediate to medium-term recovery as well as ensure the deepening, consolidation, and sustainability of the intended project impact.

5. **Conflict sensitivity.** The prioritization process, along with overall project preparation and implementation, is being conducted adopting a bottom-up approach led by the states and informed by community consultations. Conflict sensitivity will be central to this project, ensuring proper identification and mitigation of conflict risks, supporting conflict resilience, and addressing key drivers of conflict.

6. **Maximizing complementarity and avoiding overlaps.** A key rationale for taking the programmatic-framework design approach for the MCRP is to ensure complementarity and avoid duplications across the range of relevant infrastructure restoration and social cohesion building interventions currently on the anvil by a range of government institutions and development partners. Annex 5 provides a list of the currently known and/or proposed interventions in the NE relevant to the project. These have been, and will continue to be, taken into consideration to ensure that the MCRP builds synergies and complementarities with these projects. This is, however, not a one-off process and will require the institution of a rigorous institutional decision-making process toward filling sectoral and geographic gaps where possible and necessarily avoiding overlaps where necessary.

7. **Concentration and consolidation of intended project impact.** Given that project resource allocation is only a fraction of the overall needs estimate of the RPBA, the project will only target the three most heavily and directly affected BAY states to concentrate and deepen the project impact in fewer states rather than spreading it thin across the six affected states. Hence, the selection of the constituent project states, and subsequent project resource allocation across these states, is based largely on the principles of 'impact proportionality' and 'impact maximization'. The AfDB and IsDB infrastructure interventions are being spread across the three other largely displacement-affected states, which also allows the World Bank project to place focus on the BAY states.

#### **Proposed Resource Allocation across Project Components and Subcomponents**

8. **To achieve the aforementioned objectives, it is proposed to take a programmatic and multi-sector approach to recovery and peace building as recommended by the RPBA.** Accordingly, at this stage, the MCRP will be implemented through the following three components. These components are proposed to be subsets of the corresponding and larger program-level needs identified in the RPBA. The





project design is based on providing a programmatic, multi-sector, and multi-partner solution to crisis recovery in the three BAY states.

**Table 1.1. Project Costing by Component**

Project Components	World Bank Financing	
	SDR, millions	US\$, millions
Component 1: Strengthening Peace Building, Stability, and Social Cohesion	22.3	30
Component 2: Infrastructure Rehabilitation and Service Delivery Restoration and Improvement	111.6	150
Component 3: Technical Assistance and Program Management Support	14.9	20
Component 4: Contingent Emergency Response	0	0
<b>Total Costs</b>	<b>148.8</b>	<b>200</b>

### Detailed Description of Proposed Components

#### ***Component 1: Strengthening Peace Building, Stability, and Social Cohesion - SDR 22.3 million (US\$30 million equivalent)***

9. The component draws upon, and is a subset of, the peace building and social cohesion needs and strategy developed under the RPBA. The needs identified under the RPBA in this respect are to the tune of US\$150 million and can be categorized as follows: (a) safe and voluntary return of forcibly displaced population; (b) reconciliation, peace building, and community cohesion; (c) local governance and citizen engagement; and (d) community security, justice, human rights, mine action, and small arms control.

10. Among the needs identified by the RPBA, the MCRP prioritizes interventions that (a) mitigate the effects of the conflict on forcibly displaced population and host communities, (b) prevent the eruption of further conflict by addressing both the root causes of violence as well as the proximate sources of continued social tensions and conflicts, and (c) strengthen the institutional systems and capacities for recovery and peace building.

11. **Overall needs for the safe and voluntary return of forcibly displaced population.** Over 2.3 million people remain forcibly displaced because of the BH insurgency. Displacement in the NE has exacerbated existing vulnerabilities causing nearly 800,000 individuals to lose their income.<sup>12</sup> Food, shelter, and water have been identified as the main short-term needs for people who were forcibly displaced and in the host communities, while the restoring of livelihoods, communities, and social networks remains a priority in the medium to long term. The loss of traditional livelihoods, productive assets, homes, and possessions has forced most individuals and families into extreme poverty, causing widespread dependency on external support for basic needs. Access to basic services previously available in places of origin has also been severely affected. Although a majority of displaced people express a desire to return, security, economic opportunities, and access to basic services remain the primary impediment. As the forcibly displaced begin to return, there is a critical need to ensure that the basic living and livelihoods needs of these returnees are adequately met.

<sup>12</sup> The Joint World Bank-UNHCR Lake Chad Forced Displacement Assessment, 2016.



12. **Overall needs on reconciliation, peace building, and social cohesion.** Drawing from the RPBA, this subcomponent will aim to restore and strengthen the social fabric in the NE to prevent and resolve conflict and increase cohesion. Priorities will differ between insecure areas where populations remain displaced and areas where return occurs. In some areas, the priority will be toward addressing tensions between IDP and hosts, and in others, it will be to target processes of reintegration or reconciliation by bridging gaps along specific social faults that have been hardened as a result of the conflict.
13. **Overall needs on local governance and citizen engagement under the RPBA.** The conflict has significantly diminished public administration capacities because of the destroyed public administration offices, equipment, and systems and the loss of personnel due to displacement, injury, or death. The cadre of local government civil servants, therefore, needs to be supported; the return of those displaced (wherever feasible) needs to be planned, organized, and funded. Capacities of LGAs in areas hosting IDP should be buttressed financially as well as administratively, including in the areas of revenue generation and tax administration. There is also the urgent need to support mechanisms that enable local communities, including the forcibly displaced, to voice their needs and engage in the recovery process. These include channels for grievance redress and conflict resolution for addressing perceptions of inequitable access to support and services during the recovery process. This is particularly crucial in areas where competition between IDP and host communities over services and livelihood opportunities is causing friction and where tensions along sectarian lines persist. Reducing further political exclusion will require initiatives to strengthen existing community engagement mechanisms such as traditional leaders, extended family networks, and local associations.
14. **Overall needs on community security and justice.** The BH attacks and violence have targeted both public buildings and court buildings, decimating service delivery, including effective access to justice, and harming the legitimacy of the institutions responsible for delivering these services during and after the crisis. As such, restoring the rule-of-law services in the NE, starting with services and initiatives at the community level, will be needed to ensure that justice providers are available, accessible, accountable, and making quality decisions in the interests of their entire community and ensure that the rights of women, children, and forcibly displaced population are respected—all of which are key to reestablishing community safety. The conflict has also exacerbated the plight that women and girls in NE Nigeria historically face. Sexual and gender-based violence, including among displaced communities, has risen, making it necessary to address such dynamics through both mitigating and preventive interventions.
15. **RPBA strategy.** The RPBA identified needs of around US\$48.7 million to facilitate the safe, dignified, and voluntary return and reintegration of forcibly displaced population.<sup>13</sup> Apart from the scaling up of existing humanitarian support, the RPBA identifies the need for more durable and medium-term initiatives that facilitate the transition of forcibly displaced population in the processes of return and reintegration by addressing their basic living and livelihood needs. This is considered key toward improving social cohesion by alleviating immediate tensions over access to employment between affected, host, and displaced communities and individuals. In spite of the significant support provided by the GoN and the international community, significant gaps remain, particularly in the provision of sustainable early to medium-term solutions and the institutionalization of processes for safe and voluntary return and/or reintegration of forcibly displaced population. On reconciliation and peace building, the core RPBA strategy is to develop community-level platforms, either new ones or building

<sup>13</sup> Excluding the infrastructure, service delivery, and livelihoods needs covered by other RPBA components.



upon existing ones, for promoting dialogue and supporting interaction among various segments of society around activities that facilitate the restoration of social relationships. Finally, the strategy will aim to facilitate cohesion by enhancing capacity to recover from trauma through the provision of psychosocial support. On local governance and citizen engagement, the core RPBA strategy is the strengthening of government capacities to perform their functions and the restoration of relationships between citizens and the Government.

16. **Interventions planned under MCRP.** This component will focus on three main types of activities:

- **Transitional support toward stabilization and self-reliance.** Aimed at facilitating communities, households, and individuals transition from an acute humanitarian crisis into early recovery, stabilization, and self-reliance by
  - (a) Increasing and improving the access of vulnerable host and forcibly displaced families to basic living amenities through the provision of life-support packages and basic necessity kits to newly displaced families and returnees whose houses have been damaged and vulnerable host community members, allowing them to restore their households in the short term;<sup>14</sup> and
  - (b) Restoring immediate access to productive assets by providing agricultural inputs and livestock for farming families and trading commodities for non-farmers. Inputs to be provided could include, but not necessarily be limited to, seeds of local staple crops (that is, maize, sorghum, beans, or cowpea); fertilizers (that is, nitrogen, phosphorus, and potassium and urea); and manual tools. Pesticides are excluded from agricultural support inputs. Activities under this component will target forcibly displaced populations and host populations highly dependent on humanitarian support in areas of return, host communities, and areas recently liberated, providing alternatives toward self-reliance.
- **Community resilience and social cohesion.** Aimed at making communities more resilient and cohesive through the strengthening of peaceful interaction and community participation by
  - (a) Setting up local peace groups that bring together local authorities (government, traditional, and religious) and representatives of different segments of the population. These groups will be in charge of assessing social cohesion and peace building needs at the community level and facilitating the identification of priority activities, excluding direct cash transfer, to address these needs in a participatory manner;
  - (b) Financing social cohesion activities prioritized by local peace groups in a participatory manner throughout the duration of the project. Activities financed will be implemented by specialized service providers and will address key drivers of the conflict and acute needs emerging in the conflict and postconflict periods, such as

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<sup>14</sup> This could include, but not necessarily be limited to, kitchen sets, mosquito nets, plastic mats, blankets, hygiene kits, and other necessities.



(but not limited to) social integration of out-of-school children and youth at risk; provision of life and soft skills for collective action; conduct of cultural, sport, and social activities that promote common identities and intergroup interaction; and conduct of various violence-prevention and de-stigmatization campaigns. All community contributions will be provided in kind only, recognizing their valuable participation and ensuring community ownership. Local communities will provide performance oversight and decision-making authority of the activities; and

- (c) Providing community-based psychosocial support through group-based therapy; recreational, ritual, and socializing activities; and peer support, as well as specialized services to victims of violence and population that present high risk factors for violence (such as substance abuse).
- **Citizen-government relationship building for recovery.** Activities that aim to build the government capacity and support them in planning for recovery and peace building interventions, including
  - (a) Training of government officials in peace building and conflict sensitiveness and
  - (b) Strengthening the capacities of state and local institutions to plan for the complex recovery process; addressing the return and reintegration of forcibly displaced people through participatory and area-based planning; preparing and implementing community safety plans to prevent violence and insecurity; and mainstreaming recovery needs into government planning and budgeting. Plans prepared under this activity will constitute the basis for the formulation of annual investment plans under the MCRP after the first year, moving from an emergency to an area-based approach to recovery.

17. **Complementarities with other World Bank projects.** The proposed interventions align well with activities supported under the FADAMA III investments on food security and livelihoods support by meeting the immediate needs of IDP and host communities in respect of basic amenities and livelihoods through the provision of non-food items necessary for return and reintegration. Efforts to restore long-term livelihoods by FADAMA III and YESSO through community-driven development grants for agricultural projects and conditional cash transfers will also be complemented by this component, by focusing on the necessary means of production immediately after spontaneous or planned return. Similarly, sustainable livelihoods interventions have been excluded as they are the central objective of interventions such as FADAMA III and YESSO AF. The local level investments for psychosocial support proposed under this subcomponent at the community level will supplement investments on capacity strengthening of national actors in response to the psychosocial needs of the affected population supported by the NSHIP and SEPIP. However, assistance provided under this component will be closely coordinated with that offered by YESSO and CSDP, including avoiding geographical overlaps and ensuring compatible service standards.

18. **Complementarities with initiatives by other development partners.** International partners' support is largely focused on meeting the most pressing humanitarian needs emerging from forced displacement. The UN system, USAID, DFID, International Committee of the Red Cross, and the Japanese and Canadian governments have contributed humanitarian relief and provide emergency shelter,



health, nutrition, WASH, and child protection assistance to affected populations. In addition to this, the EU GIZ IDP program includes community reconciliation and confidence-building activities, mostly focusing on the preparation of community-based development plans. USAID is implementing a small grants initiatives to counter violent extremism and for youth de-radicalization. Program activities supported by the MCRP adequately complement these efforts by focusing on bridging the gap between humanitarian and developmental needs and in the institutionalization of processes for durable solutions for the safe and voluntary return and reintegration of the forcibly displaced. Coordination with these agencies will be maintained to ensure that overlaps are avoided, gaps are minimized, and strategies and operational modalities across these interventions are duly synchronized.

***Component 2: Infrastructure Rehabilitation and Service Delivery Restoration and Improvement - SDR  
111.6 million (US\$150 million equivalent)***

19. This component will include the rehabilitation of critical physical infrastructure and the sustainable restoration of service delivery in targeted LGAs in the three affected BAY states. This will include (a) rehabilitation of damaged state and local roads and bridges; (b) restoration of municipal services including water supply, sanitation, and solid waste management; (c) rehabilitation of social infrastructure, including schools and health facilities; and (d) rehabilitation of public buildings and other important community infrastructure. Seizing the opportunity provided by the crisis, all assets and services financed under the project will be designed to be rebuilt or rehabilitated to improved build-back-better standards. This could entail elements such as right-sizing, right-siting, structural improvements, improved quality control and service delivery regulation, and strengthened operations and maintenance standards.

20. **Complementarity with World Bank AF.** The only other AF project that will support infrastructure is the CSDP; however, the scale of infrastructure will be different. While the CSDP focuses on the empowerment of communities to develop, implement, and monitor micro social infrastructure projects including natural resource management interventions, the MCRP will support larger-scale infrastructure projects, such as roads, bridges, schools, health centers, and public buildings, to restore basic service delivery needs, managed by the state governments. WASH facilities could be one area where some overlap could exist, and efforts will be made to ensure that activities are well coordinated.

***Rehabilitation of Damaged State and Local Roads and Bridges***

21. **Overall needs and recovery strategy for the transport sector under the RPBA.** Roads and bridges in the NE have suffered extensive damage by explosive devices, while the movement of military vehicles has damaged many roads. As a result, the mobility of goods, services, and people has been seriously affected. At the local level, damaged or destroyed local roads have limited residents' access to markets, schools, health facilities, and other community services. The RPBA estimated total needs for recovery in the sector equivalent to US\$538 million. The recovery strategy for the transport sector aims to promote the mobility of goods, services, and people. The reconstruction of critical infrastructure will be given priority, in particular, state and local roads and bridges that are key to restoring access to productive and social facilities. The estimates of these needs in the RPBA are presented in Table 1.2:

**Table 1.2. Needs Overview for Transport Sector (US\$)**

<b>Needs by Activity</b>	<b>Adamawa</b>	<b>Borno</b>	<b>Yobe</b>	<b>Total</b>
Reconstruct/repair damaged bridges	17,820,000	2,189,824	7,920,000	<b>27,929,824</b>



Needs by Activity	Adamawa	Borno	Yobe	Total
Repair damaged federal roads	32,300,000	84,898,000	60,588,000	<b>177,786,000</b>
Project management and contingencies	14,061,000	77,889,847	29,241,150	<b>121,191,997</b>
Recover public transport services	—	22,425,000	13,422,500	<b>35,847,500</b>
Repair damaged state/LGA roads	10,350,000	150,120,000	15,540,000	<b>176,010,000</b>
<b>Sector total</b>	<b>74,531,000</b>	<b>337,522,671</b>	<b>126,711,650</b>	<b>538,765,321</b>

22. **Interventions planned under the MCRP.** This component will support the restoration and improvement of critical state and local transport infrastructure, by supporting the following types of interventions: (a) reconstruction and repair of damaged bridges and (b) repair of damaged state and local roads. For the first year of the project, roads and bridges that are urgently needed for rehabilitation and restoration of services will be identified by each of the three BAY states under the Specific Investment Planning process that has been initiated under the project. For subsequent years, specific prioritization criteria will be developed for the selection of transport subprojects, based on conflict recovery considerations and by bringing in experiences from projects such as the World Bank funded Nigeria Rural Access and Mobility Project (RAMP).

23. **Complementarity with other World Bank projects.** The World Bank funded RAMP has been restoring rural roads since 2008 and is currently in its second phase (RAMP2). Based on the lessons learned from RAMP and, in particular, the experience and capacity developed since 2012 in Adamawa, there are strong possibilities for collaboration and synergy with the MCRP, particularly in the areas of prioritization criteria, innovative approaches to implementation, and institutional and implementation arrangements. One such key consideration will be the promotion and adaptation of the ‘network approach’ to the MCRP that will focus not only on larger-scale infrastructure (state roads) but also on tertiary infrastructure critical for improving agricultural connectivity.

24. **Complementarity with other development partners.** Neither the IsDB nor the AfDB is currently planning interventions in the transport sector in the NE, and hence, this project subcomponent will be addressing key unmet and unfunded needs in this sector.

#### *Restoration of Municipal Services Including WASH and Solid Waste Management*

25. **Needs and recovery strategy for WASH under the RPBA.** Water and sanitation recovery needs entail construction, repair, and rehabilitation of damaged water supply and sewage infrastructure; increase in the capacity of water supply and sanitation systems to accommodate forcibly displaced population; and institutional support and capacity development support to state institutions in charge of providing water. Preconflict WASH conditions in the three states were generally poor in both urban and rural areas. The different actors responsible for water management at the policy level (Federal Ministry of Water Resources) and river basin level as well as urban state water agencies and rural and small town water supply and sanitation agencies need to come together to effectively restore the water supply and provide sanitation facilities in the affected areas. Needs in these sectors as estimated by the RPBA are presented in Table 1.3.



**Table 1.3. Needs Overview in WASH Sector (Unit: US\$)**

Needs by Activity	Adamawa	Borno	Yobe	Total
Reconstruct/repair water and sanitation infrastructure in public places	850,748	7,282,947	683,116	<b>8,816,811</b>
Sanitation and hygiene promotion in IDP return areas, host communities, and institutions	1,782,870	24,061,148	1,492,440	<b>27,336,458</b>
Reconstruct/repair sanitation infrastructure in institutions and public buildings	3,978,563	9,166,700	1,512,150	<b>14,657,413</b>
Recover damages to institutional sanitation infrastructure	8,300,000	10,100,000	7,100,000	<b>25,500,000</b>
Reconstruct/repair water infrastructure for host communities and provision for IDP return areas	3,402,994	29,131,787	2,732,463	<b>35,267,244</b>
Reconstruct/repair water infrastructure in communities, institutions, and public buildings	7,575,379	35,580,479	3,691,800	<b>46,847,658</b>
Solid waste management	3,977,053	20,677,399	3,294,764	<b>27,949,216</b>
<b>Sector total</b>	<b>29,867,607</b>	<b>136,000,460</b>	<b>20,506,733</b>	<b>186,374,800</b>

Source: RPBA 2016.

26. **Interventions planned.** This subcomponent will finance WASH activities in areas hosting IDP as well as those experiencing IDP returns. This will include the reconstruction and repair of selected water supply, sanitation, and solid waste management infrastructure and the corresponding service delivery restoration. Project WASH investments are expected to concentrate on urban and peri-urban service areas, including IDP settlements, amenable to permanent or temporary utility service. The project will make provisions for operational maintenance budget to ensure the sustainability of the operations after reconstruction and rehabilitation of water infrastructure.

27. **Complementarity with other World Bank AF.** WASH facilities could be one area where some overlap could exist between the MCRP and the CSDP that supports the empowerment of communities to develop, implement, and monitor micro social infrastructure projects. Efforts will be made to ensure that activities are well coordinated across these projects while avoiding both gaps and overlaps.

28. **Complementarity with other development partners.** The AfDB is planning to provide US\$137 million to finance rural water and sanitation services recovery and development, including the reconstruction and rehabilitation of water and sanitation infrastructure in 6,872 communities; rehabilitation and reconstruction of water and sanitation infrastructure in 817 schools and 172 health facilities; construction of 10 multipurpose mini dams to serve as sources of water supply/irrigation; recovery of sanitation facilities in public spaces (70 markets and motor parks); and capacity-building activities to WASH units at the LGA level; setting up of Water, Sanitation, and Hygiene Committees; training of artisans; and establishment of supply chains. Coordination with the AfDB will ensure that the design and implementation of water and sanitation interventions as part of the MCRP will be coordinated to avoid overlap of activities and maximize comparative advantages in the sector between these two institutions. By the same token, earlier consultations with the IsDB have revealed that the IsDB is also interested in financing the recovery of WASH sectors in the NE in their future project(s). Hence, adequate coordination and complementarity between the MCRP and IsDB operations will be ensured to avoid gaps and overlaps.

#### *Rehabilitation of Schools and Education Service Delivery*

29. **Needs and recovery strategy for the education sector under the RPBA.** The BH conflict has had a particularly high impact on the education and vocational training systems. Schools were damaged and

destroyed, teachers were threatened and in some cases killed, and schools were transformed into shelters for IDP. For the reconstruction and recovery of the education sector to occur as efficiently as possible, a concerted effort across federal, state, and local government actors will be necessary. The total needs for the education sector in the three states estimated by the RPBA are listed in Table 1.4:

**Table 1.4. Needs Overview in Education Sector (US\$)**

Needs by Activity	Adamawa	Borno	Yobe	Total
Reconstruct/repair 6-classroom block	20,775,848	65,875,000	20,625,000	<b>107,275,848</b>
Classroom rehabilitation	3,248,310	—	2,937,352	<b>6,185,662</b>
Reconstruct/repair office blocks	4,469,163	9,854,599	3,085,406	<b>17,409,168</b>
Reconstruct/repair latrines in schools (2 blocks, each 3 compartments)	2,800,000	6,587,500	2,062,500	<b>11,450,000</b>
Reconstruct/repair hand pump boreholes in schools	560,000	1,317,500	412,500	<b>2,290,000</b>
Reconstruct/repair motorized boreholes/overhead tanks in schools	2,222,500	4,611,250	1,443,750	<b>8,277,500</b>
Build/repair school perimeter fences	22,738,914	50,139,781	15,698,414	<b>88,577,109</b>
Provision of tables and chairs for teachers	91,560	609,116	82,795	<b>783,471</b>
Provision of seats for pupils	1,069,500	4,806,240	982,400	<b>6,858,140</b>
Capital investment on IDP education services	19,971,000	295,285,500	23,775,000	<b>339,031,500</b>
Recurrent costs for IDP education services	5,040,000	74,520,000	6,000,000	<b>85,560,000</b>
<b>Education sector total</b>	<b>82,986,795</b>	<b>513,606,486</b>	<b>77,105,117</b>	<b>673,698,398</b>

30. **Interventions planned under the MCRP.** Despite all the undergoing interventions by the Government, CSOs, and development partners, the gaps in meeting the recovery needs in education in the BAY states are still huge. Starting from the needs identified in the RPBA while taking into account other ongoing efforts, the MCRP has narrowed down its planned interventions for the restoration of education services into three categories, after close consultations with the BAY states for intervention selection and prioritization. These will include the following: (a) reconstruction and repair of damaged school infrastructure, including classrooms, offices, fences, playgrounds, latrines, water pumps/boreholes, and so on; (b) operational service delivery support to rehabilitated schools that are not covered by SEPIP, including provision of learning materials and supplies for students and teaching equipment, supplies, and psychosocial/pedagogical training for teachers; and (c) provision of education services to IDP children, including funding of both the associated capital investment and recurrent costs. As a guiding principle, all reconstruction and rehabilitation will be done on a ‘build-back-better’ basis to ensure the quality and sustainability of the project investments.

31. **Complementarity with other interventions undergoing in the education sector in the BAY states.** The proposed MCRP education sector interventions are complementary to, and do not overlap with, the World Bank’s US\$100 million credit to provide AF to the SEPIP for its coverage in the six NE states, including the three targeted states of the MCRP. The MCRP focus is on rehabilitation of major physical infrastructure and education service delivery restoration where SEPIP is not covering, while the proposed AF credit of SEPIP will be used in the six NE states toward minor rehabilitation of schools, such as small repairs and painting, window fixing, as well as providing instructional materials and addressing teacher needs. The two operations will use the same institutional arrangements and will be in close collaboration to ensure that there will not be gaps or overlaps in coverage.



*Rehabilitation of Health Facilities and Health-related Service Delivery*

32. **Recovery needs and strategy for the health sector under the RPBA.** Health facilities were systematically targeted by the BH, leading to damage and destruction of 628 facilities in the BAY states, of which 475 were destroyed, including 9 hospitals, 250 health centers, and 215 nonpermanent facilities. As a result, the already weak health infrastructure in these states further deteriorated. In 2014, the NE states recorded more than 35,000 cholera cases. Even in communities where health facilities are functioning, lack of medicines and the cost of treatment became the key factors that prevented IDP from accessing health services. The total needs estimate for recovery in the sector is equivalent to US\$618 million. The recovery strategy for the health sector is composed of two complementary approaches: ensuring access to essential health and nutrition services for target groups and restoring critical health system functions.

**Table 1.5. Needs Overview in Health Sector (US\$)**

<b>Needs by activity</b>	<b>Adamawa</b>	<b>Borno</b>	<b>Yobe</b>	<b>Total</b>
Establish governance and early warning systems (capital)	378,000	5,589,000	450,000	<b>6,417,000</b>
Operational support to governance and early warning systems (operational)	882,000	13,041,000	1,050,000	<b>14,973,000</b>
Reconstruct/rehabilitate health care facilities/infrastructure and equipment	22,916,400	71,830,400	53,168,000	<b>147,914,800</b>
Health system restoration (capacity building)	352,800	5,216,400	420,000	<b>5,989,200</b>
Health system restoration (operational)	529,200	7,824,600	630,000	<b>8,983,800</b>
Risk mitigation (capital)	75,600	1,117,800	90,000	<b>1,283,400</b>
Risk mitigation (operational)	302,400	4,471,200	360,000	<b>5,133,600</b>
Service provision (capital)	3,024,000	44,712,000	3,600,000	<b>51,336,000</b>
Service provision (operational)	22,176,000	327,888,000	26,400,000	<b>376,464,000</b>
<b>Health Sector Total</b>	<b>50,636,400</b>	<b>481,690,400</b>	<b>86,168,000</b>	<b>618,494,800</b>

33. **Interventions planned under the MCRP.** The main focus of investments under the MCRP will be the reconstruction of health centers that have been severely damaged or destroyed by the crisis. This will include the rehabilitation/reconstruction of the physical health center buildings and associated accommodation for medical staff on call and all the necessary investments surrounding the health center to make it operational, including up-front investments in staff, furniture, and supplies. The average cost for the reconstruction of a fully destroyed health care facility, including equipment but not staff, is approximately US\$215,000. Combined with the start-up costs for staffing and supplies, each facility will require an up-front investment of US\$300,000.

34. **Complementarity with World Bank AF.** The proposed interventions under the MCRP will align well with the NSHIP, which will focus on restoring and strengthening health care service delivery using an outsourced and performance-based implementation model, while the MCRP will focus mainly on the restoration of physical infrastructure and public sector service delivery capacity. NSHIP will only finance small repairs to health centers, while the MCRP will focus more on health centers that are severely damaged or destroyed. With regard to geographic focus, the project proposes to align with the approach taken by the NSHIP, by targeting LGAs that (a) were severely affected by the crisis, (b) have a stable security environment, (c) have a high population density of IDP and conflict-affected people, and (d) align with other World Bank projects. This way, the infrastructure reconstructed under the MCRP can then be sustained and strengthened further by the performance-based grants from the NSHIP.



35. **Complementarity with other development partners.** The AfDB is planning to provide US\$11.5 million to finance primary health care services recovery spread across the reconstruction of 30 primary health care centers, strengthening of the referral and outreach services to remote communities and routine immunization services, and training programs on integrated health service delivery. This multidimensional focus of the AfDB project allows the MCRP to concentrate on physical restoration of health centers without risking overlaps. However, at the same time, the geographical distribution, designs, and quality standards of interventions proposed under the MCRP and AfDB will be closely coordinated and synchronized under the joint programming and complementary implementation arrangements being worked out between the World Bank and AfDB.

#### *Rehabilitation of Public Buildings*

36. **Recovery needs and strategy for public buildings under the RPBA.** Nearly 700 public buildings were affected by the conflict, of which 94 percent were destroyed or rendered dysfunctional otherwise. These damaged public buildings include police stations, jails, post offices, and, most importantly, local administrative buildings, which provided key municipal services to the residents. The rehabilitation and restoration of local government offices is a key physical precondition to strengthening the recovery efforts and institutional capacity at the local level and is essential for the restoration and improvement of social contract between the affected population and the LGAs. The estimated needs regarding the rehabilitation of the local government buildings in the RPBA are summarized in Table 1.6.

**Table 1.6. Needs Overview for Public Buildings (US\$)**

<b>Needs by Activity</b>	<b>Adamawa</b>	<b>Borno</b>	<b>Yobe</b>	<b>Total</b>
Local government building	5,610,000	157,080,000	7,012,500	169,702,500
<b>Total</b>	<b>5,610,000</b>	<b>157,080,000</b>	<b>7,012,500</b>	<b>169,702,500</b>

37. **Interventions planned under the MCRP.** This subcomponent will finance the rehabilitation and reconstruction of damaged local government buildings, selected through a prioritization exercise led by the states and the LGAs. The first-year interventions will be determined based on the urgent needs identified by each state under the Specific Investment Planning exercise. Importantly, the project-funded buildings will include designated spaces for community assembly, town hall meetings, and other community activities to maximize the capacities and functions of local government buildings for social accountability and community reconciliation.

38. **Complementarity with World Bank's AF projects and other development partner programs.** There are no known or expected overlaps between this project subcomponent and any of the AF projects of the World Bank or the AfDB project that is under preparation. The rehabilitation of local government buildings will actually complement all of these projects by providing a physical foundation for LGA to function more effectively and efficiently.

#### ***Component 3: Technical Assistance and Program Management Support - SDR 14.9 million (US\$20 million equivalent)***

39. This component will include TA for (a) strengthening the institutional capacity for the coordination of the programmatic recovery program, in line with the Buhari Plan and the RPBA and (b) strengthening the MCRP implementation capacity. Support for overall programmatic and policy coordination at the federal, interstate, and intrastate levels will include the provision of TA for the



development of implementation and performance management frameworks for programmatic recovery. Project implementation support will include (a) program management costs, including the engagement of a PMC; project M&E; contract management; FM and procurement; and safeguards implementation, monitoring, and management; (b) immediate and medium-term support and capacity building for project implementation in the PCUs and sectoral line agencies; and (c) setting up of citizen engagement and third-party monitoring mechanisms. It is envisaged that the PMC would be hired by the PCNI on behalf of the states. Other development partners could be invited to provide financial support to the PMC if needed, instead of every partner engaging the PMCs separately.

***Component 4: Contingent Emergency Response - SDR 0 million (US\$0 million equivalent)***

40. This CERC is included under the project in accordance with OP/BP 10.00, paragraphs 12 and 13, for situations of urgent need of assistance, as a project-specific CERC. This will allow for rapid reallocation of project proceeds in the event of a natural or man-made disaster or crisis that has caused or is likely to imminently cause a major adverse economic and/or social impact to address eligible emergency needs under the conditions established in its operations manual.

41. This component will have no funding allocation initially and will be used to draw resources from the uncommitted expenditure category in case of activation and World Bank approval. To trigger this component, the Government needs to declare an emergency or provide a statement of fact justifying the request for the activation of the use of emergency funding. To allocate funds to this component, the Government may request the World Bank to reallocate project funds to support response and reconstruction.

42. If an IRM is established, this component will serve as an IRM CERC to allow the reallocation of uncommitted funds from the project portfolio to the IRM DA to address emergency response and recovery costs, if approved by the World Bank. This component could also be used to channel additional funds should they become available as a result of an emergency.

43. Disbursements will be made against a positive list of critical goods or the procurement of works and consultant services required to support the immediate response and recovery needs. A specific Emergency Response Operations Manual will apply to this component, detailing FM, procurement, safeguards, and any other necessary implementation arrangements.



## ANNEX 2: IMPLEMENTATION ARRANGEMENTS

**COUNTRY:** Nigeria

**Multi-Sectoral Crisis Recovery Project for North Eastern Nigeria**

### Project Institutional and Implementation Arrangements

1. **The MCRP makes up a subset of a broader ongoing multi-sectoral recovery and stabilization program in the NE.** In this context, there are multiple stakeholders that need to be engaged in different functions and sectors to ensure strong ownership. Key players that need to be considered in the design of a functioning institutional arrangement include:

- **FMoF.** This ministry is the main counterpart for the World Bank for financial allocation and disbursements and oversight of compliance with the newly introduced fiscal sustainability plan to which state governments are committed:

**Table 2.1. Commitments from State Governments under the Fiscal Sustainability Plan**

Actions	Deadline
Publish state budget online annually.	March 2017
Publish budget implementation performance report online quarterly.	March 2017
Publish audited annual financial statements within 6 months of financial year-end. Implement a centralized Treasury Single Account in each state. Introduce a system of continuous audit (internal audit). Provide introduction and ensure compliance with the International Public Sector Accounting Standards.	December 2016
Create a fixed asset and liability register.	June 2017
Carry out biometric capture of all states' civil servants to eliminate payroll fraud.	December 2016

- **Vice President's office.** The Vice President, as the second in command in the Government, spearheaded the implementation of the RPBA to ensure that government counterparts were fully involved throughout the process. The Vice President's office will continue to use its convening power to ensure the project remains fully anchored and coordinated among the respective line ministries at the federal and state levels. It will coordinate the implementation of the recovery and stabilization with a Strategic Action Plan by chairing the PCNI.
- **PCNI.** The PCNI was recently established by a Presidential Executive Order from President Buhari in September 2016, to serve as a special-purpose vehicle for the implementation of the Buhari Plan with responsibility for direct oversight coordination and monitoring of all interventions in the NE region. While the PCNI will not be implementing recovery projects, it will approve, monitor, evaluate, coordinate, and guide the implementation of all NE intervention efforts under the Buhari Plan, including those of the Government, development partners, NGOs, and relevant MDAs. The Vice President will oversee the activities of the PCNI and will be responsible for accountability, budgetary oversight, and legislative advocacy. The PCNI will also take over the responsibilities and budgets of PINE and the Safe Schools Initiative. The PCNI will have a tenure of three years, by which time a



long-term regional development framework or entity is expected to be legislated to drive the long-term development of the NE region.

- **FMBNP.** This ministry is responsible for (among other things) formulating national development plans; coordinating such plans at the federal, state, and local government levels; and monitoring projects and progress relating to plan implementation. The ministry has representatives reporting to it in each state government that could also play a role in project planning and oversight at the state level.
- **NEDC.** The GoN contemplates the establishment of a new executive agency within three years, modelled on the Niger Delta Development Commission, to support regional development. The operational specifics of the NEDC are to be enacted in an establishment act.
- **State governments of the NE.** Each headed by a State Governor, the states will be responsible for project implementation. Prioritized strategic plans of action are being developed and consulted on by the states to identify immediate needs and financing gaps. This will ensure a bottom-up and state-driven approach. This complements the top-down policy guidance and coordination provided by the Strategic Action Plan for the NE.
- **Governors Forums.** There are numerous Governors Forums that are responsible for policy dialogue and could be used to ensure effective coordination and emulation through peer learning and review. These forums include the Northern Governors Forum, the North East Governors Forum, and so on. Policy coordination and oversight could be considered through these forums to ensure widespread state government ownership.

2. **The proposed project will build on existing institutional structures and will establish new bodies only where needed, with specific and time-bound mandates.** Being in a conflict without precedent, the institutional landscape in Nigeria has been evolving and adapting to respond to the challenges posed by this crisis. New bodies for the recovery of the NE have been established at the federal and state levels, including the PCNI and the Ministry of Reconstruction, Rehabilitation, and Resettlement in Borno State. Yet, some of these institutions will evolve with time, and possibly new and more permanent ones will emerge, including the possible creation of the NEDC. The project is hence proposing to build and strengthen existing institutions to perform roles such as interagency coordination at the federal and state levels and intergovernmental coordination across the three tiers of the Government. To this end, the GoN will develop and maintain a detailed PIM to further elaborate the roles and responsibilities of various segments and tiers of the project's implementation apparatus as well as lay out detailed technical and operational decision-making processes.

#### *Recovery Program Coordination*

3. **The MCRP activities will align with the overall recovery and stabilization Strategic Action Plan for the NE, coordinated by a federal-level apex committee.** This will likely be initially convened by the PCNI, anchored within the Vice President's office. The committee includes representatives from the Vice President's office, the PCNI, the Secretary to the Government, the FMoF, the FMBNP, and the BAY State Governors. This committee is also envisioned to provide oversight of the recovery program activities in the NE, as well as central policy guidance and standard-setting, as required on a periodic basis, to ensure



effective coordination and harmonization of recovery and peace building initiatives in the NE. Within three years, the GoN contemplates the establishment of a NEDC to coordinate all interventions under the Buhari plan.

4. **Interstate coordination.** Coordination will be carried out on a regular basis, ensuring consistency of recovery policy and programming across different states and regular dialogue between the states to ensure effective policy coordination and alignment of implementation arrangements. Interstate meetings will take place at least on a six-monthly basis. These will be facilitated by the PCNI, including the PCNI state officers.

5. **Intrastate coordination through state steering committees.** At the state level, the project will support the coordination and collective decision making among MDAs involved in the recovery and peace building process through the setup of a recovery and peace building steering committee. The state steering committees will coordinate and oversee the implementation of recovery and peace building efforts at the state level, ensuring synergies across initiatives supported by different development partners.

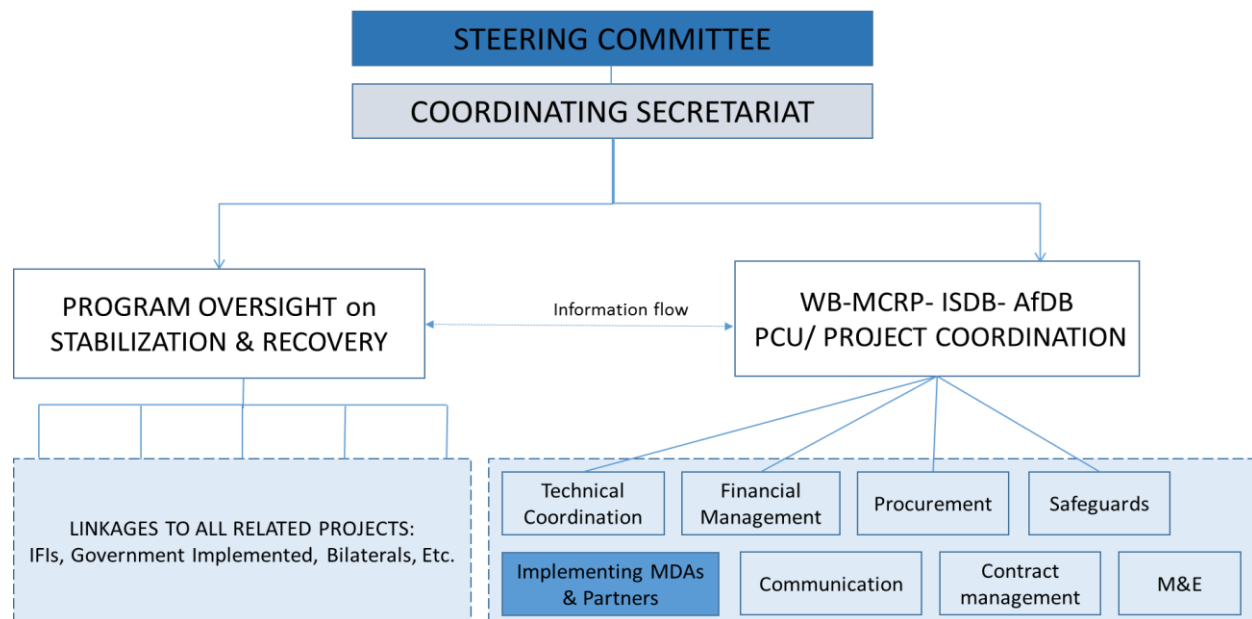
### *Project Implementation*

6. **State-level PCUs.** A state-level coordination mechanism in each of the states will be established to ensure effective multi-sectoral coordination across all recovery and peace building initiatives. State PCUs will ensure technical, M&E, fiduciary, and safeguards oversight. The PCUs will focus on quality and process oversight, FM, procurement, reporting, contract management, and M&E and on ensuring social and environmental safeguards compliance. For Component 1, the PCUs will also be in charge of implementation functions given its cross-sectoral and cross-cutting nature. For Components 2 and 3, the implementation functions and responsibilities will be assigned to the relevant state line departments, where there is capacity. To develop economies of scale and a coherent state-led crisis recovery program, the PCUs will also ensure the MCRP's coordination with related infrastructure projects supported by the IsDB and AfDB.

7. For Component 1, project implementation will be carried out by the state PCUs, taking into account the intersectoral nature of the component and that functions such as return and reintegration of forcibly displaced population or social cohesion fall beyond the mandate of a single ministry. In this case, the PCUs will be responsible for carrying out technical functions of site identification, development of bidding documents, and technical assurance and oversight. For Component 2, project implementation will be carried out by the relevant sectoral/technical MDAs in each state. The project will finance the operating costs of the respective project teams in these MDAs to ensure that existing capacity and organizational structures are used and enhanced where necessary. The staff working on the project will report to the respective line agency hierarchy on a daily basis for technical implementation and will report back to the PCUs on a regular basis for overall project implementation progress. Component 3 will be implemented by both the federal and state coordination units.



**Figure 2.1. State-level Coordinating Structure**



Note: IFI = International Financial Institution.

#### *Proposed Capacity Building for Program Implementation under the MCRP*

8. **The MCRP will strengthen the capacity of the federal and state governments to implement the recovery and stabilization Strategic Action Plan, produced based on the RPBA findings, by mobilizing project implementation and management tools, which will feed into and support the overall implementation framework as it evolves.** For instance, to ensure adequate planning and execution of the projects funded by the MCRP, the World Bank will build state government capacity for public investment and asset management across the board. To ensure effective monitoring of the MCRP implementation at the federal, state, and local levels, the World Bank will promote the use of shared management information systems by the three tiers of government and across public agencies as well as public disclosure of information, feeding policy dialogue, and strengthening social accountability across the board. TA provided by the project will aim at mainstreaming the use of and leveraging of the project implementation tools for the implementation of the recovery and stabilization Strategic Action Plan as a whole.

9. **TA will be provided at the federal and state levels to strengthen the implementation of the overall recovery and stabilization Strategic Action Plan.** It will focus on the following areas: planning, budgeting, FM, M&E, procurement, social and environmental safeguards, and social accountability.

10. At the federal level, given the evolving institutional framework for the implementation of the Buhari Plan (with the PCNI yet to be operationalized and the establishment of a new ad hoc executive agency, the NEDC, under way), the project will help strengthen interagency coordination between all relevant line ministries and parastatals and the leveraging of their respective roles and responsibility to ensure adequate implementation of the Buhari Plan. TA to the PCNI will aim at ensuring that it can successfully leverage all the critical functions exercised by other nodal government entities, namely the FMBNP for the monitoring of expenditure, and so on. Accordingly, it will aim at strengthening the institutional environment, which will allow the PCNI to operate effectively. Not all listed functions need





to be internalized by the PCNI, but all need to be leveraged by it. Accordingly, the project will ensure that all relevant information generated under different government entities on the stabilization and recovery of the NE will be made available to the PCNI.

**Table 2.2. Strengthening the Institutional Framework at the Federal Level for the Implementation of the Buhari Plan**

Functions	Stakeholders	Entry Points for TA
<b>Planning</b>	FMBNP  Relevant line ministries and parastatals (education, health, and so on)	<ul style="list-style-type: none"> <li>Factoring in the recovery and stabilization plan into national macrofiscal planning (including the Medium-term Expenditure Framework)</li> <li>Factoring in the Buhari Plan into budget planning, in relevant multi-tiered systems of support (education, health, and so on)</li> <li>Alignment of sector resource allocation with the Buhari Plan</li> </ul>
<b>Financing</b>	FMoF  UBEC for the construction of school facilities  NPHCDA	<ul style="list-style-type: none"> <li>Monitoring BAY states' compliance with the fiscal sustainability plan</li> <li>M&amp;E of physical outputs of the Universal Basic Education Intervention Fund</li> </ul>
<b>Monitoring</b>	FMBNP (Capex M&E framework)  National Bureau of Statistics	<ul style="list-style-type: none"> <li>Feeding in the project M&amp;E system into the Capex M&amp;E framework</li> <li>TA by the National Bureau of Statistics to state bureaus of statistics</li> </ul>
<b>Coordination</b>	Vice President's office (National Economic Council)  National Governors' Forum secretariat (in preparation of National Economic Council meetings)	<ul style="list-style-type: none"> <li>Strengthening capacity of the Vice President's office for interagency coordination</li> <li>Strengthening interstate policy coordination through peer learning and review</li> </ul>

Note: NPHCDA = National Primary Health Care Development Agency; UBEC = Universal Basic Education Commission.

11. **At the state level, the implementation of MCRP will synergize with other relevant World Bank and other donors' operations to maximize the impact on service delivery of activities.** This will essentially focus on the reconstruction of public facilities funded under the MCRP, that is, strengthening the link between physical outputs and development outcomes. Such coordination will strengthen the link between the rebuilding of public infrastructure under the project and access to quality service delivery; for example, school facilities rebuilt under the MCRP will be provided with qualified teachers, educational material, and adequate management capacity (school principal, school-based management committees, and oversight of school performance) so that pupils enrollment effectively increases.

12. The project Results Framework is also designed to align with those of these other World Bank projects to provide the BAY state governments with an M&E tool for the whole delivery chain in the relevant sectors, from financial inputs to service delivery outcomes through physical outputs. For that purpose, all state-level project management units should coordinate under the aegis of the MCRP state-level coordinating units and share information on common challenges and results.

**Table 2.3. Synergizing the MCRP with Other World Bank Operations in the NE**

Thematic Areas	World Bank Projects to Synergize with	Complementarities to Build on
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Thematic Areas	World Bank Projects to Synergize with	Complementarities to Build on
Local governance	SLOGOR PSGRD CSDP FADAMA III	<ul style="list-style-type: none"> <li>• TA to state Ministries of Local Governments on accounting, auditing, budgeting, procurement, tax administration, community-level planning, and M&amp;E</li> <li>• TA to state auditor general for local governments</li> <li>• Social accountability mechanisms including in planning, budgeting, and public procurement</li> </ul>
FM	SLOGOR PSGRD	<ul style="list-style-type: none"> <li>• Public procurement</li> <li>• Budget execution</li> <li>• External audit</li> <li>• Capacity building for FM in line ministries</li> </ul>
Education	SEPIP AF	<ul style="list-style-type: none"> <li>• Teacher management and deployment</li> <li>• School management</li> </ul>
Health	NSHIP AF	<ul style="list-style-type: none"> <li>• Increased coverage and quality of child and maternal health care</li> <li>• Free pediatric and obstetric care</li> </ul>
Agriculture	FADAMA III AF	<ul style="list-style-type: none"> <li>• Generation of community-owned infrastructure projects</li> <li>• Institutionalization of users groups</li> </ul>

Note: PSGRD = ; SLOGOR =.

13. The following functions will be strengthened for project implementation:

14. **Overall oversight and coordination.** At the federal level, a dedicated team of experts will be needed to carry out the day-to-day coordination between federal government entities as well as with state governments, policy analysis, reporting on implementation, and analytical work. This role will be played by the PCNI as the apex body (and, possibly in the future, by the NEDC) in the exercise of its overall central oversight, coordination, M&E, and project progress reporting responsibilities and functions. As part of this process, the PCNI will consolidate state-level M&E reports at the federal level and furnish the same for the review and information of the federal government, the World Bank, and possibly other development partners. Also, the project will strengthen the coordinating capacity of the PCNI for the implementation of the recovery and stabilization Strategic Action Plan including by ensuring that it avails shared information to inform collective decision making.

15. **Interstate coordination.** The project will facilitate peer learning, exchange of experience and emulation across the BAY state governments as well as with non-beneficiary state governments, and leveraging peer pressure (including through the peer review mechanism of the National Governors' Forum).

16. **State PCUs will be reinforced by a PMC that will provide timely and quality support in areas related to technical, fiduciary, and safeguards.** The PMC will provide implementation support to the PCUs on a phased basis. This will include intensive support in the first year to build the capacity of the PCUs and then gradually phase out over the lifetime of the project. The PMC shall be expected to provide the PCUs with intensive 'on-the-job' training during the first phase of the project. The PMC will ensure that the management of all aspects of the MCRP implementation including fiduciary, safeguards, and technical is done in accordance with the guidelines of the World Bank and within the procedures of the state governments. The PMC will be mandated to help state governments internalize its managerial inputs so as to enhance the sustainability of the MCRP results.

- On technical aspects, the PMC will support the PCUs and line departments in the definition of the design brief and consultants' terms of reference (ToR) for feasibility studies and



detailed design and advice on monitoring the project with emphasis on the quality, cost, and progress of construction.

- On fiduciary matters, the PMC will support the preparation of the PPs, project work plans, and procurement schedules for goods and works as well as bidding document for various packages contained in the PP according to agreed timelines. In addition, the PMC will support the yearly budget preparation according to the work plan and assist in the FM according to the World Bank requirements.
- On safeguards, the PMC will assist in ensuring that subprojects are implemented in accordance with best practices and guidelines set out by the SAP and will draft the relevant consultants' ToR for the preparation and implementation of site-specific ESMPs and/or ESIAs and RAPs/ARAPs.

### **Detailed Component-level Implementation Arrangements**

17. **For Component 1, project implementation will be carried out by the state PCUs.** Taking into account the intersectoral nature of the component and that functions such as return and reintegration of IDP or social cohesion fall beyond the mandate of a single ministry, the PCUs will be responsible for carrying out technical functions of site identification, development of bidding documents, and technical assurance and oversight. Currently, there is no multi-sector implementing agency in all states in charge of peace building, reconciliation, and return and reintegration of forcibly displaced persons, given that these are relatively new issues in the states. The Ministries of Women Affairs and Social Development, Youth and Sports, Local Government, and Chieftaincy Affairs and agencies such as NEMA and State Emergency Management Agencies perform some technical functions on different areas covered by the component. Yet, capacity in some sectoral ministries is limited, translating into significant administrative delays and poor coordination among existing government institutions, which will affect the timely and effective implementation of the project. Institutional mandates on the activities covered by the component are also mixed and, in some cases, unclear. To facilitate implementation, the PCUs will coordinate the provision of inputs of these key ministries in relevant issues through the project steering committee and will provide periodic reports of the project's physical and financial activities

18. **For Component 2, project implementation will be carried out by the relevant sectoral/technical MDAs in each state.** The project will finance the operating costs of the respective project teams in these MDAs to ensure that existing capacity and organizational structures are used and enhanced where necessary. The staff working on the project will report to the respective line agency hierarchy on a daily basis for technical implementation and report back to the PCUs on a regular basis for overall project implementation progress.

- (a) **Transport.** Transport interventions will be aligned with each state's rural development policies and will be implemented by the state ministry in charge of rural roads (for example, state Ministry of Agriculture and Rural Development or state Ministry of Public Works, depending on the state). Given the capacity limitations, these state-level entities will need strengthening for effective project implementation. Toward that end, the MCRP will look to profit from the lessons learned from and the capacity developed by the World Bank's RAMP. The RAMP implementation units are already staffed with key operational professionals including civil servants and consultants (for example, road engineers,



procurement specialist, accountant, M&E specialist, and environmentalist) and led by a state coordinator. The key responsibilities of the implementation units include

- (i) Management of the project activities during the implementation phase;
  - (ii) Ensuring the sustainability of the project's rural transport investments through designing, implementing, and promoting sound road maintenance practices, in coordination with LGAs, whenever appropriate;
  - (iii) Ensuring the alignment of the project activities with the state's rural development policies and contributing to the design and implementation of sound rural transport policies at the state level; and
  - (iv) Periodic reporting and documentation of the status of the project implementation.
- (b) **Water and sanitation.** State governments in Nigeria, through agencies such as water supply authorities, State Water Boards (SWBs), and the Small Towns Water and Sanitation Agency are responsible for the “establishment, operation, quality control, and maintenance of urban and semi-urban water supply systems and in some cases for rural supply. They are also responsible for licensing and monitoring private water suppliers, monitoring the quality of water supplied to the public, and providing TA to LGAs.”<sup>15</sup> However, in the NE, the supply of water has been hampered by capacity issues at the state level and more recently by the effects of the conflict. As such and considering the minimal presence of the World Bank in the water sector in the NE, implementation of the MCRP will be supported by a PMC for procurement, FM, contract management, coordination, and M&E. In addition, three design and construction supervision consultants, one for each state, will be responsible for the works design and construction supervision. The PMC is expected to coordinate with the SWBs in the BAY states to ensure capacity building and a smooth handover of provision of services and to be consistent with the sector reforms framework that has been developed under the previous World Bank water projects.
- (c) **Education.** The implementation arrangements will follow a similar structure as proposed in SEPIP, which builds on the existing government administrative structures. As the project will be implemented at the state level or below, the responsibility for the implementation of the proposed schemes for the education sector will lie within the State Ministry of Education in each of the BAY states. Given the weakness in capacity and the challenging postconflict context in the BAY states, there is likely a need to strengthen the implementation capacity through assistance provided by other partners such as NGOs, CSOs, and community-based organizations. To closely monitor results and collect evidence of progress, M&E units in each State Ministry of Education will take the responsibility of monitoring and reporting, with overall monitoring by the UBEC on behalf of the Federal Ministry of Education at the federal level and third-party validation by CSOs at the community/school level.

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<sup>15</sup> Macheve, Berta, Alexander Danilenko, Roohi Abdullah, Abel Bove, and L. Joe Moffitt. 2015. *State Water Agencies in Nigeria: A Performance Assessment*.



- (d) **Health.** The State Primary Health Care Development Agencies are responsible for primary health care service provision, as well as the construction of primary care centers, but their capacity is limited and will need strengthening for effective project implementation. Local primary health care centers are the responsibility of LGAs, while hospitals are the responsibility of the states.
- (e) **Public buildings and other community infrastructure.** Reconstruction of local government offices and branches at the ward level as well as area courts will be overseen by the State Ministry of Public Works, in line with relevant building codes and standards.

19. Component 3 will be implemented by both the federal and state coordination units. It is envisaged that the PMC will be hired by the PCNI on behalf of the states. Other development partners could be invited to provide financial support to the PMC if needed, instead of every partner engaging the PMCs separately.

20. **The MCRP will build on existing sectoral policy coordination and standard-setting mechanisms already in place.** Because this is a multi-sector project, different sectors of intervention will be addressed. Activities in each respective sector will align with existing mechanisms to coordinate and harmonize standards and policies. Below is a list of sectoral coordination mechanisms already in place that the project will ensure consistency with:

- (a) **Transport (road and bridge reconstruction).** Given the importance of coordination at the federal level in transport projects, the proposed project will coordinate with the Federal Ministry of Agriculture and Water Resources. Nigeria's constitution assigns important independent responsibility for roads to all three levels of government—the 774 LGAs, the 36 states, and the Federal Government. Each state is responsible for planning, budgeting, financing, and executing construction and maintenance of the roads under its jurisdiction. Many rural roads in the past were built by federal agencies such as the Directorate of Food, Roads, and Rural Infrastructure, but, with the winding up of those programs or diminution of financial allocations, responsibility has effectively devolved to the state governments and particularly local governments.
- (b) **Water and sanitation.** The Federal Ministry of Water Resources' 2000 National Water Supply and Sanitation Policy defined the roles of the different tiers of government in Nigeria regarding water and sanitation (federal, state, and local). The project will ensure complementarity with the World Bank funded Third National Urban Water Sector Reform Project for the development of sector reform action plans in the BAY states.
- (c) **Education (school reconstruction).** The Federal Ministry of Education will be the sectoral authority and will undertake overall oversight and coordination at the federal level, mainly through the UBEC. Given the security concerns in the project states and the Build-Back-Better principle set for the MCRP, federal-level coordination and supervision will also be required to monitor and evaluate the compliance of each scheme toward the federal standards to ensure the quality of construction and procurement of teaching and learning equipment and materials.



- (d) **Health (health center reconstruction).** The NPHCDA has the overall mandate for primary health care oversight and policy coordination. A national primary health care bill was passed in 2015, 'Primary Health Care under One Roof', pertaining to budgeting human resource and FM. There are no standard guidelines at the national level for health facility construction or design.

21. Table 2.4 lays out the responsibilities of the PCU and the respective sectoral MDA for the respective sector and subcomponent of intervention:

**Table 2.4. Responsibilities of the PCU and MDA by Sector**

Activity	PCU	MDA
<b>1.1. Support to safe and voluntary return and/or reintegration of displaced persons:</b>  <i>Ministries of Women Affairs, Chieftaincy Affairs, Youth and Sports, and Local Government through the Project Steering Committee</i>	<ul style="list-style-type: none"> <li>• Quality and process oversight</li> <li>• Procurement of goods and services</li> <li>• Seeking of World Bank no-objections</li> <li>• Contract management oversight and controls</li> <li>• Financial reporting</li> <li>• M&amp;E</li> <li>• Certification of progress reports</li> <li>• Identification and preparation of interventions and schemes</li> <li>• Preparation of designs</li> <li>• Preparation of bidding documents</li> <li>• Procurement of contractors and supervision consultants</li> <li>• Site supervision and technical quality assurance</li> <li>• Contract management</li> <li>• Certification and payment</li> </ul>	<ul style="list-style-type: none"> <li>• Clearance of interventions and schemes</li> <li>• Clearance of designs</li> <li>• Clearance of bidding documents</li> <li>• Quality assurance</li> </ul>
<b>1.2. Strengthening of reconciliation, peace building, and community cohesion:</b>  <i>Ministries of Women Affairs, Chieftaincy Affairs, Youth and Sports, and Local Government through the Project Steering Committee</i>	<ul style="list-style-type: none"> <li>• Quality and process oversight</li> <li>• Procurement of goods and services</li> <li>• Seeking of World Bank no-objections</li> <li>• Contract management oversight and controls</li> <li>• Financial reporting</li> <li>• M&amp;E</li> <li>• Certification of progress reports</li> <li>• Identification and preparation of interventions and schemes</li> <li>• Preparation of designs</li> <li>• Preparation of bidding documents</li> <li>• Procurement of contractors and supervision consultants</li> <li>• Site supervision and technical quality assurance</li> <li>• Contract management</li> <li>• Certification and payment</li> </ul>	<ul style="list-style-type: none"> <li>• Clearance of interventions and schemes</li> <li>• Clearance of designs</li> <li>• Clearance of bidding documents</li> <li>• Quality assurance</li> </ul>



Activity	PCU	MDA
<b>1.3. Strengthening of local governance and citizen engagement:</b>  <i>Ministries of Women Affairs, Chieftaincy Affairs, Youth and Sports, and Local Government through the Project Steering Committee</i>	<ul style="list-style-type: none"> <li>Quality and process oversight</li> <li>Procurement of goods and services</li> <li>Seeking of World Bank no-objections</li> <li>Contract management oversight and controls</li> <li>Financial reporting</li> <li>M&amp;E</li> <li>Certification of progress reports</li> <li>Identification and preparation of interventions and schemes</li> <li>Preparation of designs</li> <li>Preparation of bidding documents</li> <li>Procurement of contractors and supervision consultants</li> <li>Site supervision and technical quality assurance</li> <li>Contract management</li> <li>Certification and payment</li> </ul>	<ul style="list-style-type: none"> <li>Clearance of interventions and schemes</li> <li>Clearance of designs</li> <li>Clearance of bidding documents</li> <li>Quality assurance</li> </ul>
<b>2.1. Roads and bridges:</b>  <i>State Ministry of Agriculture and Rural Development or State Ministry of Public Works (depending on the state)</i>	<ul style="list-style-type: none"> <li>Quality and process oversight</li> <li>Procurement of goods and services</li> <li>Seeking of World Bank no-objections</li> <li>Contract management oversight and controls</li> <li>Financial reporting</li> <li>M&amp;E</li> <li>Certification of progress reports</li> </ul>	<ul style="list-style-type: none"> <li>Identification of roads</li> <li>Preparation of designs</li> <li>Preparation of bid documents</li> <li>Procurement of contractors and supervision consultants</li> <li>Site supervision and technical quality assurance</li> <li>Contract management</li> <li>Operations and maintenance</li> <li>Certification and payment of works</li> </ul>
<b>2.2. Water and sanitation:</b>  <i>SWBs and the Small Towns Water and Sanitation Agency</i>	<ul style="list-style-type: none"> <li>Quality and process oversight</li> <li>Procurement of goods and services</li> <li>Seeking of World Bank no-objections</li> <li>Contract management oversight and controls</li> <li>Financial reporting</li> <li>M&amp;E</li> <li>Certification of progress reports</li> </ul>	<ul style="list-style-type: none"> <li>Identification of sites in need of upgraded WASH facilities</li> <li>Preparation of designs</li> <li>Preparation of bid documents</li> <li>Procurement of contractors and supervision consultants</li> <li>Site supervision and technical quality assurance</li> <li>Contract management</li> <li>Operations and maintenance</li> <li>Certification and payment of works</li> </ul>
<b>2.3. Education:</b>  <i>State Ministry of Education</i>	<ul style="list-style-type: none"> <li>Quality and process oversight</li> <li>Procurement of goods and services</li> <li>Seeking of World Bank no-objections</li> <li>Contract management oversight and controls</li> <li>Financial reporting</li> <li>M&amp;E</li> <li>Certification of progress reports</li> </ul>	<ul style="list-style-type: none"> <li>Identification of schools</li> <li>Preparation of designs</li> <li>Preparation of bid documents</li> <li>Procurement of contractors and supervision consultants</li> <li>Site supervision and technical quality assurance</li> <li>Contract management</li> <li>Operations and maintenance</li> <li>Certification and payment of works</li> </ul>



Activity	PCU	MDA
<b>2.4. Health:</b> <i>State Primary Health Care Development Agencies</i>	<ul style="list-style-type: none"> <li>Quality and process oversight</li> <li>Procurement of goods and services</li> <li>Seeking of World Bank no-objections</li> <li>Contract management oversight and controls</li> <li>Financial reporting</li> <li>M&amp;E</li> <li>Certification of progress reports</li> </ul>	<ul style="list-style-type: none"> <li>Identification of primary health facilities</li> <li>Preparation of designs</li> <li>Preparation of bid documents</li> <li>Procurement of contractors and supervision consultants</li> <li>Site supervision and technical quality assurance</li> <li>Contract management</li> <li>Operations and maintenance</li> <li>Certification and payment of works</li> </ul>
<b>2.5. Public buildings:</b> <i>State Ministry of Public Works</i>	<ul style="list-style-type: none"> <li>Quality and process oversight</li> <li>Procurement of goods and services</li> <li>Seeking of World Bank no-objections</li> <li>Contract management oversight and controls</li> <li>Financial reporting</li> <li>M&amp;E</li> <li>Certification of progress reports</li> </ul>	<ul style="list-style-type: none"> <li>Identification of public buildings</li> <li>Preparation of designs</li> <li>Preparation of bid documents</li> <li>Participation in procurement of works, goods, and services</li> <li>Site supervision and technical quality assurance</li> <li>Contract management</li> <li>Certification and payment of works</li> </ul>
<b>3.1. Institutional capacity building:</b> <i>State governments and the PCNI</i>	<ul style="list-style-type: none"> <li>Quality and process oversight</li> <li>Procurement of services</li> <li>Seeking of World Bank no-objections</li> <li>Financial reporting</li> <li>M&amp;E</li> </ul>	<ul style="list-style-type: none"> <li>Identification and preparation of interventions and schemes</li> <li>Preparation of designs</li> <li>Preparation of bid documents</li> <li>Procurement of contractors and supervision consultants</li> <li>Site supervision and technical quality assurance</li> <li>Contract management</li> <li>Operations and maintenance</li> <li>Certification and payment</li> </ul>
<b>3.2. Program management support</b>	<ul style="list-style-type: none"> <li>Quality and process oversight</li> <li>Procurement of services</li> <li>Seeking of World Bank no-objections</li> <li>Financial reporting</li> <li>M&amp;E</li> <li>Identification and preparation of interventions and schemes</li> <li>Procurement and supervision of consultants</li> <li>Certification and payment</li> </ul>	n.a.

## Investment Planning Principles

22. **The proposed project is aligned with and contributes to the four strategic outcomes for recovery and peace building set out by the RPBA**, including (a) safe, voluntary, and dignified return and resettlement of displaced populations; (b) improved human security, reconciliation, and violence prevention; (c) enhanced government accountability and citizen engagement in service delivery; and (d) increased equity in the provision of basic services and employment opportunities.

23. **Following the recovery framework outlined in the RPBA, achieving these outcomes will require four areas of intervention**, including (a) peace building and social cohesion activities to integrate the forcibly displaced into local planning and strengthen integration between forcibly displaced population and host communities; (b) rapid infrastructure rehabilitation and service delivery





restoration and improvement; (c) quick injection of short-term employment opportunities, followed by sustainable restoration of livelihoods; and (d) a conflict-sensitive and inclusive approach to programming and implementation of programmatic responses. The principles outlined in the RPBA of building back better and do no harm have been integrated into the preparation and will continue to guide the implementation of the project.

**24. The suggested project design is based on providing a programmatic, multi-sector, and multi-partner solution to crisis recovery in the three BAY states.** Informed by area-based crisis recovery experiences, the proposed activities will be built on a three-component integrated approach of social, economic, and infrastructure/service delivery restoration and recovery. Livelihood restoration is proposed to be a cross-cutting consideration that is folded into the design and implementation of all components of the project. This will include exploring opportunities to adopt labor-intensive approaches for reconstruction, engaging the affected communities. Sustainable restoration of livelihoods will also be considered under the social cohesion component, particularly targeting IDP.

**25. Infrastructure and social service delivery investments can act as a catalyst for peace and stability.** Infrastructure development and equitable and sustainable provision of critical social services (education and health are recognized in conflict situations) promote growth of local economies and social cohesion among their people. Economic deprivation, inequitable distribution of economic growth, and perceived neglect of the NE are some of the causal factors that contributed to the conflicts in the region. The project is therefore addressing these needs recognizing that infrastructure and social service sector investments could provide the much-required stimulus to promote livelihoods for local populations, economic growth of local economies, and greater cohesion among its people. In the current socioeconomic and political contexts of the NE, these sectors are important levers to promote peace and economic prosperity in these regions.

**26. Guided by the programmatic approach of recovery responses, the MCRP will respond to the most urgent needs in the three most affected BAY states.** The World Bank aims to provide a multi-sector and multi-partner solution to crisis recovery, with the key objective to address service delivery gaps and social cohesion issues created by the protracted BH conflict. Using several guiding principles, the World Bank MCRP team will coordinate with other World Bank project teams, government counterparts, and development partners to support a synchronized programmatic approach with common outcomes (in line with the RPBA).

**27. Flexibility.** Despite the Government's military success in regaining territory once held by the BH and restricting insurgency operations to a few pockets of resistance, the BH retains the ability to periodically stage attacks in the NE and occasionally further south. This transition to a more asymmetric conflict means that while the return of forcibly displaced people and reconstruction is possible in some areas, the threat and reality of local attacks continue to undermine the revival of agriculture and economic life and the establishment of stable peace. Given current conditions, displacement is likely to endure, and there will be limited scope for reconciliation in some areas. Urban areas are likely to be more secure than rural ones, despite the likelihood of continued attacks. As a result, the uncertain security situation in the NE will require a flexible, adaptable, and nuanced approach to project design and implementation to minimize and mitigate the impact of such unpredictable threats.

**28. Prioritization and conflict sensitivity.** Given the overwhelming needs for recovery, peace building, and reconstruction revealed by the RPBA and the available resources from both domestic and





international sources, there will necessarily have to be a prioritization of needs and resulting interventions. This prioritization will be led by the GoN and informed by the RPBA's Strategic Framework for Recovery and Peace Building and existing and planned programs by the GoN and other development partners. The prioritization process, along with overall project preparation and implementation, will be conducted adopting a bottom-up approach led by the states and informed by community consultations. Conflict sensitivity will be central to this project, ensuring proper identification and mitigation of conflict risks.

29. **Complementarity.** In light of the existing and planned recovery strategies and programs by the GoN and development partners, including the World Bank, it is important that the Nigeria MCRP endeavors to be complementary to those strategies and programs, avoiding overlaps and gaps. For example, the MCRP will not cover social protection and livelihood support programs as two AF projects<sup>16</sup> are addressing these needs. Annex 5 provides a list of all current or proposed interventions in the NE, which the team used as a reference for complementarity considerations in project design.

30. **Use of geospatial data for geographic targeting.** Geospatial analytics can support systematic and criteria-based targeting of implementation areas according to the principles of 'impact proportionality' and 'impact maximization'. For instance, correlating geographic data layers on the concentration of displaced populations with socioeconomic indicators and the locations and state of service infrastructure can help determine priority areas for specific needs related to individual interventions. Moreover, relevant contextual information that can feed into geospatial analysis related to the project includes among others (a) IDP concentration by administrative areas; (b) locations of service delivery infrastructure such as schools, hospitals, or roads; (c) socioeconomic indicators by administrative areas, such as poverty, unemployment, and market access; (d) security-related information, such as conflict incidents and road security; (e) aggregated survey data; and (f) information on environmental conditions and so on. The project can partly build upon an existing data management system that has been established for the RPBA, while further data sets are available through open source channels or partners on the ground. Additional data can be provided through remote sensing and analysis of high- and low-resolution satellite imagery. Multispectral imagery can, for instance, be used to establish baseline data for the locations and physical conditions of infrastructure, such as roads, hospitals, and school, where not covered by the RPBA data. The use of such remote sensing solutions can be explored to complement publicly available geographic data sets.

## Investment Prioritization and Selection Process

31. **The selection and prioritization of interventions is based on consultation by the states, taking into account a set of criteria.** It is agreed that the state investment plan preparation will follow a four-stage approach. In the first stage, based on key criteria agreed with the states at the sector level, interventions will be classified into high, medium, and low priorities, correspondingly representing urgent and immediate investment needs and medium- and long-term investment needs.<sup>17</sup> The criteria used are listed below:

- (a) Spatial coverage

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<sup>16</sup> These two AF projects are the CSDP and YESSO.

<sup>17</sup> The various templates and the process flow charts and detailed in the Excel file, 'infrastructure and social service sector project investment costing'.



- (i) Interventions in LGAs/wards of displacement
- (ii) Interventions in LGAs/wards of return
- (b) Beneficiary coverage
  - (i) Addressing needs of communities in places of displacement
  - (ii) Addressing needs of communities in places of origin
  - (iii) Addressing specific needs of vulnerable groups
- (c) Linkages with ongoing development assistance programs
  - (i) Ongoing government programs
  - (ii) Buhari Plan interventions
  - (iii) Linkages with ongoing development partner assistance programs
- (d) Institutional capacity of the state governments to implement program interventions
- (e) Contribution of the intervention to achieve strategic outcomes
  - (i) Contributing to the safe, voluntary, and dignified return and resettlement of displaced populations
  - (ii) Improving human security, reconciliation, and violence prevention
  - (iii) Enhancing government accountability and citizen engagement in service delivery
  - (iv) Increasing equity in the provision of basic services and employment opportunities

32. Although the sector intervention prioritization process followed a simple normative approach of ticking Yes (Y) or No (N) for the criteria listed above, state governments are asked to explain the rationale for stating Y or N in the template to make the prioritization process transparent and objective. Based on this process, sector interventions are classified into high, medium, and low priorities. All the listed interventions will be included in the SPARS as to enable the donor partners and government agencies to structure their respective investment plans.

33. The second stage in the investment planning process is to break down the identified interventions into projects and rank them based on a set of development indicators. The criteria used for ranking projects are based on input intensity, spatial and beneficiary coverage, and impacts on development outcomes of the program. Based on a score of 1 to 3 (1 for low rank and 3 for high rank), identified projects are given scores for ranking. Projects getting highest total scores are ranked as high priority and thus are listed as the most urgent and needy projects for implementation. The criteria used for the project ranking process are listed below:



- (a) Input intensity
  - (i) Job creation/labor use
  - (ii) Availability of land
  - (iii) Use of local materials
- (b) Spatial coverage
  - (i) Projects located in place of displacement
  - (ii) Projects located in place of origin
- (c) Beneficiary target
  - (i) Displaced population benefited
  - (ii) Population in place of origin benefited
- (d) Impacts on development outcomes
  - (i) Contributing to economic growth of local communities
  - (ii) Contributing to welfare of displaced populations
  - (iii) Promoting social cohesion
  - (iv) Promoting security and peace building
  - (v) Protecting environment

34. The third stage in the process is to cost the various projects using locally relevant unit costs. In the absence of detailed cost tables, it is suggested to follow a two-stage costing approach: (a) to cost the various projects using unit cost methods, cost per square meter or cost per person as the case may be, and (b) to subsequently refine the costs using the detailed costing method discussed in the template.

35. The fourth stage is to pool together those projects that are identified as the most urgent and needy based on the project ranking and consistent with prioritization of interventions into investment plans. The investment needs estimated during the third stage will be vetted against the compatible projects being implemented by the various humanitarian and development institutions in the same locations, largely covering the same beneficiaries. Based on this funding gap analysis, the net investment requirements for the remaining key investment needs to be met will be estimated.

36. It is quite possible that the net funding gap for the key interventions could be much larger than the potentially available funds under the MCRP. Under this circumstance, it is suggested to follow an MCRP funding appropriation mechanism across various states and sectors based on the damage intensity, infrastructure rehabilitation needs, project feasibility, and replicability of projects. The



appropriated state-level available fund thus could be taken as the basis for estimating the funds for various key priority projects based on implementation viability of projects.

37. The investment phasing into first year (immediate term) and the medium and long terms (2–5 years) could be based on technical feasibility and institutional capacity of projects. Those investments that could be implemented immediately within the prevailing capacity and those that would show tangible benefits on the grounds could be targets for first-year investments. Needless to state, if an urgent need is to build the capacity of government functionaries and social mobilization of local communities for effective participation of local stakeholders, then those project activities will be initiated during the first year. The project work plans thus arrived will provide a list of viable and urgent project activity packages for the immediate term and medium and long terms with measurable deliverables and timelines.

38. Capacity and accessibility constrains the responsiveness of LGAs and communities when effective recovery and peace building needs mobilization down to the village or settlement level. The NE has only 112 LGAs for an estimated population of 19 million people and a landmass of 276,000 km<sup>2</sup>. On average, each LGA is supposed to cater to the needs of a few hundred thousand people spread over an area of close to 50,000 km<sup>2</sup> on average and in rural areas scattered across small villages often far from the LGA headquarters. Due to a lack of local elections, local communities are not represented at the LGA level—as they would be if local councilors were elected at the ward level.

39. This may call for the mobilization of local communities down to the village or settlement level. Informal institutions, such as village heads and community organizations, can be leveraged for that purpose by institutionalizing their participation in decision making in the implementation of the recovery strategy (for example, for local planning and monitoring). Stakeholders' representation and participation in local institutions at the community level could also help restore public trust in the Government and its responsiveness to public demands, needs, and expectations.

40. At the community level, both formal and informal institutions may need to be mobilized to respond to the people's needs. The justice system, with the lowest courts operating at the district level at best, needs to be supported and complemented by informal conflict resolution mechanisms at the community level to address personal and collective grievances generated by the conflict situation, including population displacement and return, loss of property, and so on.

## **Financial Management**

41. An FM assessment of the implementing entities in line with the Financial Management Manual (March 1, 2010) and the AFTFM Financial Management Assessment and Risk Rating Principles (October 2010) was conducted in August 2016. The objective is to determine whether the implementing entities have acceptable FM arrangements, which will ensure (a) that all transactions and balances relating to the project are recorded correctly and completely; (b) the preparation of regular, timely, and reliable financial statements; (c) safeguarding of the entity's assets; and (d) the existence of auditing arrangements acceptable to the World Bank.

42. The overall FM risk for the project is assessed as High at the preparation phase. This is mainly because of the inherent risks and the multiple implementing levels and not because of the control risks associated with the basic elements of the project FM arrangement. However, these inherent risks are



well mitigated by the use of the PFMUs and FPFMD, which feature robust controls (internal and external). Also, the PFMUs have obtained adequate experience in managing financial flows to multiple levels from other projects in the portfolio, and they will be given additional training. With the mitigation measures, the residual FM risk is High. The mitigation measures include the use of professionally qualified and experienced FM staff and independent and effective internal audit and risk management functions. The Financial Procedures Manual (FPM) will detail an adequate internal controls framework, which will include enhanced accountability framework over soft expenditures that will apply to the project. Regular reporting arrangements and Implementation Support Plan (ISP) will also ensure that the implementation of the project is closely monitored and that appropriate remedial actions are taken expeditiously. The FM risks will be reviewed during project implementation and updated as appropriate.

43. The PFMUs and FPFMD are established in all states and federal level, respectively, through the joint efforts of the Government and the World Bank. These units are presently involved in the implementation of a number of World Bank assisted projects. The PFMUs and FPFMD feature, among other things, the following: (a) all the key elements of FM, including budgeting, funds flow, accounting, internal control, reporting, and audit; (b) computerized system and robust FM procedures manual; (c) qualified staff who are well trained in relevant World Bank procedures and requirements, including procurement; (d) robust segregation of functions/duties; (e) a strong control environment, which is required to mitigate fiduciary risks; (f) highly independent and well-trained internal auditors; and (g) full alignment with the Government's own FM system but with some important enhancements and controls. The World Bank's recent reviews showed that the PFMUs and FPFMD are performing satisfactorily.

44. The key issues noted within the PFMUs and FPFMD are unretired advances and inadequate documentation for incurred eligible expenditures. To mitigate the risks of unretired travel advances and provision of inappropriate/fraudulent documentation to acquit the travel advances and unjustifiable claims for travel not undertaken, the project will implement an enhanced accountability framework, which is aimed at arresting such eventuality. The details of the enhanced accountability framework will be elaborated in the FPM.

45. **Planning and budgeting.** On an annual basis, the project accountant at the federal level and the state PCUs in consultation with key members of the implementing unit will prepare the budget for the fiscal year based on the work program. The budget will be submitted to the task team leader at least two months before the beginning of the project fiscal year. Detailed procedures for planning and budgeting will be documented in the FPM.

46. **Funds flow.** Project funding will consist mainly of IDA Credit. All project funds will be used in line with the Financing Agreement and the World Bank FM procedures. IDA will disburse the Credit through a DA opened with the Central Bank of Nigeria, which will be managed by the PCNI/FPFMD, and DAs for the respective PCUs, opened with reputable commercial banks acceptable to IDA, which will be managed by the PCU/PFMU. The specific banking arrangements are as follows:

- (a) **For the PCNI.** A U.S. dollar DA to which initial deposit and replenishments from IDA will be lodged. In addition, one current (drawdown) account in naira to which drawdowns from the DA will be credited in respect of incurred eligible expenditures, after payments for incurred eligible expenditures, having a balance not exceeding three months' forecast expenditures.



- (b) **For the state PCUs.** A U.S. dollar DA to which initial deposit and replenishments from IDA will be lodged. One current (drawdown) account in naira to which drawdowns from the DA will be credited in respect of incurred eligible expenditures, maintaining balances on this account as close to zero as possible after payments.

47. **Accounting.** IDA funds will be accounted for by the project on a cash basis. A computerized accounting system will be used. Annual financial statements will be prepared in accordance with the relevant International Public Sector Accounting Standards. All accounting and control procedures will be documented in the FPM, a living document that will be subject to review as appropriate.

48. **Financial reporting.** Calendar semester IFRs will be prepared by the federal entity and the PCUs. The IFRs will be submitted to IDA within 45 days after the end of the calendar semester. The formats of the IFRs were agreed at project negotiations. Annual project financial statements will be prepared and audited. The audit report will be submitted to IDA within six months from the end of the fiscal year by the FPFMD and PCUs. Regular periodic returns will be made to the federal and state Accountants General for consolidation in the government accounts.

49. **Internal control.** Adequate internal controls are in place at both the PFMUs and FPFMD but will be strengthened further. The control features at both the PFMUs and FPFMD include robust FM procedures manual; relevantly qualified staff who are well trained in relevant World Bank procedures and requirements, including procurement; robust segregation of functions/duties; and highly independent and well-trained internal auditors. The FM staff are appointed by each state Accountant General and the Accountant General for the federation. The internal auditor at the PCUs and FPFMD will prepare quarterly internal audit reports and submit to IDA within 45 days of the end of each quarter. Additional controls in the form of an enhanced accountability framework will be implemented to mitigate the risk of misuse of funds for soft expenditures (travels, workshops, study tours, and so on). The enhanced accountability framework will be elaborated in the FPM.

50. The annual financial statements of the project will be audited by an independent external auditor appointed on the basis of ToR acceptable to IDA. The auditor will express an opinion on the annual financial statements in compliance with International Standards on Auditing and will provide a special opinion on the expenditures incurred on training/workshop/study tours, and so on, identifying any expenditure that is considered ineligible based on established policy. In addition to the audit report, the external auditors will prepare a Management Letter. Copy of the audited financial statements along with the Management Letter will be submitted to IDA not later than six months after the end of each financial year.

#### *FM Action Plan*

51. Actions to be taken for the project to further strengthen its FM system are listed in Table 2.5:

**Table 2.5. FM Action Plan**

No.	Action	Due Date	Responsible Entity
1	Agreement of format of IFR, annual financial statements, and external auditors' ToR	Completed	PCNI/FPFMD and PCU/PFMU with support and guidance of IDA task team
2	Train designated PFMU and FPFMD staff in World Bank FM procedures and disbursement guidelines.	Before effectiveness	PCNI/FPFMD and PCU/PFMU



No.	Action	Due Date	Responsible Entity
3	Appoint external auditor	Within 90 days after effectiveness	PCNI/FPFMD and PCU/PFMU
4	Designate project accountant project internal auditor, and supporting accounting technicians	Within 60 days after negotiations	PCNI/FPFMD and PCU/PFMU
5	Agreement on memorandum of financial services and service standards	Within 60 days after negotiations	PCNI/FPFMD and PCU/PFMU
6	Update computerized accounting system at the PCNI and PCUs	Within 90 days after effectiveness	PCNI/FPFMD and PCU/PFMU

## Disbursements

52. The project will use transaction-based disbursement procedures and not report-based disbursements at effectiveness. Disbursements to the various implementing units will be flexible, based on the approved work plan. Details of the disbursement arrangement have been specified in the Disbursement Letter, which has been agreed upon at negotiations. Table 2.6 sets out the expenditure components and percentages to be financed out of the credit proceeds.

**Table 2.6. Allocation of Credit Proceeds to Be Financed for Eligible Expenditures in Each Category**

Categories	Amount of the Credit Allocated (Expressed in US\$)	Percentage of Expenditures to Be Financed (Inclusive of Taxes)
1. Strengthening Peace Building, Stability, and Social Cohesion	30,000,000	100
2. Infrastructure Rehabilitation and Service Delivery Restoration and Improvement	110,000,000	100
3. Technical Assistance and Program Management Support	20,000,000	100
4. Contingent Emergency Response	0	100
5. Unallocated Amount	40,000,000	100
<b>TOTAL AMOUNT</b>	<b>200,000,000</b>	<b>100</b>

53. Project funds are proposed to be apportioned to the three BAY states, according to the resource allocation in Table 2.6. This is based on a combination of factors, including relative level of needs, implementation readiness and absorption capacity, and prevailing and expected security levels and risks. The current distribution is based on total current overall allocation of US\$155 million to the states, including US\$65 million for Borno (32.5 percent of total project resources) and US\$45 million (22.5 percent of total project resources) each for Yobe and Adamawa. The Federal Government will receive 2.5 percent of project resources in TA and project management. Each component amount will be distributed according to the same percentages, with the possible exception of any components that require the use of common resources such as certain types of project management costs, which could be handled through the PCNI. The PMC, for example, is expected to be hired and managed by the PCNI, on behalf of the three states.

54. The remaining US\$40 million will remain unallocated, and its distribution will only be decided at the project midterm stage, based on a set of criteria. This is due to the very fluid situation in the country, with regard to the security situation, the movement of displaced persons, and the available financing from the Government's budget and donors for specific sectors in the respective states. This will also provide an incentive for the states to demonstrate their absorptive capacity and not delay disbursements and will mainly affect Component 2. Criteria will, therefore, consider factors such as implementation performance, level of support from other development partners and relative unmet needs in the project sectors, and a reassessment of the security situation. Such allocation shall be done





through the FMoF in consultation with the PCNI and the BAY states. Once this allocation is decided, this remaining balance will be allocated to the respective states' DAs.

**Table 2.7. Project Resource Distribution across States**

State	% Allocation	Proposed Allocation (US\$, millions)
Borno	32.5	65
Yobe	22.5	45
Adamawa	22.5	45
Federal Government (PCNI)	2.5	5
Unallocated	20	40
<b>Total</b>		<b>200</b>

55. Retroactive financing could be considered under the credit in line with the following World Bank requirements: (a) the activities financed by retroactive financing are related to the development objectives and are included in the project description; (b) the payments are for items procured in accordance with the applicable World Bank procurement rules; (c) the aggregate amount of retroactive financing shall not exceed 20 percent of the loan amount (SDR 29.7 million, or US\$ 40 million equivalent); and (d) the payments are made by the Borrower on or after May 1, 2016 for eligible expenditures under Components 1, 2, or 3.

## Procurement

56. **Procurement procedures.** With regard to operational context, procurement under the proposed MCRP will be carried out in accordance with the World Bank Procurement Regulations for IPF Borrowers of July 2016; the 'Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants', dated October 15, 2006 and revised in January 2011 and as of July 1, 2016; and other provisions stipulated in the Financing Agreement. All procuring entities as well as bidders and service providers, that is, suppliers, contractors, and consultants, shall be expected to observe the highest standard of ethics during the procurement and execution of contracts financed under the project in accordance with Section I and II of the World Bank Procurement Regulations for IPF Borrowers of July 2016. The project design has provided a window for the Borrower to carry out advance contracting and retroactive financing in accordance with Section V (Paragraphs 5.1 and 5.2) of the World Bank Procurement Regulations for IPF Borrowers of July 2016. The retroactive financing will be allowed up to 20 percent of the credit covering the expenditures incurred by the project with effect from September 2016 before the signing of the Credit Agreement under the activities agreed with the World Bank.

57. **Preparation of the PPSD.** A draft PPSD has been prepared and discussed between the Borrower and the World Bank prior to negotiations and will be finalized and be in place for operationalization by the Borrower before project effectiveness. The PPSD describes how procurement activities will support project operations for the achievement of the PDOs and deliver value for money. The PPSD is linked to the overall project implementation strategy at both the country- and the state-level operations by ensuring proper sequencing of procurement activities. It also provides information regarding: institutional arrangements for procurement; roles and responsibilities; thresholds, procurement methods, and prior reviews; and other requirements needed for carrying out procurement shall be elaborated in detail in the strategy. The PPSD also includes a detailed description of the procurement capacity needed by the executing agencies/sectors for carrying procurement with specific focus on managing contract implementation, governance structure, and accountability framework. Other aspects





to be captured are behavior and capabilities of the market (that is, market analysis or sounding) to respond to the PP. The MCRP activities will require strong technical capability by the executing agencies for the preparation of proper technical specifications to avert lack of or inadequate market response. The capacity or a plan to enhance the capability of the client will be further described in the final PPSD. Also, special arrangements like direct contracting; the use of SOEs, UN Agencies, third-party monitors, local NGOs, and force account; or civil servants needs, results-based arrangements, and need for prequalification, if any, will be described in the final PPSD. The final PPSD will also include a summary on procurement risk, mitigation action plan, and procurement implementation support and supervision plan.

58. The key features of the New Procurement Framework that have been triggered and included in the MCRP PPSD are advance contracting and retroactive financing; national procurement procedures; fragility, conflict, and violence/emergency situations; contract management; use of UN Agencies; hands-on and expanded implementation support and use of NGOs; and other aspects including post procurement review (third-party audit), request for proposal, sustainable procurement, community-driven development, reverse missions, and so on. Following the situation on the ground, the strategy will trigger OP 10.00, paragraph 12 on the use of emergency procedures. This has become necessary so that the procurement systems and strategy can readily respond to the emergency situations at hand. Phases 1 and 2 of the procurement operation will respond to the emergencies dealing with life-, health-, and safety-threatening conditions; restoration of livelihood; reconstruction; and so on, and will subsequently revert to normal procedures once the emergency is stabilized.

59. The MCRP will build on existing sectoral policy coordination and standard-setting mechanisms already in place. Because this is a multi-sector project, different sectors of intervention will be addressed. Activities in each respective executing agency and/or sector will align with existing mechanisms to coordinate and harmonize standards and policies. At the federal level, the coordinating agency or body will ensure that procurement management of all aspects of the MCRP implementation is carried out by the executing agencies at the state level in accordance with the procurement regulations of the World Bank and within the procedures of the state governments. The coordinating secretariat at the federal level will also help provide procurement TA to the states and consolidate procurement monitoring and reports from the states for reporting on project progress to the Federal Government and the World Bank.

60. At the state level, the PCU in each of the states will be responsible for coordination of procurement management across the sectors in each of the states. The PCU will focus on quality and process oversight, centralized procurement, reporting, and contract management and ensure that the procurement functions assigned to the relevant state line departments are done in accordance with the procurement regulations of the World Bank and within the procedures of the state governments as defined in the PPSD.

61. The MCRP PPSD will provide the basis for procurement planning, which will include the description of procurement activities, procurement risk, approach to market, and selection methods. It will also include information on the timing of the procurement activity and the level of research and analysis, supervision, and implementation support appropriate for the activities. Other important elements to be provided in the PPSD will include information regarding procurement objectives and key performance indicators.



**Table 2.8. Project Procurement Risk Factors and Mitigation Measures**

<b>Risk Factor</b>	<b>Mitigation Measure</b>
Record keeping and documentation	<ul style="list-style-type: none"> <li>All implementing agencies will maintain all procurement records duly catalogued and indexed that will facilitate easy access to information.</li> </ul>
Fiduciary Risk relating to main principles of the World Bank Procurement Guidelines	<ul style="list-style-type: none"> <li>Position experienced procurement staff/consultant to guide implementing agencies.</li> <li>Conduct training on World Bank procurement procedures.</li> <li>Conduct training on new World Bank procurement procedures.</li> <li>Provide regular supervision support and monitoring.</li> </ul>
Inefficiencies and delays in procurement process	<ul style="list-style-type: none"> <li>Regular monitoring through the PP</li> </ul>
Insufficient competition in procurement	<ul style="list-style-type: none"> <li>Aggregation of smaller contract packages wherever feasible</li> </ul>
Contract management	<ul style="list-style-type: none"> <li>Disclosure of all contract awards or prior contracts and post review contracts in local newspapers and government website</li> </ul>
Probability of staff handling procurements being transferred	<ul style="list-style-type: none"> <li>Continue dialogue with the Government to retain trained staff.</li> </ul>
Fraud and corruption risks (including collusion and outside interference) in contracting process	<ul style="list-style-type: none"> <li>Disclosure of the PP</li> <li>Disclosure of contract awards</li> <li>Creating awareness on effects of fraud and corruption</li> <li>Regular reviews such as PPR, internal audit, external audit, and so on</li> </ul>
Weak complaint redress system	<ul style="list-style-type: none"> <li>Disclosure of complaint redress procedure through ODPP.</li> <li>Biannual report of all complaints received and action taken</li> </ul>

**Table 2.9. Procurement Action Plan**

<b>No.</b>	<b>Action</b>	<b>Date Due by</b>	<b>Responsible Entity</b>
1	Preparation of MCRP PPSP: A draft PPSP in place at Negotiations	Completed	Borrower/World Bank/Partners
2	Cleared MCRP PPSP in place for operationalization by the Borrower	Before project effectiveness	World Bank/Borrower
3	Designate Procurement focal staff at the Federal and State (Agencies and Sectors)	Completed, and to be continuously updated	Borrower/World Bank
4	Train designated Procurement Officers and PCU staff in World Procurement Regulations for Borrowers.	STEP <sup>18</sup> training completed on February 17th, 2017. Training on Procurement Regulations for Borrowers to be given on a continuous basis.	World Bank/Partners
5	Agreement on Memorandum of procurement services and service standards as part of PPSP and modalities for advance contracting and retroactive financing	Immediately and will be reviewed on a continuous basis where necessary	Borrower/World Bank/Partners

## Environmental and Social (including Safeguards)

62. **Application of the World Bank safeguards policies.** The reconstruction and rehabilitation of affected basic social and physical infrastructure anticipates the construction of new infrastructure to improve existing living conditions in BAY states and improve conditions before the conflict. As such, the

<sup>18</sup> Systematic Tracking of Exchanges in Procurement

project could involve land acquisition, and based on this condition, the World Bank policy on Involuntary Resettlement (OP 4.12) is triggered.

## Safeguards Action Plan

63. **Objective.** The objective of this SAP is to ensure that the planned project activities and related E&S assessment and management instruments and processes will be in compliance with the national legislation of Nigeria as well as the World Bank's operational safeguards policies and are duly and diligently implemented in a logical sequence with the environmentally and socially relevant project activities. This means that, as a general principle, E&S assessments and instruments should be completed, disclosed, and consulted on (a) before project-funded activities with relevant E&S footprints may commence and (b) in case of more complex/large-scale activities, before designs are finalized and contracts are awarded.

64. **This SAP was prepared by the task team under OP 10.00, paragraph 12, for projects in situations of urgent need for assistance, and additional Operational Policies - OP 4.01, OP 4.04, OP 4.11, and OP 4.12 have been triggered.** As such, this SAP is subject to public disclosure as part of the Project Appraisal Document. In addition, it will be disclosed both in-country (in the appropriate communication channels, concerned sector ministries, and other public places of project intervention areas) as well as through the World Bank before project effectiveness.

## Environment

65. **The components under the MCRP that would trigger environmental safeguard policies are** Component 1: Peace Building and Community Cohesion (rehabilitation and reconstruction of public buildings and community areas) and Component 2: Infrastructure Rehabilitation and Reconstruction. The MCRP is being prepared under the provisions of paragraph 12 of OP 10.00 for projects in situations of urgent need for assistance. Thus, the preparation of safeguards instruments is proposed to be deferred to the implementation phase. The four environmental safeguard policies that will be triggered are OP 4.01 (Environmental Assessment), OP 4.04 (Natural Habitats), OP 4.11 (Physical Cultural Resources), and OP 4.12 (Involuntary Resettlement). The project is classified as Environmental Category B as no unprecedented or cumulative adverse E&S risks and impacts are envisaged to result from the implementation of activities that will be financed by the World Bank under the MCRP. The project is expected to have overall positive E&S impacts through its support to the rehabilitation of conflict-damaged infrastructure and natural resources, including forested lands. Table 2.10 depicts the policies and the rationale for their application to the MCRP.

**Table 2.10. World Bank Safeguards Policies Triggered**

Safeguard Policies	Triggered	Explanation
Environmental Assessment - OP/BP 4.01	Yes	The nature of the proposed project activities triggers includes the rehabilitation of existing infrastructure, which could result in adverse E&S impacts, thereby triggering OP/BP 4.01. Considering the limited scale and magnitude of rehabilitation and improvement works as well as the confinement of activities to existing footprints, the proposed operation is classified as category 'B'. At this point in time, the locations of the activities that will be financed by the project is not known in sufficient detail. Site-specific safeguards instruments such as ESIA, stand-alone ESMPs, RAPs, and audits, when needed, will be prepared, consulted upon, and disclosed by the proponents before the commencement of civil works and the relevant measures including E&S clauses will be clearly incorporated in contracts.



Safeguard Policies	Triggered	Explanation
Natural Habitats - OP/BP 4.04	Yes	This policy is triggered because of activities of reconstruction and rehabilitation of social and physical infrastructure that might be located in or around areas recognized for biodiversity richness. No large-scale conversion of biodiversity-rich sites is envisaged. Mitigation measures will be part of the EA process of this project.
Forests OP/BP - 4.36	No	n.a.
Pest Management - OP 4.09	No	n.a.
Physical Cultural Resources - OP/BP 4.11	Yes	<p>This policy was triggered because physical cultural resources could be affected at one or more sites. These may include religious sites such as mosques, churches, and shrines as well as potential chance finds from civil works related excavation.</p> <p>In the event that a known/above-ground cultural heritage is to be rehabilitated or lost, a physical cultural heritage management plan and/or compensation plan will be prepared and implemented by the project proponent. Also, the GoN will prepare chance find procedures for contractors to guide them in the proper management of physical cultural properties in case they are found.</p>
Indigenous Peoples - OP/BP 4.10	No	n.a.
Involuntary Resettlement - OP/BP 4.12	Yes	The need for involuntary resettlement or land acquisition in specific subproject areas will only be known during project implementation, when site-specific plans are available. Therefore, subprojects will be screened for applicability of the resettlement policy, and any subprojects involving involuntary resettlement or land acquisition will only be approved after preparation of a resettlement plan acceptable to the World Bank. Several issues will increase the complexity of land acquisition. For example, the lack of reliable land record systems and the inability of people losing land to either document ownership or be physically present to make their claims for eligibility. Such situations can increase due to the situation of forced displacement in the NE as well as the weakened local authorities who can mediate in land ownership conflicts. Site-specific resettlement plans will, therefore, include procedures for identifying eligible project-affected people, calculating and delivering compensation, and mechanisms for land dispute grievance redress.
Safety of Dams - OP/BP 4.37	No	n.a.
Projects on International Waterways - OP/BP 7.50	No	n.a.
Projects in Disputed Areas - OP/BP 7.60	No	n.a.

66. Project activities that would trigger environmental impacts include rehabilitation and construction works of schools, hospitals, water intake and sanitation structures, public buildings, and community structures. Construction-related negative environmental impacts would include clearance of trees, noise nuisance, soil erosion, dust emissions, debris, solid and liquid wastes, and pollution of surface and ground water resources among others. It is also important to recognize the practice of HIV/AIDS prevention and sensitization on non-tolerance of inappropriate contacts with underage girls in



communities to help ensure a healthy migrant labor force of contractors and communities for civil works during construction periods.

67. **Potential negative E&S impacts.** The potentially significant adverse impacts that would result from the project are expected to be site-specific, noncumulative, and relatively easy to mitigate to acceptable levels. Some of the activities, potential adverse impacts, and generic mitigation measures are depicted in the table.

**Table 2.11. Typical Impacts and Mitigation Measures from Rehabilitation of Damaged Infrastructures**

Project Activities/Environmental Aspects	Potential and Associated Impacts	Mitigation Measures
Direct or indirect impacts on conditions in the NE (applies to all project components)	Social unrest, potential conflict with local communities, disruption of work, and risks to personnel because of the history of the conflict in the NE	<ul style="list-style-type: none"> <li>• Maintain effective two-way dialogue through transparency and disclosure, full and frequent information to the public and concerned NGOs, and established arrangement for community liaison and for handling complaints and grievances.</li> <li>• Maximize employment opportunities.</li> </ul>
Environmental Management Plan and Health and Safety Plan do not exist or are not being implemented.	Workplace health and safety risks are not being adequately managed.	<ul style="list-style-type: none"> <li>• Develop and/or implement Environmental Management Plan and Health, Safety, and Environment Plan.</li> <li>• Correct substandard conditions requiring urgent attention.</li> <li>• Develop and implement an action plan to correct other deficiencies.</li> <li>• Identify and empower (or recruit) responsible individuals to manage health, safety, and environment at the facility.</li> <li>• Start or restart awareness training.</li> </ul>
	Effluent, emission, and noise standards are not being complied with. Ambient conditions in the area exceed standards.	
	Solid waste management is substandard, with abandoned equipment and accumulations of trash and litter widespread.	
	Spills and leaks have contaminated soil, structures, and possibly groundwater.	
Environmental and health and safety monitoring is not being conducted.	No database by which to judge compliance with standards in the workplace or in effluent and emissions.	<ul style="list-style-type: none"> <li>• Formulate and/or implement monitoring plans.</li> <li>• Repair or obtain monitoring equipment.</li> <li>• Identify and empower (or recruit) responsible individuals to manage monitoring program.</li> </ul>
	No database to discern effects on ambient conditions.	
Immediate and severe health and safety risks exist in the workplace.	Workers are exposed to hazardous substances such as asbestos and polychlorinated biphenyl contamination.	<ul style="list-style-type: none"> <li>• Restrict access and provide protective equipment until condition is abated.</li> </ul>
	Workers are exposed to high noise levels, poor ventilation or lighting, and so on.	<ul style="list-style-type: none"> <li>• Correct conditions.</li> <li>• Enforce use of personal protective equipment (PPE).</li> </ul>
	Workers are exposed to risk of electrocution because of old or poorly maintained equipment and lack of safety procedures.	<ul style="list-style-type: none"> <li>• Post warning signs and restrict access until condition can be abated.</li> <li>• Institute or reinstate 'lock-out and tag-out' and similar procedures.</li> </ul>
Hazardous substance contamination	Workers are exposed to risk.	<ul style="list-style-type: none"> <li>• Obtain expert advice in developing a remediation plan.</li> <li>• Implement the plan.</li> <li>• In the interim, contain the contamination and restrict access to contaminated areas.</li> <li>• Test local water supplies and, if affected, provide alternative sources.</li> </ul>
	Contamination has or may spread off-site through air, surface, or groundwater or improper disposal.	



Project Activities/Environmental Aspects	Potential and Associated Impacts	Mitigation Measures
Inadequate security provisions for the facility.	Social conflict between the facility and the surrounding community	<ul style="list-style-type: none"> <li>Establish effective, ongoing community relations program.</li> <li>Install fences and other security features around all dangerous or vulnerable facilities.</li> <li>Post warning signs.</li> <li>Employ adequate number of security personnel.</li> </ul>
	Vandalism or sabotage	
	Risk of electrocution or injury from contact with high-voltage equipment	

68. **Environmental safeguards preparation, review, and approval procedure.** Environmental safeguards preparation, review, and approval procedure to be followed under this project shall be consistent with the requirements from the Federal Ministry of Environment (FME) of Nigeria as specified in the Environmental Impact Assessment Act (Decree No. 86 of 1992, hereinafter the EIA Act) and the World Bank's OP 4.01. Compliance with this procedure will constitute part of the evaluation methodology for the proposed subprojects before approval for the MCRP support. The steps in the process are project screening, environmental studies and document preparation, ESIA review and approval, and oversight of implementation. Stakeholder consultation is an integral part of the preparation process, and public disclosure and comment are necessary before the decision to accept or reject a proposed subproject on the basis of E&S information.

69. **Screening.** The screening decision has three parts: the assignment of the EA category, the determination of the safeguards instrument(s) that should be prepared, and the identification of specific/additional World Bank safeguards policies requirements.

70. In Screening Step 1, the proponent should propose the category, using the criteria discussed below. The Environment and Social Safeguards Unit (ESSU) of the PCU, in conjunction with the FME, will review and confirm or modify the category, based on the description of the proposed activity and findings from field visits. All subprojects in the MCRP are going to be EA Category B and Category C, and GoN Category II, requiring partial assessments and ESMPs. The MCRP will not support any subprojects classified as Category A and GoN Category I, requiring full EIAs.

71. For Screening Step 2, the decision on safeguards instrument likely to be needed for each type of subproject shall depend on the scale and location of the project. The proponent of a subproject is encouraged to propose the safeguards instrument, but the ESSU will review and confirm. The FME and the World Bank should be consulted when there are questions of EA category or appropriate safeguards instrument. Rehabilitation of existing facilities will require environmental audits. Screening Step 3 is to determine which of the World Bank's safeguards policies may be triggered by the particular subproject and what is required to comply with each triggered policy. This determination is subject to review by the ESSU and the World Bank.

72. **Preparation of safeguards instruments.** Preparation of the applicable safeguards instrument is the responsibility of the subproject proponent/borrower. In line with Environmental Assessment OP 4.01 and Nigeria's EIA Act of 1992, once the proposed investment location is known, site-specific safeguards instruments, such as ESIA, ESMP, MWMP, and audit, when necessary, and so on, will be prepared by the proponent, consulted upon, and disclosed before commencement of civil works.



**Table 2.12. Timeline for the Delivery of Critical Safeguards Millstones**

Milestone	Responsibility	Timeline
Establishment of the ESSU at the PCUs	Borrower	December 30, 2016
Recruitment of Environment and Social Safeguards Officers at the PCUs	Borrower	January 20, 2017
Preparation of the ToRs for ESIA and RAP	Borrower	January 30, 2017
Screening and preparation of site-specific safeguards instruments (ESIA, ESMP, MWMP, RAP, audit, and so on)	Borrower/Proponent	As soon as the exact locations and details of the subprojects are known and before the commencement of civil works

73. Where an ESIA is being required for a subproject, its proponents should take note of Article 2(4) of the EIA Act that requires direct liaison with the FME: “All agencies, institutions (whether public or private) except exempted pursuant to this Decree, shall before embarking on the proposed project apply in writing to the Agency, so that subject activities can be quickly and surely identified and environmental assessment applied as the activities are being planned.” ESIA and ESMPs must cover the minimum content specified in Article 4 of the ESIA Act as well as in Annex 4 and/or Annex 5 of OP 4.01. It constitutes best practice to prepare the necessary site-specific safeguards instruments before any bidding for works or service provision takes place, ensuring the integration of these instruments into the bidding documentation and clearly defining roles and responsibilities for their implementation. Civil works will commence before the implementation of the different safeguards instruments.

74. **Public disclosure and consultation.** The procedure for consultations on subprojects should conform to OP 4.01 and the EIA Act. OP 4.01 requires consultation with stakeholders. For the MCRP, safeguards work on subprojects entails an initial consultation of affected populations and interested NGOs as well as relevant agencies of federal, state, and local governments to inform them about the proposed activity and solicit recommendations, questions, and concerns to be addressed in the E&S assessment. Once drafts of safeguards documents are completed, they must be disclosed. Both Nigeria and the World Bank require public disclosure of ESIA, Environmental Management Plans, and RAPs. The World Bank’s requirements are the most detailed and, to comply with them, safeguards documents for the MCRP subprojects will be disclosed at public locations in the area affected by the project as well as in appropriate state and federal agencies and at the World Bank Headquarters in Washington, following a period adequate for the review of those documents, which for the MCRP is defined as 30 calendar days for Category B. It is a policy of the World Bank that consultations and disclosure should be in form and language accessible to the stakeholders and that consultation should continue throughout project implementation.

75. **Safeguards review and approval.** No proposed subproject can be approved for the MCRP support until the required ESMP study has been approved by the cognizant agency. Specifically, the review process for subprojects that only require ESMPs may not involve the FME. The first reviewer will be the PCU, through the ESSU. The World Bank will review a representative number of ESMPs for EA Category B. Subprojects will also have to be reviewed and cleared by the World Bank to ensure compliance with its safeguards policies. World Bank prior review will be suspended if the initial ESMPs are of good quality, and the World Bank will thereafter review the implementation of completed ESMPs as part of project supervision.

76. The task team will also review ToRs (if required) as well as the ESMPs and limited ESIA or RAPs/ARAPs if needed to ensure that their scope and quality are satisfactory to the World Bank, will





review tender documents and construction contracts regarding due consideration of the safeguards instruments, and will review the inclusion of effective and enforceable contractual clauses. Finally, the task team will also monitor the implementation of the different prepared instruments through regular supervision missions (which will include an environmental and/or social specialist) during which document reviews, site visits, and spot-checks will be conducted. Depending on the circumstances (especially the security situation), third-party monitoring will also be used for supervision and monitoring and will thus complement the efforts of the task team.

## *Social*

77. **The components triggering OP 4.12 are** Component 1: Peace Building and Community Cohesion (rehabilitation and reconstruction of public buildings and community areas) and Component 2: Infrastructure Rehabilitation and Reconstruction.

78. The conflict in the NE has resulted in a humanitarian and forced displacement crisis with acute social and economic impacts. Across the six states of the NE, Borno, Yobe, Adamawa, Bauchi, Gombe, and Taraba, there has been estimated infrastructure damage of US\$9.2 billion and accumulated output losses of US\$8.3 billion (NE Nigeria RPBA, 2016). Beyond the estimated damages, the violent action of the BH has resulted in nearly 1.9 million IDP, the majority of which (77 percent; 1.4 million) originate from Borno State (International Organization for Migration Displacement Tracking Matrix XI August 30, 2016). Most of the displaced population lives in host communities, while only 19 percent lives in camps or camp-like settings. Such situation has resulted in additional stresses to already overstretched resources and services. Project activities will be implemented in the states most affected by the conflict in the NE (BAY states), and as such, social safeguards policies triggered and corresponding mitigating measures will address impacts on conflict-affected population, mostly IDP, refugees, and host communities and among the vulnerable populations (women, children, elderly, and physically challenged people).

79. **Forced displacement in the NE adds additional complexities to comply with OP 4.12.** Massive displacement as well as weakened traditional authority and other community verification mechanisms make it difficult to ascertain land ownership and use rights in many communities. As a result, resettlement as well as due diligence for establishing ownership of land in instance of voluntary land donation may be challenging and need to be well managed to prevent negative impact. In the event of any contestation over land, ownership and user rights will be verified following the traditional institutions at the ward/village/district and emirate levels as the case may be.

80. Also, in some communities in the NE, public institutions such as hospitals and schools have been converted to formal and informal camps for accommodating persons displaced by the conflict. As such, rehabilitation and reestablishment of such facilities may require relocating IDP quartered in such facilities. In the event that such activities are likely to occur at the implementation phase, the subproject will not proceed until appropriate mitigation instruments are prepared.

81. In case any activity or subproject involves land acquisition, an RAP or ARAP will be prepared in compliance with the World Bank policy and Nigerian laws before actual implementation of the activity or subproject. The RAP will identify the full range of people affected by the project and specify the procedures that will be followed and the actions to be taken by the GoN to properly resettle and compensate affected people and communities. The RAP will outline eligibility criteria for affected parties,





establish rates of compensation for lost assets, and describe levels of assistance for relocation and reconstruction of affected households.

82. **Resettlement screening process.** The screening process consists of four steps: (a) screening of the subprojects and sites; (b) assignment of resettlement categories and preparation of an RAP; (c) review and approval of the RAP; and (d) payment of compensations.

83. **Grievance Redress Mechanism (GRM).** A multilevel arrangement for registering and addressing grievances and complaints from project-affected people will be developed and adopted at the early stage of project implementation. The primary purpose of the project's GRM is to provide clear and accountable means for affected persons to raise complaints and seek remedies when they believe they have been harmed by the project. An effective and responsive GRM also facilitates project progress by reducing the risk that unaddressed complaints eventually lead to construction delays, lengthy court procedures, or adverse public attention. Beside the project-specific GRM, communities and individuals may submit complaints to the World Bank's GRS.

84. **Third-party monitoring.** The monitoring of safeguards compliance during project implantation, especially during and after construction works, is challenged by the currently poor security situation and severe access restriction. To this end, safeguards monitoring will be included into the ToR for a third-party monitoring consultant, who will be responsible for ensuring compliance. The ToR for the consultant will have strong field presence through local agents and will cover key areas and construction activities. The ToR will further specify a detailed methodology and approach for safeguards monitoring, recording, and reporting as well as measures for rectification in case of noncompliance.

85. **Gender.** Women comprise a sizeable percentage of the population living in the project areas. To address the differentiated needs of women and men throughout the project implementation, consultations will be carried out in a gender-sensitive approach and gender-responsive measures will be reflected in the design and evaluation of the project. Gender-responsive measures include quantitative and qualitative instruments through the implementation of sex-disaggregated surveys and gender focus groups, respectively. Overall, the project's outcomes—improved utility delivery and access to public services—are expected to provide proportionally higher benefits to women, as they are more likely to be tasked with the management of households and the associated chores.

### *Safeguards Implementation and Monitoring*

86. **The World Bank.** The World Bank shall review and clear ToR that will be prepared by the client. The World Bank shall review and clear the report of the screening and scoping exercise, including the confirmation of the EA category, the safeguard policies triggered, and the choice of the most appropriate safeguards instrument that will be prepared by the client. The World Bank shall review and clear site-specific safeguards instruments (ESIA, ESMP, RAP, and audit). The World Bank task team will provide technical guidance and supervision as needed.

87. **The borrower.** The Borrower will be responsible for ensuring that the World Bank safeguards policies and the extant EIA laws in Nigeria are complied with. Specifically, the responsibility for the implementation of the above-described safeguards instruments and processes will be with the ESSU of the overall PCU that will be responsible for compliance with Nigeria's environmental regulations, as well as the World Bank's E&S safeguards policies.



88. **The PCU.** The PCU in each state is the de facto proponent of the MCRP. The PCUs shall ensure that the project complies with the World Bank safeguards policies and the existing EIA laws of Nigeria. The PCUs will ensure that no contracts for works that have a physical impact are signed and no reconstruction or rehabilitation of the proposed activities start without the required safeguards instruments in place.

89. **The ESSU of the PCU.** The ESSU of the PCU shall be the anchor of all safeguards activities and repository of all safeguards documents of the project. The ESSU will be responsible for ensuring the timely commencement of the preparation of ESMPs and, as the case may be, the limited ESIAs or RAPs/ARAPs as needed. To this end, the unit shall have one suitably qualified Environmental Officer and one Social Safeguards Officer who will be assisted by support staff as needed. The Environmental and Social Safeguard Offices shall ensure that safeguards-related activities are included in the annual work plan and PP of the project. These officers shall prepare ToRs; carry out the screening and scoping of the proposed project activities; carry out supervision missions; and build capacities on contractors, workers, and the client as needed. They shall prepare and/or supervise the preparation of site-specific safeguards instruments before the commencement of civil works. These officers shall ensure adequate reporting on safeguards issues in the quarterly and/or statutory reports of the PCU on the project. The ESSU will be responsible for the implementation of the GRM of the project. Specifically, the ESSU shall keep log books for documenting complaints and ensure timely acknowledgement and resolution of these complaints.

90. **The M&E Unit of the PCU.** The M&E officers of the PCU, in close coordination with the safeguards units of the PCU, shall ensure that safeguards activities, including the implementation of ESIAs, ESMPs, RAPs, and audits, are monitored and included in the progress report of the project.

91. **The contractor.** The contractor shall ensure that the contract execution is consistent with the provisions of the World Bank safeguards policies and the extant EIA laws in Nigeria. The contractor shall employ suitably qualified staff (supervisor/foreman) who will ensure safeguards compliance on-site. The contractor shall also procure adequate PPEs and shall be responsible for the health and safety of their staff.

92. **The contractor's supervisor.** The supervisor/foreman shall be responsible for ensuring that the World Bank safeguards policies and the extant environment laws in Nigeria are complied with on site. For instance, the supervisor shall ensure the implementation of site-specific safeguards instruments, consistent use of PPEs by workers, and adequate record keeping of safeguards-related events such as accidents, injuries, spillages, and near misses.

93. **Project beneficiaries.** The beneficiaries of the MCRP shall comply with the agreed safeguards mitigation measures. Beneficiaries shall also work closely with the contractors and workers to ensure the implementation of E&S safeguards and mitigation plans. Beneficiaries shall participate in consultations and provide feedback to project proponents and the World Bank. Beneficiaries shall log in complaints through the project's GRM and/or directly to the World Bank.



## Estimated Costs for Safeguards Preparation and Implementation Process

94. The cost of preparing the required safeguards instruments is estimated to be US\$1 million for the site-specific safeguards instruments (assuming about 100 checklists for ESMPs at US\$5,000 and 25 more extensive ESMPs at US\$20,000).

95. The implementation of the ESMPs is expected to cost only a small fraction of design and construction cost, as most of the anticipated significant adverse impacts are likely to be site-specific, noncumulative, and typical category B type of impacts. Assuming a proportion of about 0.5 percent, for every US\$1 million spent on cleanup and reconstruction, US\$5,000 would be spent for environmental mitigation and management measures.

## Quality Control, Oversight, and Results Monitoring and Evaluation

96. **Outcome M&E.** The State PCUs will be responsible for operationalizing the state-level Results Frameworks and results monitoring system. The state PCU M&E reports will be centrally consolidated and maintained by the PCNI in the form of a project-level results M&E system. The PCNI will be responsible for the overall M&E of the project, by maintaining an overall project-level results monitoring system to issue quarterly updates on the overall project implementation to all concerned quarters and the project's constituent agencies at the federal and state levels.

97. **Data collection.** The state PCUs shall establish a data collection system to obtain data from the relevant line departments and carry out community-level surveys on a periodic basis to record baseline data in line with indicators included in the project Results Framework. The data collected shall be used for updating baselines, presenting and targeting indicator values for all subcomponents, and results reporting to the PCNI and the World Bank on a routine basis.

98. **Physical, financial, and quality monitoring.** In parallel, there will be component-, subcomponent and subproject-level implementation M&E that will involve the various state- and local-level implementing organizations. Supervision and monitoring roles will be divided according to the work performed and specific results being achieved and then relayed to the PCU for consolidation. Implementation monitoring will also form the basis for the payment system for contractors for work completed.

99. Implementation support will generally entail both routine and ad hoc quality checks at various stages of implementation. Periodic monitoring will include process reviews/audits, reporting of outputs, and maintaining updated records. This will include the following: (a) social and environmental monitoring, (b) regular quality supervision and certification, (c) periodic physical progress and process monitoring and third-party quality audits, and (d) results M&E.

100. **Procurement monitoring.** All procurement activities at the component, subcomponent, and subproject levels will also be closely monitored by the procurement specialists in the PCU.

101. Accordingly, the implementation of the project requires both the mobilization of existing M&E systems across sectors of interventions and the triangulation of information from different sources (including surveys of beneficiaries and third-party monitoring). Given the limited capacity of the GoN in the M&E of public action, the M&E system will require that administrative data from the Government be



complemented and triangulated with other sources of information (provided by surveys and third parties). The Results Framework will be publicly disclosed and made accessible to the local communities benefiting from the MCRP. The M&E-related data and information should be geo-coded, to the extent possible, and made available in an open source and open data management system. Every effort should be made to disclose information that is accessible to and comprehensible by the local population.

102. **Geospatial M&E solutions.** Given the prevailing logistical and security challenges in the BAY states that limit effective on-the-ground access in some project areas, solutions in the field of remote sensing and geospatial analytics will be leveraged for M&E purposes wherever feasible. To leverage these tools most effectively, geospatial capabilities will be integrated and applied to various elements of project implementation, including (a) geographic targeting, (b) dynamic security monitoring and progressive prioritization, and (c) implementation supervision and coordination with partners. To this end, geographic information related to the implementation of the project as well as a variety of contextual factors will be gathered through a data management system and used for geospatial analysis and implementation support. Summaries of potential application areas of geospatial data are provided below.

103. **Dynamic security monitoring and progressive prioritization.** A major principle of the project is flexibility and adaptability with regard to geographic resource allocation to avoid risks of disruption and/or destruction of project investments because of security reasons. Given all project interventions will be carried out in moderate- to high-risk security environments, a dynamic monitoring of the project's security environment is crucial to allow for quick responses to changing conditions and to help make rapid adjustments of geographic project foci if necessary. While conflict sensitivity will be provided by adopting a bottom-up approach led by the states and informed by community consultations, this can be complemented by top-down geographic information system based remote tracking of security-related data, which is partly publicly available. Moreover, remote monitoring of displacement trends, socioeconomic indicators, and environmental factors can support the progressive prioritization of the project implementation steps, while assessing geo-referenced data on security dynamics and transport infrastructure can help determine the state of accessibility of specific areas and thus the feasibility of project activities. In cases where nongovernmental entities, such as third-party monitors, local NGOs, and CSOs, or the private sector are resorted to for supervision, implementation, or M&E, the use of straightforward global positioning system (GPS) tools can help remotely monitor the progress of such third-party agents. The same tools can be used for routine and ad hoc quality checks as part of implementation support provided by the task team and the implementing and M&E agencies, including for regular quality supervision and certification, periodic physical progress and process monitoring, and third-party quality audits.

104. Over time, changes in the nature of the crisis as well as progress in the implementation of the program or other issues might require a review of the Results Framework. As certain interventions prove to be successful or less successful, the MCRP implementation should be adapted accordingly. In this regard, the project's intermediate results could be reviewed every 12 months. The overall review will be conducted by the PCNI, together with the state PCUs with the communities and beneficiaries.

105. **Implementation supervision and coordination with partners.** Most of the interventions carried out through the MCRP will be implemented at a specific location, which can be geo-tagged by relatively straightforward means, through simple GPS devices and smart phones. This includes, among other things, the following intervention types: (a) Transport: geographic footprints of targeted roads and

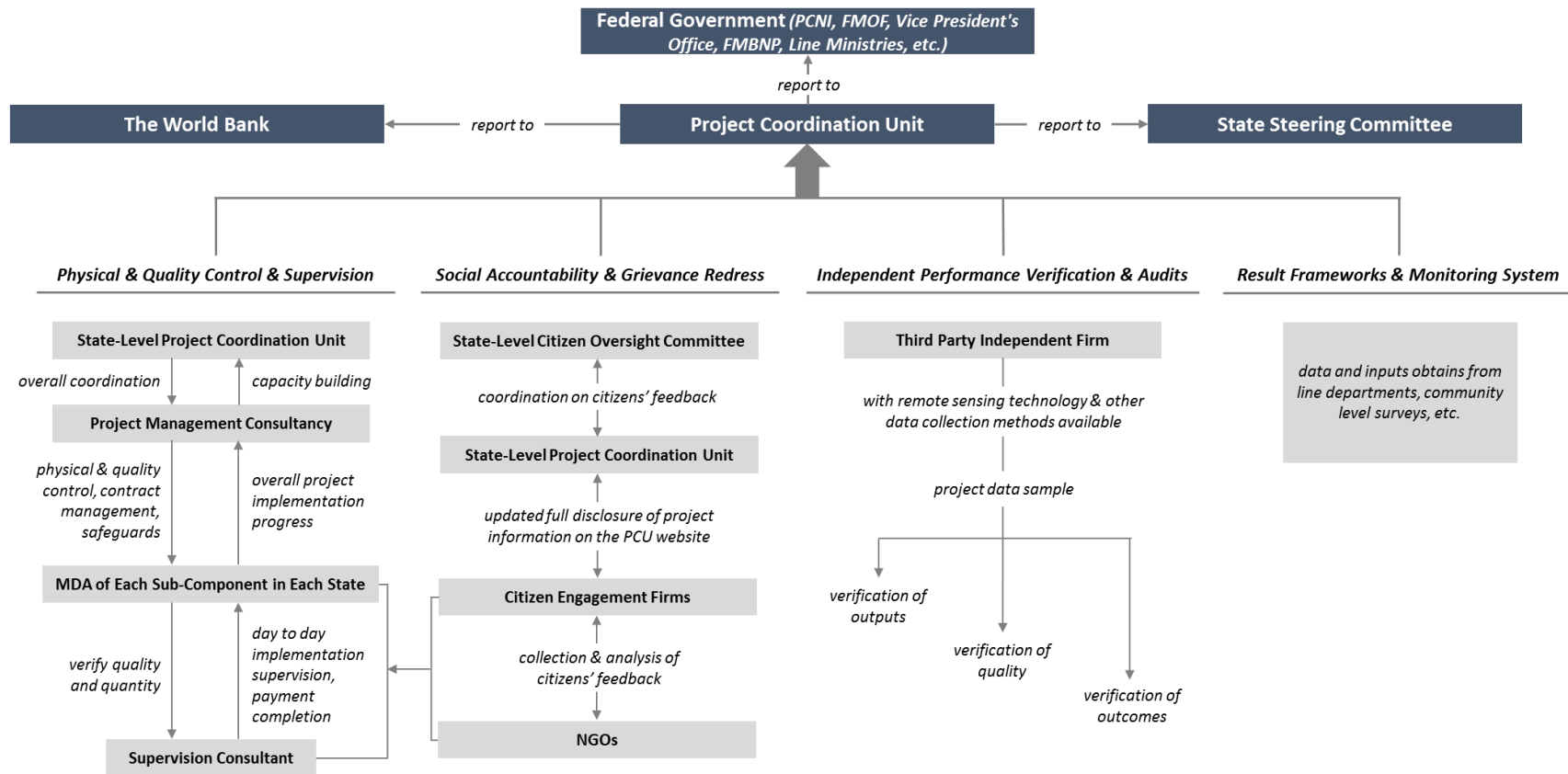


bridges; (b) Municipal services: locations of targeted water supply, sanitation, and solid waste facilities; (c) Education: locations of targeted education infrastructure; (d) Health: locations of targeted health facilities; and (e) Public buildings: locations of targeted local government buildings. Training and capacity building will be provided to the PCUs and third-party monitors on using GPS devices and related tools for geo-tagging. A systematic recording and monitoring of the geographic footprint of the project will serve to facilitate the coordination with development partners and to take into account potential geographic overlaps with ongoing and proposed projects and programs by partners. In turn, the geographic database can also feed into the gap analysis and help ensure that the project complements the World Bank AF projects in the most efficient way.

106. Social accountability and community engagement mechanisms will be enhanced through project initiatives. The MCRP will enhance social accountability and citizen engagement by introducing citizen feedback mechanisms in some of the interventions planned (that is, Subcomponent 2.3) and through the project as a mechanism of M&E. Such feedback mechanisms will enhance citizen engagement in decision making and will ensure that citizen feedback is taken into account in the project design and implementation. Also, the project will emphasize the dissemination of project-related information to project beneficiaries and will also open mechanisms to address their grievances and complaints through established GRMs. The results of these exercises could also be reported to any existing state-level citizen oversight committees or such similar mechanisms set up under the project.

107. Social accountability mechanisms, such as grievance redress, will also be mobilized to help monitor the impact of the operation. Conflict-sensitive indicators will provide early warning of potentially negative impacts of interventions, which may necessitate further mitigation strategies and adaptation. Community involvement could include community-based mapping of results, for example, using simple cell phone based applications that provide location-based information and photos from the progress (for example, areas where roads have been constructed, houses have been completed, or cash-for-work programs have been implemented).

108. **In summary, the project will put in place a multitier quality oversight and control and results monitoring mechanism entailing** (a) physical quality control and supervision; (b) results M&E system; (c) social accountability and grievance redress systems; and (d) third-party performance verification and audits. This is shown in the schematic diagram in Figure 2.2, which also proposes the information flow and reporting mechanisms across multiple agencies.



**Figure 2.2. MCRP Results Monitoring and Reporting and Quality Assurance Mechanism**



## Role of Partners

109. The project is based on the principle of providing a multi-sector, multi-partner, programmatic solution to crisis recovery, with the project components proposed as subsets of the larger, program-level needs identified in the RPBA. As a result, the role of partners is fundamental to the success of both the project and the overall program of recovery and peace building in the NE.

110. Given the overwhelming and urgent needs in the NE and the dozens of government and development partners engaged in meeting those needs, the project team has put a premium on coordination. On the government side, these include the PCNI, the FMBNP, the FMOF, the Office of the Secretary to the Government, the Office of the Vice President, the NEMA, and the representatives of the state governments of BAY. From development partners, these include the EU, the UN, DFID, USAID, GIZ, IsDB, and AfDB. The World Bank convened these partners at a workshop in Abuja on August 17, 2016, to agree on a coordinated, forward-looking Strategic Action Plan for the NE that builds on the foundations that the Buhari Plan and the RPBA collectively provide.

111. The project has been designed through a rigorous multi-stakeholder and multi-partner process spanning nearly a year. The RPBA, led by the Government and supported by the World Bank, the UN, and the EU, afforded many opportunities for close collaboration with key development partners. In the aftermath of the RPBA, the project team continued to work closely with a range of government and development partners to ensure close coordination in the critical post-RPBA phase and to establish the strategic parameters and operational principles that underpin the proposed design and approach of the project.

112. Project implementation will also follow an inclusive and consultative process with key development partners through existing donor coordination mechanisms (for example, the NE Donors Group chaired by DFID) and new coordination mechanisms as necessary. This will help ensure close strategic harmonization and operational coordination across the interrelated interventions under various development partner programs under way or in the planning stages to contribute toward the broader crisis recovery program. The project team will also continue to leverage and promote the recovery and peace building strategy agreed under the RPBA to influence the crisis recovery planning and implementation of various development partners.

113. **Alignment with the MDBs.** The project team has discussed and agreed on the key elements of a common programmatic approach with the IsDB and AfDB, which are also developing similar infrastructure-focused recovery projects for the NE using the RPBA findings as a basis for project design. It has been agreed that the three states will work closely with the three MDBs to ensure that their respective projects are not designed and implemented as three separate interventions but as independent yet synchronized parts of a common programmatic framework. The AfDB has noted that its US\$250 million project on 'Inclusive Basic Social Service Delivery and Livelihood Improvement' has been realigned to the RPBA findings. The IsDB has noted that it is developing an investment package for the NE and has agreed to align with the joint programmatic approach.

114. It was agreed that common implementation modalities and institutional arrangements will achieve economies of scale and empower the states to coordinate a sizeable MDB investment program for the NE. Going forward, this will entail close collaboration between the World Bank, AfDB, and IsDB in the areas of (a) prioritization and sequencing of interventions and gap analysis to determine how to





allocate resources in key infrastructure sectors across the three projects; (b) capacity assessment of the three states to determine how to provide coordinated capacity-building support for efficient and effective program implementation; and (c) maximizing the use of common implementation resources; consistent technical design processes; and harmonized FM, procurement, and safeguards compliance processes and procedures.





## ANNEX 3: IMPLEMENTATION SUPPORT PLAN

COUNTRY : Nigeria

Multi-Sectoral Crisis Recovery Project for North Eastern Nigeria

### Strategy and Approach for Implementation Support

1. The World Bank's implementation support strategy for the proposed project has been developed based on the nature of the project, its risk profile, the capacity of the implementing agencies and partners, and the lessons learned from the past World Bank operations. The Systematic Operations Risk Rating Tool (SORT) rates the overall implementation risk as High, with the following elements of risk considered to be high: (a) Political and Governance, (b) Institutional Capacity for Implementation and Sustainability, and (c) Fiduciary. The risks result from the fluidity of the security situation, the sensitive nature of the project interventions, the targeting criteria and geographical coverage, and the need to develop institutional coordination across various implementing entities.
2. **Institutional coordination between state focal persons and various line departments remains weak, especially in Yobe and Adamawa.** The states have faced financial difficulties in mobilizing funding for activities to prepare grounds for the project, including prioritization and consultations on the SPARS. Borno faces less of these challenges because the structure of the Ministry of Rehabilitation, Reconstruction, and Resettlement has a working system in place to engage consultants to undertake SPARS-related activities. Support is being provided to the teams to overcome these challenges, including through support from trust funds.
3. **Implementation support will be provided by the World Bank team (to the extent possible, regionally based) consisting of staff with relevant competencies in operations, procurement, finance, and safeguards.** The World Bank team will undertake periodic field missions throughout the project's implementation as required and allowed by the security situation. Experience under previous emergency operations has shown that, given the sensitive and challenging nature of such projects, specific World Bank responsibilities require higher-than-normal supervision and support requirements including the transfer of knowledge that the World Bank has gained over the past decade in similar operations.
4. **The World Bank will contract a neutral third-party monitoring agent (TPMA)<sup>19</sup> to enable the World Bank to honor its corporate commitments regarding fiduciary and safeguards responsibility; oversight and implementation support; and M&E of project implementation, outcomes, and results.** The TPMA will operate throughout the project target areas as opposed to exclusively for safeguards, with particular added value in areas that are inaccessible to the World Bank staff due to security and safety concerns. The TPMA will produce and transmit to the World Bank all required data, reports, and information required to monitor project implementation progress, detect deviations, and identify and respond to problems and bottlenecks. Within the World Bank's overall fiduciary responsibilities, the TPMA will monitor the procurement transactions and FM requirements, verify construction sites and

<sup>19</sup> While the current resources are not sufficient for financing a TPMA from the World Bank budget, discussions with bilateral institutions such as DFID have been under way to explore the possibility for such agencies to engage a TPMA for a broader crisis recovery program that could also benefit and extend services to other World Bank projects. In addition, the task team will be exploring whether secured trust funded resources from DFID can be used or scaled up to support this TPMA.



assets acquired under each project against the specifications, and report to the World Bank on the progress and status of project implementation and contract administration against agreed or contractual timetables and schedules.

5. **The TPMA will also report to the World Bank on compliance with the triggered E&S safeguards policies.** The TPMA will have access to all relevant E&S documents and instruments of the projects; will supervise E&S due diligence processes; monitor the prompt preparation of E&S assessments and management instruments, which generally will be required to be completed, consulted with the public, and approved by the World Bank, before any physical activity or works may commence; will report to the World Bank any incidents in which construction, rubble removal, or other activities with a physical footprint have occurred without proper safeguards instruments in place and deployed; and will ensure that a functioning GRM is in place and maintained by the contractors and supervision engineers for every project area.

6. Given the level of damage sustained by the NE and the resulting needs demonstrated in the region, this ISP focuses on (a) ensuring compliance with the World Bank procedures, (b) attaining the PDOs, (c) building capacity of government institutions to ensure sustainable recovery, and (d) ensuring alignment of overall programmatic objectives among the many development partners active in the NE.

#### **Implementation Support Plan and Resource Requirements**

7. **The World Bank's ISP for the project draws from the emergency nature of the project, lessons learned from the past World Bank projects in the country, and international best practices gleaned from other conflict settings around the world.** The core principles underlying the MCRP ISP are (a) the need for intensive, risk-based implementation support<sup>20</sup> because the project has been prepared using rapid procedures that did not allow time for very detailed appraisal and (b) maximizing the use of national staff, international staff, and consultants on a needs basis. The plan will be regularly reviewed and revised as required.

8. **The ISP includes frequent review of implementation performance and progress.** The World Bank team will monitor progress on several fronts including (a) key performance indicators as defined in the Results Framework and the project's contributions to broader programmatic outcomes for recovery and peace building; (b) federal- and state-level project implementation; (c) third-party verification of project activities; (d) proper fiduciary management of all activities carried out by the PCUs and other implementing agencies; (e) reconciliation of payments with contracts; (f) supervision of large numbers of state-level procurement activities; and (g) monitoring of key legal covenants.

9. **Information from various sources will be used to assess and monitor the progress of the project throughout its implementation.** In addition to the data generated through the project's management information system and M&E systems, the World Bank will also review the findings and results of third-party assessments and E&S audits that will be undertaken during the course of the project implementation.

10. In addition to formal semiannual implementation support missions and field visits to the states and the project target areas, continuous support will be provided to the PCUs and component

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<sup>20</sup> Including for implementation, fiduciary, and safeguards risk mitigation.



implementing entities given the relative complexity of the project. The semiannual Implementation Status Reports will be produced to provide the World Bank management and the public with progress updates, tracking risk development and efficacy of mitigation measures. In addition to Implementation Status Reports, periodic briefings will also be prepared for management. It is proposed that in the first two years of the project implementation, three missions per year will be conducted.

11. Implementation support missions will focus on the following areas: (a) TA, (b) M&E, (c) client relations, (d) FM, (e) procurement, (f) safeguards, and (g) communications.

12. **The World Bank's procurement, FM, and E&S safeguards specialists will also provide prompt and effective support.** In addition to carrying out an annual ex post review of procurement that falls below the prior-review thresholds, the procurement specialist will provide routine hands-on support to the procurement agencies on a needs basis. The FM specialist will review all FM reports and audits and take necessary follow-up actions according to World Bank procedures, working closely with the PFMU of the FMoF. Semiannual inputs from the E&S safeguards specialists will be required throughout the project, and both formal implementation support missions and routine field visits will ensure that the SAP and ESMP are implemented in accordance with the World Bank safeguards policies. The project will also conduct comprehensive fiduciary assessment of the implementing agencies to reduce fiduciary risks. The procurement, FM, and safeguards specialists will also help identify capacity-building needs to strengthen fiduciary and safeguards capacity at the federal and state levels.

13. **Given the Substantial residual FM risk rating, on-site supervision will be carried out at least twice a year.** On-site review will cover all aspects of FM, including internal control systems, the overall fiduciary control environment, and tracing transactions from the bidding process to disbursements as well as statement of expenditures review. Additional supervision activities will include desk review of IFRs, quarterly internal audit reports, audited annual financial statements, and management letters.

14. The following ISP reflects the preliminary estimates of the skill requirements, timing, and resource requirements over the life of the project. Keeping in mind the need to maintain flexibility over project activities from year to year, the plan will be reviewed annually to ensure that it continues to meet the implementation support needs of the project.



**Table 3.1: MCRP ISP**

Year	Focus	Skills Needed	Trips	Resource Estimate (US\$)	Partner Role	Comments
Year 1	<ul style="list-style-type: none"> <li>Project launch</li> <li>Initialization of project components</li> <li>FM systems functioning effectively</li> <li>Procurement practices following World Bank norms</li> <li>ESMP in place</li> </ul>	<ul style="list-style-type: none"> <li>Team lead</li> <li>FM, procurement, safeguards specialists</li> <li>Health, education, transport, WASH, agriculture, social, and M&amp;E specialists</li> </ul>	<ul style="list-style-type: none"> <li>4/17</li> <li>7/17</li> <li>10/17</li> <li>Routine support</li> </ul>	<ul style="list-style-type: none"> <li>100,000</li> <li>80,000</li> <li>80,000</li> </ul>	<ul style="list-style-type: none"> <li>Fully staffed PCU to operationalize project components</li> <li>Contract project management and other local support firms as needed</li> <li>Ensure continuing program alignment with the IsDB, AfDB, and other partners</li> <li>Prepare comprehensive project progress and results monitoring reports in advance of each mission</li> <li>Update implementation plans and PPs routinely</li> <li>Organize field visits</li> </ul>	<ul style="list-style-type: none"> <li>Project will likely become effective by March 2017 with the first mission occurring by the start of April 2017</li> <li>Task team to support smooth start-up following effectiveness</li> <li>Ensure safeguards arrangements are built into implementation plans</li> <li>Review implementation, commitment, and disbursement status</li> <li>Ensure safeguards arrangements are built into implementation plans</li> <li>Provide support to monitor progress of activities and in-depth technical review of implementation; make adjustments to implementation plan if needed</li> </ul>



Year	Focus	Skills Needed	Trips	Resource Estimate (US\$)	Partner Role	Comments
Year 2	<ul style="list-style-type: none"> <li>Monitor implementation of project activities</li> <li>FM, procurement, and safeguards</li> <li>MTR<sup>a</sup>.</li> </ul>	<ul style="list-style-type: none"> <li>Team lead</li> <li>FM, procurement, and safeguards specialists</li> <li>Health, education, transport, WASH, agriculture, social, and M&amp;E specialists</li> </ul>	<ul style="list-style-type: none"> <li>3/18</li> <li>7/18</li> <li>11/18</li> <li>Routine support</li> </ul>	<ul style="list-style-type: none"> <li>80,000</li> <li>60,000</li> <li>120,000</li> </ul>	<ul style="list-style-type: none"> <li>Prepare comprehensive project progress and results monitoring reports in advance of each mission</li> <li>Update implementation plans and PPs routinely</li> <li>Organize field visits</li> <li>Ensure continuing program alignment with the IsDB, AfDB, and other partners</li> </ul>	<ul style="list-style-type: none"> <li>Review implementation, commitment, and disbursement status</li> <li>Ensure safeguards arrangements are built into implementation plans</li> <li>Provide support to monitor progress of activities and in-depth technical review of implementation; make adjustments to implementation plan if needed</li> </ul>
Year 3	<ul style="list-style-type: none"> <li>Monitor implementation of project activities</li> <li>MTR</li> <li>FM, procurement, and safeguards</li> </ul>	<ul style="list-style-type: none"> <li>Team lead</li> <li>FM, procurement, and safeguards specialists</li> <li>Health, education, transport, WASH, agriculture, social, and M&amp;E specialists</li> </ul>	<ul style="list-style-type: none"> <li>3/19</li> <li>9/19</li> <li>Routine support</li> </ul>	<ul style="list-style-type: none"> <li>60,000</li> <li>60,000</li> </ul>	<ul style="list-style-type: none"> <li>Prepare comprehensive project progress and results monitoring reports in advance of each mission</li> <li>Update implementation plans and PPs routinely</li> <li>Organize field visits</li> <li>Ensure continuing program alignment with the IsDB, AfDB, and other partners</li> </ul>	<ul style="list-style-type: none"> <li>Review implementation, commitment, and disbursement status</li> <li>Ensure safeguards arrangements are built into implementation plans</li> <li>Provide support to monitor progress of activities and in-depth technical review of implementation; make adjustments to implementation plan if needed</li> <li>Conduct MTR after 2.5 years of project implementation</li> </ul>



Year	Focus	Skills Needed	Trips	Resource Estimate (US\$)	Partner Role	Comments
Year 4	<ul style="list-style-type: none"> <li>Monitor implementation of project activities</li> <li>FM, procurement, and safeguards</li> </ul>	<ul style="list-style-type: none"> <li>Team lead</li> <li>FM, procurement, and safeguards specialists</li> <li>Health, education, transport, WASH, agriculture, social, and M&amp;E specialists</li> </ul>	<ul style="list-style-type: none"> <li>3/20</li> <li>9/20</li> <li>Routine support</li> </ul>	<ul style="list-style-type: none"> <li>60,000</li> <li>60,000</li> </ul>	<ul style="list-style-type: none"> <li>Prepare comprehensive project progress and results monitoring reports in advance of each mission</li> <li>Update implementation plans and PPs routinely</li> <li>Organize field visits</li> <li>Prepare preclosure review</li> <li>Ensure continuing program alignment with the IsDB, AfDB, and other partners</li> </ul>	<ul style="list-style-type: none"> <li>Review implementation, commitment, and disbursement status</li> <li>Ensure safeguards arrangements are built into implementation plans</li> <li>Provide support to monitor progress of activities and in-depth technical review of implementation; make adjustments to implementation plan if needed</li> </ul>
Year 5	<ul style="list-style-type: none"> <li>Monitor implementation of project activities</li> <li>FM, procurement, and safeguards</li> <li>Planning for final evaluation and Implementation Completion Report</li> <li>Project withdrawal and closure</li> </ul>	<ul style="list-style-type: none"> <li>Team lead</li> <li>FM, procurement, and safeguards specialists</li> <li>Health, education, transport, WASH, agriculture, social, and M&amp;E specialists</li> </ul>	<ul style="list-style-type: none"> <li>3/21</li> <li>9/21</li> <li>Routine support</li> </ul>	<ul style="list-style-type: none"> <li>60,000</li> <li>60,000</li> </ul>	<ul style="list-style-type: none"> <li>Prepare comprehensive project progress and results monitoring reports in advance of each mission</li> <li>Update implementation plans and PPs routinely</li> <li>Organize field visits</li> <li>Ensure continuing program alignment with the IsDB, AfDB, and other partners</li> <li>Project closure</li> </ul>	<ul style="list-style-type: none"> <li>Review implementation, commitment, and disbursement status</li> <li>Ensure safeguards arrangements are built into implementation plans</li> <li>Provide support to monitor progress of activities and in-depth technical review of implementation; make adjustments to implementation plan if needed</li> </ul>

Note: a. Given the complexity of the implementing context and the principle of flexibility, MTR will be conducted after 18 months of project operation.



## **ANNEX 4: Economic Analysis**

### **COUNTRY : Nigeria**

#### **Multi-Sectoral Crisis Recovery Project for North Eastern Nigeria**

1. This section presents the details of the economic analysis performed for the typologies of interventions under Component 1 followed by Component 2.

#### ***Component 1: Strengthening Peace Building, Stability, and Social Cohesion***

2. Component 1 ensures the sustainable return of the displaced population by providing the means for self-sufficiency and promoting social cohesion. This component addresses the needs of the estimated 2.3 million individuals who have been internally displaced by the conflict in a region where 80 percent of the population relies on agriculture for their livelihood.

3. The assumptions made toward the economic analysis of Subcomponent 1.1 include

- (a) Valuation of costs and benefits: based on market and shadow prices;
- (b) Appraisal period: a five-year appraisal period is selected for projects; and
- (c) Discount rate: a 6 percent discount rate is applied.

4. Typology 1 on supporting the safe and voluntary return and/or reintegration of displaced persons supports the provision of goods (that is, kitchen sets, mosquito nets, plastic mats, blankets, hygiene kits, and other essentials) and access to productive assets (that is, agricultural inputs and livestock to farming families and trading commodities for non-farmers) to 30,000 households and 30,000 individuals, respectively, across the BAY states. This subcomponent will also support the capacity of state and local governments for IDP return and resettlement. In the short term, this component is expected to (a) contribute to job creation; (b) restore incomes through livelihood and income-generating activities; (c) increase food security for the affected households; and (d) ease the immediate fiscal burden for the Government. In the medium term, this component is expected to (a) restore agricultural products by providing communities with inputs and enabling off-season planting and (b) restore household income and food through improved agricultural production. Benefits will accrue from the estimated annual income of US\$500 per individual as well as better health conditions through greater food access. The economic analysis performed for this typology suggests that this would be economically feasible at a cost of up to US\$63 million.

5. Typology 2 on strengthening reconciliation, peace building, and community cohesion relates to the establishment of an investment fund for basic numeracy and literacy skills for out-of-school children and youth, sports for peace activities for both men and women, radio programming, cultural activities that promote common identities, the restoration of participatory local governance structures and local peace platforms, and the provision of community-based psychosocial support. An estimated 61,560 individuals will benefit from the delivery of these public services. This typology remains economically feasible with a minimum of 54,000 beneficiaries.



6. Finally, Typology 3 on strengthening local governance and citizen engagement relates to supporting LGAs and enhancing social accountability mechanisms (that is, budget monitoring, transparent contract awards, taxation systems, and GRM). The total population of the BAY states, which is estimated to be in excess of 11 million individuals, is considered to indirectly benefit from this type of support. This typology is economically feasible with a minimum of 9 million beneficiaries.

***Component 2: Infrastructure Rehabilitation and Service Delivery Restoration and Improvement***

7. Component 2 of the MCRP envisages the (a) rehabilitation of damaged state and local bridges; (b) restoration of municipal services including WASH and solid waste management; (c) rehabilitation of health facilities with the restoration of fully functional services; (d) rehabilitation of schools with the restoration of fully functional services; and (e) rehabilitation of local government offices with the restoration of fully functional services. The conflict has resulted in an estimated infrastructure damage of US\$9.2 million and accumulated output losses of US\$8.3 billion. This component will lead to a recovery of the infrastructure damaged by the conflict through the rehabilitation of state and local roads and bridges, in municipal services—such as WASH and solid waste management—health facilities, educational facilities, and local government offices, as well as the full restoration of essential services in transportation, WASH, health, education, and local governance.

8. The following assumptions have been made toward the economic analysis of Component 2:

- (a) Valuation of costs and benefits: based on market and shadow prices;
- (b) Time horizon: a 15-year period is selected for the project to yield results;
- (c) Discount rate: a 6 percent discount rate is applied; and
- (d) Additional security premium: 10 percent for operating in the BAY states in low-capacity environment and in situations of fragility and conflict.

9. **Typology 1 relating to the rehabilitation of damaged state and local roads and bridges.** It is assumed that the project will rehabilitate roughly 100 km of state and local government rural roads at an average cost of US\$180,000 per km, rehabilitate and repair bridges, recover key public transport services, and restore traffic management systems and services. Benefits will accrue through the impact of the reduction in the number of hours spent commuting for individuals and businesses on the value of time and the reduction in the operations and maintenance cost of vehicles, as well as through increased commercial activity related to enhanced regional connectivity. The economic analysis indicates that this project would be economically feasible up to a cost of US\$140 million.

10. **Typology 2 relating to WASH and solid waste management.** This typology relates to the reconstruction of water distribution points, provision of water supply in IDP return areas, promotion of sanitation and hygiene services in areas with a high concentration of IDP, and restoration of solid waste management services in IDP return areas and host communities. If 60 WASH initiatives were to take place, it would benefit an estimated 27,000 individuals, with increased access to potable water, better hygiene conditions, time saved, and expanded opportunities for agricultural and livestock activities. This typology would remain economically feasible with a minimum of 6,900 households or a maximum cost of US\$57 million.





11. **Typology 3 pertaining to the rehabilitation of health facilities with the restoration of fully functional services.** It is assumed for the purposes of this analysis that 100 buildings would be reconstructed, including accommodation for medical staff on call, along with the purchase of machinery and equipment and appropriate staffing, with a unit cost of US\$300,000 per facility. An estimated 67,500 patients are expected to benefit from these services with expected benefits to be reaped with regard to the effect of reduced morbidity and mortality on productivity, higher quality of life, and greater efficiency of the school system and reduced expenditures on drugs and medical care. The results of the economic analysis suggests that this typology would remain economically feasible with a minimum of 54,000 patients being treated every year or a maximum cost of US\$84 million.
12. **Typology 4 on the rehabilitation of schools with restoration of fully functional services will lead to the reconstruction of 100 school buildings and the acquisition of goods and services, with a per unit cost of US\$300,000.** An estimated 36,000 students are expected to attend these schools every year, with double shifts throughout the day. Benefits will come from the increased labor productivity (as measured by the earnings differential between an educated and uneducated individual) as well as through greater social cohesion. The results of the economic analysis suggest that this typology would remain economically feasible with a maximum cost of US\$100 million.
13. **Finally, Typology 5 will rehabilitate local government offices including areas for community meetings and events.** It is assumed that, with a budget of US\$21.2 million, 80 of such buildings would be constructed and rehabilitated, which are estimated to directly benefit about 1,800 public servants and 36,000 participants of community events. The resulting improved efficiency of the public administrative system and social cohesion will indirectly benefit approximately 2 million individuals. The economic analysis indicates that this typology would be economically feasible with a minimum of 1.2 million indirect beneficiaries or a maximum cost of US\$38 million.



## ANNEX 5: Complementarity with Other Interventions in North East Nigeria

**COUNTRY : Nigeria**

**Multi-Sectoral Crisis Recovery Project for North Eastern Nigeria**

1. The design of the MCRP borrows from the rigorous gap analysis conducted by the task team to ensure its complementarity with other currently undergoing interventions by the government, the World Bank, and other development partners. Especially, the MCRP team worked closely with the teams of the six AF projects financed by the World Bank, and consulted closely with the recovery project preparation teams in the AfDB and IsDB. Table 5.1 summarizes the major areas of interventions proposed by the MCRP on how the points of departure were drawn upon filling the gaps identified between the sector needs and existing interventions.

**Table 5.1. Summary of Gap Analysis by Area of Intervention**

Sector	AF Project	AfDB/IsDB Funding	Implementation/Niche for MCRP
<b>Social Cohesion</b>	With regard to psychosocial support, the CSDP and YESSO focus on traditional community support; SEPIP and NSHIP provide focused, nonspecialized support in schools and health facilities, respectively. Specifically, YESSO supports livelihood restoration, skills and capacity building, and empowerment of youth and women in the six NE states. It focused on the selection and mobilization of poor and unskilled youth and women to participate in public works, offering them monthly stipends and cash transfer.	No known interventions	The MCRP will avoid cash transfer programs, which have already been proposed under YESSO. Instead, it will set up a community investment fund to focus on interventions that aim for organizing activities for better social inclusion and peace building. The MCRP will also plan for the provision of psychosocial support to trauma victims of the BH conflict.
<b>Education</b>	SEPIP proposed a performance-based financing scheme to support TA and institutional capacity strengthening of NE states with regard to teacher management and deployment and school-level funding through School-Based Management Committees, and psychosocial and pedagogical training for teachers will be developed and delivered, as well as development and delivery of a training package for School-Based Management Committees for the promotion of social cohesion and violence prevention.	The AfDB proposed a project with approximately US\$ 31 million financial support attributed to the reconstruction of model primary schools with teachers' accommodation and library facilities.	As SEPIP is focusing on rehabilitation of services in schools, the MCRP will cover the major reconstruction of infrastructure instead, including classrooms, offices, tables, seats, chairs, fences, playgrounds, latrines, water pumps/boreholes, and so on. It is acknowledged that the AfDB is planning to do some investments on reconstruction and rehabilitation of schools as well. However, the amount of the proposed funding by the AfDB is fairly small compared to the total sector needs identified in RPBA, and it is agreed between the two agencies that the MCRP's investments on school reconstruction and restoration are very necessary. The project teams are closely coordinating with each other to ensure complementarity in coverage.



Sector	AF Project	AfDB/IsDB Funding	Implementation/Niche for MCRP
<b>Health</b>	Both NSHIP and PERSRIP are investing in the health sector. PERSRIP focuses only on polio vaccination, while NSHIP will focus on performance-based financing to improve health and nutrition status in the LGAs with the highest concentration of IDP.	AfDB proposed to finance a set of interventions in support of improving the health and nutrition conditions of the conflict affected residents in the NE, including reconstruction and rehabilitation of Primary Health Care Services, training of health workers, as well as community nutrition support through an extensive Outpatient Therapeutic Program (OTP).	As vaccination provision is addressed both under PERSRIP and the proposed interventions of the AfDB, the MCRP will not include such vaccination-related interventions. Instead, the MCRP will focus on the reconstruction of health centers that have been severely damaged or destroyed by the crisis. The team will coordinate closely with the AfDB (on geographic coverage and funding amount) as their investment plans further develop.
<b>Transport</b>	No AF projects in this field	No known interventions	The MCRP will consult with the states to reconstruct damaged roads and bridges that are the most key to the mobility of the population.
<b>Public Buildings</b>	The CSDP will support communities to develop, implement, and monitor micro social infrastructure projects.	No known interventions	The MCRP will reconstruct and repair local government buildings. Opportunities will be sought to combine community spaces into public buildings to provide areas for communities to gather for meetings, events, and consultations.
<b>Water and Sanitation</b>	No AF projects in this field	The AfDB has an extensive proposal to support WASH infrastructure rehabilitation, consisting of infrastructure provision and institutional strengthening support to the organizations providing water supply and sanitation services.	Given the planned interventions covered by the AfDB, the MCRP will not invest a significant amount in the WASH sector. However, to keep some flexibility and to ensure critical WASH needs are met, the MCRP may reserve some funding on WASH to fill the gaps left by the AfDB and other donors.
<b>Institutional support and capacity building</b>	The CSDP will strengthening the skills and capacity of LGAs and sectoral public agencies to support communities and build partnerships between them.	The AfDB proposes to provide institutional strengthening support to the government, including technical assistance to federal ministries and the Social Investment Unit of the Office of the Vice President.	The proposed institutional support and capacity building assistance provided by the MCRP will focus on strengthening PCNI at the federal level and the MDAs in the BAY states. The MCRP will also link with the CSDP AF to strengthen the capacity of local governments and engage local communities and citizens for effective recovery and stabilization planning and area-based, geo-spatial recovery planning in affected states.

2. As a broader context, the following tables provide a summary of recovery and development operations/projects planned or undergoing in NE Nigeria, based on information gathered from the federal and state governments, World Bank, and other development partners as of September 5, 2016. As it is infeasible to track all interventions in real time, this list is by no means a comprehensive one. Meanwhile, the MCRP



team has been working closely with the Government and major development partners to ensure the complementarity of the operations among different stakeholders.

**Table 5.2: List of Projects on Humanitarian Responses, Peace Building/Stability, and Social Protection**

Sector	Project Description	Status	Start Date	End Date	Donor	Total Commitment	Adamawa	Borno	Yobe
Fragility, Conflict, and Violence	Emergency Assistance for Populations in North Eastern Nigeria	Ongoing	March 2014	March 2017	Global Affairs, Canada	US\$3 million	No	Yes	Yes
Fragility, Conflict, and Violence	Nigeria Stability and Reconciliation Programme (NSRP)	Ongoing	November 2012	December 2017	DFID	£39 million for 10 states			
Fragility, Conflict, and Violence	Nigeria International Committee of the Red Cross Humanitarian Appeal	Completed	2015	2016	Multiple donors including Canada, UK, and Japan	—	Yes	Yes	Yes
Fragility, Conflict, and Violence	Nigeria UNICEF Humanitarian Appeal	Ongoing	April 2016	March 2017	Global Affairs, Canada	—	Yes	Yes	Yes
Fragility, Conflict, and Violence	UN Office for the Coordination of Humanitarian Affairs Emergency Appeal for Nigeria	Ongoing	April 2016	March 2017	Global Affairs, Canada	—	Yes	Yes	Yes
Fragility, Conflict, and Violence	Training of Leaders on Religious and National Co-Existence (TOLERANCE)	Ongoing	2012	2017	USAID	US\$4.8 million in 6 states	No	Yes	No
Fragility, Conflict, and Violence	World Food Programme Sahel Appeal	Ongoing	April 2016	March 2017	Global Affairs, Canada	—	No	Yes	Yes
Governance	Federal Public Administration Programme	Ongoing	2010	2016	ATOS	—	Yes	Yes	Yes
Governance	Public Sector Reforms and Development Project	Ongoing	2012	2016	World Bank	US\$80 million in 2 states	Yes	No	No
Governance	Public/Private partnership	Ongoing	2011	2017	World Bank	US\$115 million in 6 states	Yes	Yes	Yes
Governance	SACE - Strengthening Advocacy and Civic Engagement	Ongoing	January 2014	January 2019	USAID	US\$19.2 million in 26 states including 6 NE states	Yes	Yes	Yes
Governance	State Accountability and Voice Initiative	Ongoing	2010	2016	DFID	£36 million for 9 states	No	No	Yes



# The World Bank

Multi-Sectoral Crisis Recovery Project for North Eastern Nigeria (P157891)

Sector	Project Description	Status	Start Date	End Date	Donor	Total Commitment	Adamawa	Borno	Yobe
Governance	State Partnership for Accountability Responsiveness and Capability	Ongoing	2010	2016	DFID	£67 million for 9 states	No	No	Yes
Governance	World Bank Governance Partnership facility	Ongoing	2011	2016	World Bank	US\$19 million in 6 states	Yes	Yes	Yes
Humanitarian	Emergency Humanitarian Relief in Nigeria	Ongoing	April 2016	April 2019	DFID	£33.5 million in 3 states	Yes	No	Yes
Humanitarian	Office of Food for Peace	Ongoing	June 2015	April 2017	USAID (through Office of Food for Peace)	US\$12 million	Yes	Yes	Yes
Humanitarian	Office of Food for Peace	Ongoing	November 2015	October 2016	USAID (through Office of Food for Peace) and UN-World Food Programme	US\$6.8 million	No	Yes	Yes
Humanitarian	Office of Transition Initiative-OTI	Ongoing	September 2014	September 2018	USAID (through Office of Transition Initiative)	US\$23 million in 3 NE states	Yes	Yes	Yes
Humanitarian	Office of US Foreign Disaster Foreign Assistance (OFDA)		January 2014	September 2016	USAID (through Office of US Foreign Disaster Foreign Assistance Humanitarian Response in Nigeria)	US\$10 million	No	No	Yes
Humanitarian	Rapid Response to Food and Livelihoods Improvement for IDP and their Host Families in the Emergency States of North East Nigeria - Borno and Yobe	Ongoing	March 2016	2017	Japan	US\$1.5 million in 3 states			
Humanitarian	Water, Sanitation, Health and Nutrition, Protection, Emergency Shelter	Ongoing	2016	2016	EU	€31 million across 6 states	Yes	Yes	Yes



Sector	Project Description	Status	Start Date	End Date	Donor	Total Commitment	Adamawa	Borno	Yobe
Peace building/ Stability	Contribute to the stabilization of NE Nigeria through strengthening the resilience of IDP, host communities, returning refugees and the local population affected by insurgency.	Approved	2016	2021	EU and German Federal Ministry for Economic Cooperation and Development	€37 million from the EU; €13 million from the German Federal Ministry for Economic Cooperation and Development	Yes	Yes	No
Peace building/ Stability	Help address the root causes of displacement and ensure durable solutions for forcibly displaced population and host communities	Just started	2016	2018	EU	€40 million	Yes	Yes	No
Peace Building/ Stability	Strengthening the Capacity of West Africa's Peace Support Operations in Nigeria	Completed	2014	2015	Japan	US\$0.5 million across all Nigerian states	Yes	Yes	Yes
Peace building/ Stability	Promoting the engagement of women in peace building and conflict resolution	Ongoing	2014	2017	EU	€10 million across 5 states	Yes	No	Yes
Peace building/ Stability	PRO ACT I: Building food security and resilience in Northern Nigeria	Just signed	2016	2020,	EU	€50 million		No	No
Peace building/ Stability	Capacity Building for Effective Prosecution of Terrorism Offences in Nigeria	Ongoing	March 2015	2016	Japan	US\$0.46 million across all Nigerian states	Yes	No	Yes
Peace building/ Stability	Promoting socioeconomic recovery and sustainable livelihoods, community conflict mediation and reducing the risks associated with mines/IEDs/war debris	Just started	2016	2018	EU	€55 million across 2 states	Yes	No	No
Peace building/ Stability	Emergency Assistance to IDP Women/Girls and Survivors of BH Terrorism Attacks in Nigeria	Ongoing	March 2016	2017	Japan	US\$1.45 million in 3 states	Yes	No	No



# The World Bank

Multi-Sectoral Crisis Recovery Project for North Eastern Nigeria (P157891)

Sector	Project Description	Status	Start Date	End Date	Donor	Total Commitment	Adamawa	Borno	Yobe
Peace building/ Stability	Prevention and Response to Gender-Based Violence in NE Nigeria	Completed	June 2014	July 2015	Japan	US\$0.185 million in 3 states	Yes	Yes	Yes
Peace building/ Stability	Support to Early Recovery Programme in the NE	Ongoing	March 2016	2017	Japan	US\$1.5 million in 3 states	Yes	Yes	Yes
Social Protection & Labor	Integrated Provision of Life-Saving Emergency Interventions for Vulnerable Populations and Support for Returnees in the NE of Nigeria	Ongoing	March 2016	2017	Japan	US\$4.5 million in 3 states	Yes	Yes	Yes
Social Protection & Labor	Child Protection	Ongoing	October 2015	December 2016	UNICEF	US\$3.4 million across three states			
Social Protection & Labor	CSDP	Ongoing	2009	2017	World Bank	US\$340 million in 5 states			
Social Protection & Labor	Voices for Change	Ongoing	September 2011	December 2017	DFID	£41 million nationally	Yes	Yes	Yes

Note: UNICEF = United Nations Children's Fund.



**Table 5.3: List of Projects on Infrastructure, Economic Recovery, and Service Delivery**

Sector	Project Description	Status	Start Date	End Date	Donor	Total Commitment	Adamawa	Borno	Yobe
Agriculture	FADAMA III	Ongoing	2009	2017	World Bank	US\$450 million in 3 states	Yes	Yes	Yes
Agriculture	Famine Early Warning Systems Network (FEWSNET)	Ongoing	September 2005	December 2017	USAID	US\$1.6 million	No	Yes	Yes
Agriculture	Input Supply to Vulnerable Internally Displaced Population in Emergency States in North Eastern Nigeria	Ongoing	2014		Food and Agriculture Organization	—			
Agriculture	PROPCOM Maikarfi	Ongoing	2012	2018	DFID	£26 million for 21 states	Yes	Yes	Yes
Agriculture	Transforming Irrigation Management in Nigeria (TRIMING)	Ongoing	2015	2022	World Bank	US\$495 million	Yes	No	No
Agriculture	UTF Development of National Irrigation Policy and Strategy for Nigeria	Ongoing	2014		Food and Agriculture Organization	—			
Agriculture	West African Agricultural Productivity Project (WAAPP)	Ongoing	2010	2016	World Bank	US\$45 million in 6 states	Yes	Yes	Yes
Education	Education Crisis Response	Ongoing	October 2014	October 2017	USAID	US\$15 million in 5 states	Yes	Yes	Yes
Education	Nigeria Global Partnership for Education Fund Grant (GPE)	Ongoing	2015	2019	World Bank	US\$100 million in 6 states	Yes	Yes	Yes
Education	Supporting the Safe Schools Initiative	Ongoing	2014	2016	Multi-donor trust fund with input from GIZ, USAID, DFID, and UNICEF	—			
Education	Technology Enhanced Learning for All (TELA)	Ongoing	2015	2016	USAID	US\$0.8 million	Yes	No	No
Education	Conflict-affected Pre-school children have access to quality early stimulation and early learning opportunities	Ongoing	2015	2016	UNICEF	US\$0.5 million	Yes	Yes	Yes
Energy	Energy ( Clean Technology) Fund	Ongoing			World Bank	US\$16 million in 6 states			
Energy	Nigeria Electricity and Gas Improvement Project (NEGIP)	Ongoing	2010	2017	World Bank	US\$300 million in 6 states	Yes	Yes	Yes





Sector	Project Description	Status	Start Date	End Date	Donor	Total Commitment	Adamawa	Borno	Yobe
Environment	Climate Change Adaptation and Agribusiness Support Programme	Ongoing	2013		International Fund for Agricultural Development	—			
Environment	Multi-national programme to rehabilitate and strengthen the resilience of lake chad basin systems	Ongoing	July 2015	July 2019	AfDB	US\$31.34 million, including other neighboring countries	No	Yes	No
Environment	Nigeria Erosion and Watershed Management Project (NEWMAP)	Ongoing	2013	2020	World Bank	US\$500 million in 6 states	Yes	Yes	Yes
Environment	PolyChlorinated Biphenyls Management Project	Ongoing	2012	2015	World Bank	US\$6.3 million in 6 states	Yes	Yes	Yes
Health	Community Management of Severe Malnutrition in Nigeria	Ongoing	2015	2016	UNICEF	US\$2,100,436 across 2 programs	No	Yes	No
Health	Strengthening Integrated Delivery of HIV/AIDS Services (SIDHAS)	Ongoing	September 2011	September 2018	USAID	US\$448 including other states	No	Yes	No
Health	Strengthening Sexual and Reproductive Health Services to Conflict Affected Communities in NE Nigeria	Ongoing	March 2015	2016	Japan	US\$2.3 million in 3 states	Yes	Yes	Yes
Health	EU support to immunization governance in Nigeria	Ongoing	2011	2018	EU	€10 million across 4 states	Yes	No	Yes
Health	Reinforcing the Resilience and Psychosocial Wellbeing of Children, Adolescents and Families Affected by the Violence in Borno State, Nigeria	Completed	July 2014	December 2014	Japan	US\$0.3 million	No	Yes	No
Health	Strengthening community-based psychosocial support and protection services for children and adolescents	Ongoing	2015	2016	EU	€15 million	No	Yes	No



Sector	Project Description	Status	Start Date	End Date	Donor	Total Commitment	Adamawa	Borno	Yobe
Health	Integrated Provision of Life-Saving Emergency Interventions for Vulnerable Populations in the NE of Nigeria	Completed	February 2015	December 2015	Japan	US\$3.4 million in 3 states	Yes	Yes	Yes
Health	Increased Capacity for Sexual and Reproductive Health Services in Humanitarian Setting	Ongoing	2014	2016	UN Population Fund	US\$10 million in 4 states	Yes	Yes	Yes
Health	Enhancing RI Delivery Platforms in Developing Countries and Developing New Metrics of Performance Management	Ongoing			Bill & Melinda Gates Foundation	—	Yes	Yes	Yes
Health	Accelerating the Reduction of Maternal and Newborn Mortality	Completed	March 2011	March 2016	Global Affairs, Canada	—	No	Yes	No
Health	Access to Family Planning Commodities	Ongoing	September 2011	June 2017	DFID	£18 million nationally	Yes	Yes	Yes
Health	Better Nutrition for Better Lives	Ongoing	March 2014	March 2019	Global Affairs, Canada	US\$5.6 million	No	No	Yes
Health	Community Management of Severe Malnutrition in Nigeria	Ongoing	2015	2016	UNICEF	US\$3 million across two programs	Yes	No	Yes
Health	Enhancing Nigeria's Response to HIV/AIDS	Ongoing	November 2013	December 2021	DFID	£110 million nationally	No	No	Yes
Health	Hard to Reach Project	Ongoing			Bill & Melinda Gates Foundation	—	No	Yes	Yes
Health	Health PILs	Ongoing	2013	2018	World Bank	US\$150 million	Yes	No	No
Health	Increased Capacity for Quality Family Planning Services (7th Country Program)	Ongoing	2014	2017	UN Population Fund	—	No	No	Yes
Health	Integrated high Impact and evidence-based nutrition intervention	Ongoing	2012	2017	UNICEF	US\$2.5 million	Yes	No	No
Health	Integrated PHC Service Delivery	Ongoing	2015	2016	UNICEF	US\$6 million	Yes	Yes	Yes
Health	IPV Country Induction and tOPV-bOPV Switch Support	Ongoing			Bill & Melinda Gates Foundation	—	Yes	Yes	Yes



# The World Bank

Multi-Sectoral Crisis Recovery Project for North Eastern Nigeria (P157891)

Sector	Project Description	Status	Start Date	End Date	Donor	Total Commitment	Adamawa	Borno	Yobe
Health	Maternal Newborn Child Health 2	Ongoing	August 2013	December 2018	DFID	£101 million for 5 states	No	No	Yes
Health	Overhaul of Immunization Data System and Integration at NPHCDA	Ongoing			Bill & Melinda Gates Foundation	—	Yes	Yes	Yes
Health	Polio Eradication Support	Ongoing	2013	2017	World Bank	—	Yes	Yes	Yes
Health	Polio Eradication (Social Mobilization)	Ongoing			Bill & Melinda Gates Foundation	—	Yes	Yes	Yes
Health	Saving One Million Lives	Ongoing	2015	2018	World Bank	US\$500 million in 6 states	Yes	Yes	Yes
Health	Scaling up CMAM Services in Borno	Ongoing			Bill & Melinda Gates Foundation	—	No	Yes	No
Health	Scaling up Nutrition	Ongoing	January 13	May 16	Global Affairs, Canada	—	No	No	Yes
Health	Strengthening Integrated Delivery of HIV/AIDS Services (SIDHAS)	Ongoing	September 2011	September 2018	USAID	—	Yes	Yes	Yes
Health	strengthening of ONE MAIN PHC PER WARD	Ongoing	2013	2017	UNICEF	US\$2 million	Yes	No	No
Health	Support to Scale up Maternal and Newborn Child Health Initiative in Northern Nigeria	Ongoing	2013	2017	EU	€15 million	Yes	No	No
Health	Support to Scale up Maternal Newborn and Child Health Outcomes	Ongoing	2015	2016	UNICEF	US\$1.3 million across 3 programs	Yes	No	No
Health	UNICEF Nutrition Response in Sahel	Ongoing	2015	2016	UNICEF	US\$5 million across 2 programs	Yes	Yes	Yes
Health	Women for Health Programme	Ongoing	November 2012	November 2017	DFID	£29 million in 5 states	No	No	Yes
Health	Working to improve nutrition in northern Nigeria 2 (WINN 2)	Ongoing	July 2011	March 2017	DFID	£52 million in 5 states	No	No	Yes



Sector	Project Description	Status	Start Date	End Date	Donor	Total Commitment	Adamawa	Borno	Yobe
Health	Scale up Maternal and Newborn Child Health Initiative to include more nutrition and social protection activities. Also €20 million to be added (WHO) for polio in high risk states and HDIM system.	Extension to an ongoing project	2016	2020	EU	€50 million across 3 states	Yes	No	No
Health	Emergency Primary Health Care Convergence Intervention for Sahalian Northern States in Nigeria	Completed	February 2014	November 2014	Japan	US\$3.2 million across northern Nigeria	Yes	Yes	Yes
Housing	Housing Finance Development	Ongoing	2014	2018	World Bank	US\$300 million in 6 states	Yes	Yes	Yes
Transport	Federal Roads Development Project	Ongoing	2009	2016	World Bank	US\$330 million in 6 states	Yes	Yes	Yes
Transport	Rural Access Mobility Project II (RAMP2)	Ongoing	August 2013	April 2019	<i>Agence Francaise de Developpement</i>	US\$15 million	Yes	No	No
WASH	Water Supply and Sanitation Sector Reform Programme (WSSSRP) Phases 2 and 3	Ongoing	2012	2017	EU	€23 million across 2 states	Yes	No	Yes
WASH	Water Supply, Sanitation and Sector Reform Project (WSSSRP-III)	Ongoing	2013	2018	UNICEF	US\$2.5 million			
WASH	Dams reoperation and Trans Boundary Issues on Climate Change Impact and Social Development Issues	Ongoing			AfDB	—	Yes	Yes	Yes
WASH	Preparation of Strategic Action Plan For Water Resources Development in Komadugu-Yobe Basin	Ongoing	May 2015	March 2017	AfDB: Hadejia-Jama'Are-Komadugu-Yobe Basin Trust Fund (HJKYB-TF)	€2,690,940	No	No	Yes
WASH	Rural Water Supply and Sanitation Sub Programmes	Ongoing	December 2008	August 2016	AfDB	US\$51.22 million	No	No	Yes
WASH	WASH emergency response in communities hosting IDP and in IDP camps	Ongoing	2015	2016	UNICEF	US\$906,393 in 2 states	No	Yes	Yes



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Multi-Sectoral Crisis Recovery Project for North Eastern Nigeria (P157891)

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ANNEX 6: Map of the Target States in Nigeria