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IDA/R2017-0114/1

April 19, 2017

<p>Closing Date: Monday, May 8, 2017 at 6 p.m.</p>

FROM: Vice President and Corporate Secretary

Liberia - Road Asset Management Project

Second Additional Financing

Project Paper

Attached is the Project Paper regarding a proposed additional credit including credit from the IDA Crisis Response Window to Liberia for a Road Asset Management Project (IDA/R2017-0114), which is being processed on an absence-of-objection basis.

Distribution:

Executive Directors and Alternates
President
Bank Group Senior Management
Vice Presidents, Bank, IFC and MIGA
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Report No: PAD2279

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT PAPER

ON A

PROPOSED ADDITIONAL CREDIT

IN THE AMOUNT OF US\$40 MILLION

INCLUDING US\$12 MILLION FROM THE CRISIS RESPONSE WINDOW RESOURCES

TO THE

REPUBLIC OF LIBERIA

FOR THE

SECOND ADDITIONAL FINANCING TO LIBERIA ROAD ASSET MANAGEMENT
PROJECT

April 17, 2017

Transport and ICT Global Practice
Africa Region

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CURRENCY EQUIVALENTS
(Exchange Rate Effective March 31, 2017)

Currency Unit = Liberian Dollar (LRD)
LRD 94.5 = US\$1
US\$ 1,35685 = SDR 1

FISCAL YEAR
January 1 – December 31

ABBREVIATIONS AND ACRONYMS

AF1	First Additional Financing
AF2	Second Additional Financing
CAGD	Controller and Accountant General Department
CoC	Code of Conduct
CPS	Country Partnership Strategy
CRW	Crisis Response Window
CSO	Civil Society Organization
DLP	Defect Liability Period
EIA	Environmental Impact Assessment
EIP	Emergency Infrastructure Project
EIRR	Economic Internal Rate of Return
ELWA	Eternal Love Winning Africa
ESMP	Environmental and Social Management Plan
EVD	Ebola Virus Disease
GHG	Greenhouse Gas
GOL	Government of Liberia
GRSF	Global Road Safety Facility
HSEMP	Health, Safety, and Environmental Management Plan
ICB	Institutional Capacity Building
IIU	Infrastructure Implementation Unit
iRAP	International Road Assessment Programme
IRI	International Roughness Index
LIBRAMP	Liberia Road Asset Management Project
LRTF	Liberia Reconstruction Trust Fund
MC	Monitoring Consultant
MOF	Ministry of Finance and Development Planning
MPW	Ministry of Public Works
NPV	Net Present Value
OPRC	Output and Performance-Based Road Contract
PDO	Project Development Objective
PFMU	Project Financial Management Unit
RAP	Resettlement Action Plan
RoW	Right-of-Way
RPF	Resettlement Policy Framework

SIU
URIRP
VOC

Special Implementation Unit
Urban and Rural Infrastructure Rehabilitation Project
Vehicle Operating Cost

	Vice President:	Makhtar Diop
	Country Director:	Henry Kerali
Senior Global Practice Director:		Jose Luis Irigoyen
	Country Manager:	Larisa Leshchenko
	Practice Manager:	Benedict L.J. Eijbergen
	Task Team Leaders:	Kulwinder Singh Rao and John Richardson

LIBERIA
SECOND ADDITIONAL FINANCING TO LIBERIA ROAD ASSET MANAGEMENT
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Additional Financing Data Sheet

Liberia

Second Additional Financing to Liberia Road Asset Management Project (P161939)

AFRICA

GTI07

Basic Information – Parent							
Parent Project ID:	P125574		Original EA Category:		B - Partial Assessment		
Current Closing Date:	30-Jun-2022						
Basic Information – Additional Financing (AF)							
Project ID:	P161939		Additional Financing Type (from AUS):		Cost Overrun, Restructuring		
Regional Vice President:	Makhtar Diop		Proposed EA Category:		B-Partial Assessment		
Country Director:	Henry Kerali		Expected Effectiveness Date:		September 15, 2017		
Senior Global Practice Director:	Jose Luis Irigoyen		Expected Closing Date:		June 30, 2024		
Practice Manager/Manager:	Benedict L.J. Eijbergen		Report No:		PAD2279		
Team Leader(s):	Kulwinder Singh Rao, John Kobina Richardson						
Borrower							
Organization Name	Contact	Title	Telephone	Email			
Ministry of Finance and Development Planning	Boima Kamara	Minister of Finance	+231886611777	bkamara@mpdp.gov.lr			
Project Financing Data - Parent (Liberia Road Asset Management Project - LIBRAMP-P125574) (in US\$, millions)							
Key Dates							
Project	Ln/Cr/TF	Status	Approval Date	Signing Date	Effectiveness Date	Original Closing Date	Revised Closing Date
P125574	IDA-49500	Effective	07-Jun-2011	13-Jul-2011	13-Oct-2011	30-Jun-2022	30-Jun-2022
P125574	IDA-51670	Effective	20-Sep-2012	19-Dec-2012	08-May-2013	30-Jun-2022	30-Jun-2022
P125574	TF-99588	Effective	13-Jul-2011	13-Jul-2011	13-Oct-2011	30-Jun-2020	30-Jun-2020

Disbursements									
Project	Ln/Cr/T F	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P125574	IDA-49500	Effective	US\$	67.70	67.70	0.00	49.57	11.68	73.22
P125574	IDA-51670	Effective	US\$	50.00	50.00	0.00	22.17	23.14	44.33
P125574	TF-99588	Effective	US\$	108.90	108.90	0.00	90.98	17.92	83.54
Project Financing Data - Additional Financing Second Additional Financing to Liberia Road Asset Management Project (P161939) (in US\$, millions)									
<input type="checkbox"/>	Loan	<input type="checkbox"/>	Grant	<input type="checkbox"/>	IDA Grant				
<input checked="" type="checkbox"/>	Credit	<input type="checkbox"/>	Guarantee	<input type="checkbox"/>	Other				
Total Project Cost:			40.00			Total Bank Financing:		40.00	
Financing Gap:			0.00						
Financing Source - Additional Financing (AF)								Amount	
International Development Association (IDA)								28.00	
IDA Credit from CRW								12.00	
Total								40.00	
Policy Waivers									
Does the project depart from the CAS in content or in other significant respects?							No		
Explanation									
Does the project require any policy waiver(s)?							Yes		
Most procurement under the parent project is already complete and the additional credit involves minimal new procurement. The Borrower requested the Procurement Regulations applicable to the parent project be applied to the Additional Financing in accordance with paragraph 3, Section VI, of Bank Directive "Procurement in IPF and Other Operational Procurement Matters".									
Has the waiver(s) been endorsed or approved by Bank Management?							Yes		
Explanation									
The Chief Procurement Officer granted the exception as set out in the Bank Procedure "Procurement in IPF and Other Operational Procurement Matters" as the operation is prepared to cover a financing gap.									

Team Composition				
Bank Staff				
Name	Role	Title	Specialization	Unit
Kulwinder Singh Rao	Team Leader (ADM Responsible)	Senior Highway Engineer	Highway Engineering	GTI07
John Kobina Richardson	Team Leader	Senior Transport. Specialist	Transportation	GTI07
Farhad Ahmed	Technical Specialist	Senior Transport Specialist	Transportation	GT107
Komana Rejoice Lubinda	Procurement Specialist (ADM Responsible)	Senior Procurement Specialist	Procurement	GGO01
Saidu Dani Goje	Financial Management Specialist	Senior Financial Management Specialist	Financial Management	GGO31
George Ferreira da Silva	Finance Analyst	Financial Analyst	Finance	WFALA
Damon C. Luciano	Team Member	Temporary		GTI07
Nightingale Rukuba-Ngaiza	Counsel	Senior Counsel	Legal	LEGAM
Seifu S. Mehari	Safeguards Specialist	Consultant	Social Development	GSU01
Sekou Abou Kamara	Environmental Specialist	Environmental Specialist	Environmental	GEN01
Gaurav Relhan	ICT Specialist	Consultant	Citizen Engagement	GTI06
Lili Stylianopoulou	Team Member	Consultant	Engineering	GTI01
Edda Mwakaselo Ivan Smith	Safeguards Specialist	Senior Social Development Specialist	Social Development	GSU01
Yeyea Gloria Kehleay Nasser	Team Member	Team Assistant	Administration	AFMLR
Extended Team				
Name		Title	Location	
Pradeep Tiwari		Road Safety Consultant	United States	
Cornelis Kruk		Port Consultant	The Netherlands	

Locations					
Country	First Administrative Division	Location	Planned	Actual	Comments
Liberia	Montserrado	Monrovia			Road starts from ELWA junction.in Monrovia
Liberia	Montserrado	Careysburg		X	
Liberia	Margibi	Kakata		X	
Liberia	Bong	Totota		X	
Liberia	Bong	Gbarnga		X	
Liberia	Nimba	Jorquelleh		X	
Liberia	Nimba	Suakoko		X	
Liberia	Nimba	Salala		X	
Liberia	Nimba	Ganta		X	Road ends in Ganta/Guinea border
Institutional Data					
Parent (Liberia Road Asset Management Project - LIBRAMP-P125574)					
Practice Area (Lead)					
Transport & ICT					
Contributing Practice Areas					
Additional Financing Second Additional Financing to Liberia Road Asset Management Project (P161939)					
Practice Area (Lead)					
Transport & ICT					
Contributing Practice Areas					
Consultants (Will be disclosed in the Monthly Operational Summary)					
Consultants Required? Yes.					

I. Introduction

1. This project paper seeks the approval of the Executive Directors to provide an additional credit in the amount of US\$40 million including US\$12 million from the IDA Crisis Response Window and to restructure the Liberia Road Asset Management Project (LIBRAMP) (P125574).
2. The proposed additional credit is prepared to fill a financing gap caused by (a) decrease in the counterpart funding commitment of the Government of Liberia (GOL) under the original project financing plan; (b) realized exchange rate losses; and (c) costs associated with financing of resettlement of project-affected persons. The additional credit will also finance the costs associated with road safety and right-of-way (RoW) preservation activities along the Monrovia-Gbarnga-Ganta-Guinea Border corridor to sustain the development impact of the project.
3. The project is also being restructured to include an extension of the project closing date by two years, from June 30, 2022, to June 30, 2024; reallocation of the proceeds of the original financing (CR4950-LR) and the First Additional Financing (AF1) (CR5167-LR); and modification of the Results Framework to measure project outcomes relating to road improvements, road safety, gender, citizen engagement, and resettlement.
4. LIBRAMP is co-financed by IDA (40 percent), the Liberia Reconstruction Trust Fund (LRTF, 36 percent) and the GOL (24 percent). IDA will solely finance the proposed Second Additional Financing (AF2).

A. Country Context

5. Liberia made a quick recovery after two civil wars (1989–1996 and 1999–2003) that cost thousands of lives and led to a dramatic loss of material wealth and social progress. In the past decade, Liberia has progressively gained peace and stability, improved governance, rebuilt basic infrastructure, made progress on key human development indicators, and created conditions for private sector growth. Liberia's economy grew by about 7.5 percent annually from 2002 to 2012 and the share of economic activity coming from agriculture declined from 80.1 percent to 38.8 percent. However, Liberia's economy is primarily driven by concessions and foreign aid and the country remains one of the poorest and most aid-dependent in the world.
6. After a decade of annual growth rates averaging 7.5 percent, Liberia's economy was buffeted by two challenges in 2014. A decline in global commodity prices imposed sobering fiscal constraints upon the Government. Simultaneously, an outbreak of Ebola Virus Disease (EVD) ravaged western Africa. The EVD outbreak lasted nearly 16 months and resulted in about 4,000 deaths. The outbreak disrupted the Government's capacity to deliver basic services and led to a sharp decline of the economy and heightened social and political tensions.
7. Going forward, Liberia faces significant challenges. Liberia ranks 177 out of 188 countries in the United Nations Development Programme Human Development Index. The realization of the country's objectives and goals of priority sectors in the areas of education, health, water, agriculture, manufacturing, mining, energy, land, and good governance hinges on the availability of adequate and reliable transport to reach inputs to production points and to distribute outputs from production points to consumption points/markets. Ninety-five percent of the nation's primary, secondary, and feeder roads remain unpaved; are poorly maintained; and are severely

affected by heavy rainfall. GOL's development strategy hinges on rebuilding its core transport network as a top priority.

B. Sectoral and Institutional Context

8. The road network is the mainstay of in-country transportation in Liberia. Not only do the roads provide access to all parts of the country but also trips using other transportation modes rely on roads during their initial and final legs. The main governmental institutions engaged in development and regulation of the transport sector are the Ministry of Public Works (MPW), Ministry of Transport, Ministry of Finance (MoF), Liberia Civil Aviation Authority, and National Port Authority.

9. The transport sector has struggled to recover the technical and institutional capacity eroded by the protracted 14 years of civil war. Many of the country's qualified professionals, including engineers and professors, left the country during the wars and relatively few qualified staff have returned. The universities struggle to graduate technical staff capable of managing the needs of the transport sector. As a result, institutional capacity in the road sector is still constrained.

10. Over the past decade, donor-funded investments have helped rebuild critical transport infrastructure including major roads and bridges, and Port of Monrovia. The Government and development partners have also focused on building Liberia's capacity to manage road transport with an emphasis on policy/planning, project management, and procurement, and achieved significant progress. The reform agenda to build institutional capacity building (ICB) is broad. The focus of the Government efforts has been along three main activities: (a) skill upgrading; (b) procedural improvements; and (c) organizational strengthening to improve governance and more efficient and equitable provisioning of public services. The progress in ICB has been slow but steady.

11. The Government has enacted notable legislations, including the Axle Load Law (2015) and the Road Fund Law (2016). The Government is also moving ahead to set up a road agency to manage its road assets. Such a road agency/authority would eventually be responsible for all aspects of the sector, from technical to financial (planning, strategic scheduling, implementation, and financial management). Though the draft act to set up a new road agency is actively being prepared, the Government is likely to delay its presentation until after the elections this year. A draft road act is also in advanced stage of preparation.

12. In 2006, a Special Implementation Unit (SIU) was established under the MPW as a Project Implementation Unit for IDA-funded projects. The SIU was entrusted with the technical aspects of the sector (planning and implementation). Another unit, the Project Financial Management Unit (PFMU), was established in the MoF to deal with the financial management and payments to the service providers (contractors and consultants). As the volume and scope of investment and supporting activities grew, the SIU was absorbed into the Infrastructure Implementation Unit (IIU) in 2009 with a wider mandate to implement infrastructure projects in other sectors. The IIU is designed as the nucleus of a permanent road agency/authority mentioned in the preceding paragraph. Majority of the staff in the IIU are local and its emerging capacity helped the projects to quickly recover from the impact of Ebola outbreak. Technical assistance in the PFMU is being phased out and the PFMU is being transitioned into the office of the Controller and Accountant General Department (CAGD).

II. Background and Rationale for Additional Financing

A. Implementation Status of LIBRAMP

13. LIBRAMP was approved by the World Bank Board on June 7, 2011, and became effective on October 13, 2011. The closing date of the project is June 30, 2022. The total project cost was US\$249.4 million, of which US\$108.9 million was funded under the LRTF; US\$67.7 million by IDA; and US\$72.8 million by the GOL.

14. The Project Development Objective (PDO), which remains unchanged, is to support the recipient's efforts to reduce transport costs along the road corridor from Monrovia to the Guinea border and to maintain the road in good condition over a 10-year period. The original scope of LIBRAMP was to rehabilitate a 246 km primary road section in Liberia connecting the capital, Monrovia, to the Guinea border.

15. The first Additional Financing (AF1) and restructuring was approved on September 20, 2012, and became effective on May 8, 2013. The AF1 scaled up the project, adding rehabilitation and maintenance of a 6.5 km urban section of the corridor in Monrovia, and increased the IDA contribution to LIBRAMP by US\$50 million equivalent, from US\$67.7 million to US\$117.7 million. The original project closing date of June 30, 2022, remained unchanged.

16. Both the progress toward achievement of the PDO and implementation status have been rated Satisfactory in the prior two Implementation Status and Results Reports. LIBRAMP has achieved or even surpassed its PDO as measured by the results indicators and is on track to sustain those achievements in the medium term despite various challenges: (a) 246 km of national roads rehabilitated and being maintained; (b) reduced transport costs for road users; (c) 33.7 percent of national roads in good and fair condition; (d) more than 320,000 direct project beneficiaries (c. 51 percent women); and (d) more than 10 percent share of rural population with an access to an all-season road. Sectoral institutions were strengthened and 28,678 person-months of employment from 2013 to 2016 has been created so far.

17. The use of Output and Performance-based Road Contracting (OPRC) has brought substantial efficiencies in contracting and enabled rapid progress of works following the paralyzing impact of the EVD outbreak. Rehabilitation of the 246 km road section from just outside Monrovia until the Guinea border, now renamed Suakoko Highway, is complete and under the maintenance phase. The designs and bidding documents for the 6.5 km urban section of the road, in Monrovia, are under preparation and construction is scheduled to start in early 2018. All legal covenants as specified in the legal agreement have been complied with. Cumulative disbursements to date represent 72 percent of IDA and LRTF funds.

18. Despite impressive progress of major civil works, mounting counterpart-financing risk jeopardizes the long-term sustainability of LIBRAMP's development outcomes. Liberia has struggled to recover from the sharp decline in commodity prices and the EVD outbreak, which brought sustained economic growth to a halt in 2014. These dual shocks have strained the Government's resources and the Government's annual counterpart financing obligations to LIBRAMP are in arrears by US\$22.3 million.

19. Even if the Government fulfills all of its counterpart financing obligations, additional costs and losses due to exchange rate fluctuations and other factors of about US\$28 million would result in a financing gap of approximately US\$5 million (after all contingencies included in the project have been exhausted). Some of these cost increases arose from the Government's fiscal constraints. Since 2012, the Government struggled to adequately finance resettlement compensation resulting in delayed site hand over to the civil works contractors, and leading to significant escalation of signed contract costs. In January 2014, the World Bank approved an Additional Financing to the Urban and Rural Infrastructure Rehabilitation Project (URIRP, CR-5351-LR) which included financing for resettlement along the LIBRAMP corridor.¹ While this was expected to mitigate site hand over delays, the EVD erupted around the same time, leading to suspension of main project activities under LIBRAMP by August 2014. The site hand over delays and the EVD-related force majeure suspension of civil works contracts resulted in US\$15.1 million in cost claims. Exchange rate losses from the decline of the SDR relative to the U.S. dollar have further reduced project resources by US\$10 million. Changes to government regulations for fuel and explosive imports have also contributed to the financing gap, although to a lesser degree (about US\$3 million).

20. Following rehabilitation of the road, traffic speeds increased, and the severity of collisions has worsened. The Global Road Safety Facility (GRSF) has provided funds for a detailed study to identify problem areas and propose follow-up activities but the Government lacks resources to implement recommendations. Individuals have also begun to encroach on the recently cleared RoW. This creates safety concerns which, if left unchecked, might lead to future resettlement liabilities. The Government began marking the RoW to discourage encroachment but exhausted its limited resources before completing the process.

B. Rationale for the Proposed AF

21. While the GOL has committed to meet this year's counterpart financing obligation of US\$7.28 million, it is unlikely to be able to afford to both make up the past due contributions of US\$22.3 million and meet future obligations of US\$43.7 million. Given the counterpart financing shortfall, the project has accelerated the drawdown of IDA and LRTF resources available to the project. Unless supported with additional financing, LIBRAMP is likely to exhaust its allocated IDA and LRTF resources by 2021, leaving the final road resurfacing phase (or the periodic maintenance phase) unfunded. Such an outcome will significantly increase future maintenance costs and reduce the road's service life.

22. Deferring resolution of the counterpart financing risk is likely to pose complications for ongoing and future contracts and expose the GOL to further contractual claims. About 6.5 km of the project road is currently pending rehabilitation. According to the parent project design, the Government has an obligation to compensate project-affected persons along this road section using its own resources. Lack of adequate Government financing for resettlement is likely to lead to site hand over delays and cost escalation of the rehabilitation works in Monrovia.

¹ Given the fragile context of Liberia, the World Bank has adopted a programmatic approach to support the country's transport sector. Since the beginning of the World Bank's reengagement in Liberia, the projects in the sector have invested in tandem to rebuild critical transport infrastructure while purposefully engaging other sectors including urban, agriculture, water, and energy.

23. Facing these uncertainties, the Government has sought additional financing from IDA to mitigate the growing financing risks and better manage road safety and encroachment risks. The main rationale for the proposed additional credit is to provide resources to mitigate the risks associated with the Government's current fiscal challenges without curtailing other project activities—particularly rehabilitation of the final 6.5 km of road in Monrovia.

24. The objective for providing the additional credit is fully aligned with the strategic themes of the World Bank Group's Country Partnership Strategy 2013–2017 (CPS) (Report 74618-LR): (a) to rebuild core state functions and institutions; (b) to rehabilitate infrastructure to jump-start economic growth; and (c) to facilitate pro-poor growth. It is evident from the results achieved so far that the project has contributed greatly to the twin goals of the World Bank of ending extreme poverty and boosting shared prosperity.

25. The approval of the proposed additional credit will support the long-term sustainability of the project outcomes and will contribute to Liberia's economic transformation, as envisioned in the CPS. It will also raise awareness and build institutional capacity for road safety, aspects that were not explicitly incorporated into the original project.

III. Proposed Changes

Summary of Proposed Changes	
The additional credit and restructuring will allocate US\$30 million to Component 1 (Design, Rehabilitation and Maintenance for Monrovia-Ganta-Guinea Border Road); this will reduce Government counterpart financing (US\$25 million) and offset exchange rate losses and costs related to the ongoing civil works contracts (US\$5 million). The additional financing will finance two new components consisting of (a) US\$5 million for road safety activities and RoW preservation and (b) US\$4.8 million for involuntary resettlement along the 6.5 km urban section of Suakoko Highway in Monrovia. The remaining US\$0.20 million of the additional financing credit will be added to Component 2 (Consultant Services, Operating Cost, and Training) to cover the balance cost of two activities from the URIRP (closing on June 30, 2017). This includes (a) transaction advisory services for setting up a dry port near Ganta and (b) supervision and testing of new Fuel Unloading Facility in the Port of Monrovia. The project closing date will be extended by 24 months, from June 30, 2022, to June 30, 2024. The Results Framework will be revised to better measure outputs related to the road works, gender impacts, citizen engagement, and road safety.	
Change in Implementing Agency	Yes [] No [X]
Change in Project's Development Objectives	Yes [] No [X]
Change in Results Framework	Yes [X] No []
Change in Safeguard Policies Triggered	Yes [] No [X]
Change of EA category	Yes [] No [X]
Other Changes to Safeguards	Yes [X] No []
Change in Legal Covenants	Yes [X] No []
Change in Loan Closing Date(s)	Yes [X] No []

Cancellations Proposed	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>]
Change in Disbursement Arrangements	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>]
Reallocation between Disbursement Categories	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>]
Change in Disbursement Estimates	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>]
Change to Components and Cost	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>]
Change in Institutional Arrangements	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>]
Change in Financial Management	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>]
Change in Procurement	Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>]
Change in Implementation Schedule	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>]
Other Change(s)	Yes [<input checked="" type="checkbox"/>] No [<input type="checkbox"/>]

Development Objective/Results

Project's Development Objectives

Original PDO

The objective of the project is to support the Recipient's efforts to reduce transport costs along the road corridor from Monrovia to the Guinea border and to maintain the road in good condition over a 10-year period.

Change in Results Framework

Explanation:

The Results Framework will be revised to incorporate (a) appropriate indicators for new activities related to road safety, resettlement, and marking the RoW; (b) indicators related to gender and citizen engagement; and (c) the corrected length of Suakoko Highway (253 km).

Compliance

Other Changes to Safeguards

Explanation:

IDA funding will cover resettlement compensation.

Covenants - Additional Financing (Second Additional Financing to Liberia Road Asset Management Project - P161939)

Source of Funds	Finance Agreement Reference	Description of Covenants	Date Due	Recurrent	Frequency	Action
IDA	Schedule 2, Section V, A	The Recipient shall not later than September 30, 2017 or any other date agreed with the Association update the Program in a manner	30-Sep-2017	<input type="checkbox"/>		New

		satisfactory to the Association.					
IDA	Schedule 2, Section V, B 1	Payment of the annual GOL counterpart funds into the Project Account			<input checked="" type="checkbox"/>	Yearly	New
Covenants - Parent (Liberia Road Asset Management Project - LIBRAMP - P125574)							
Ln/Cr/TF	Finance Agreement Reference	Description of Covenants	Date Due	Status	Recurrent	Frequency	Action
IDA-49500		Finance Agreement :Article V, Section 5.01 Description :The Co-financing Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of theRecipient to make withdrawals under it have been fulfilled. Due Date :13-Oct-2011		Complied with	<input type="checkbox"/>		No Change
IDA-49500		Finance Agreement :Sch. 2, Sec. I.B.1(a) Description :The Recipient shall, not later than March 1 in each calendar year, prepare and furnish to the Association, for review and approval,a proposed annual		Complied with	<input type="checkbox"/>		Revised

		work plan and budget as approved by the Assoc Frequency :Yearly					
IDA-49500	Schedule 2, Section I B 1 (a)	The Recipient shall, not later than March 1st of each calendar year, prepare and furnish to the Association, a plan of activities covering all activities proposed to be carried out in the following calendar year, together with a budget, including amounts of Counterpart Funding required for the purpose.		Not yet due	<input checked="" type="checkbox"/>	Yearly	Proposed
IDA-49500		Finance Agreement :Sch. 2, Sec. I.D.4 Description :The Recipient shall, not later than December 31, 2011, recruit a safeguards specialist Due Date :31-Dec-2011		After delay complied with	<input type="checkbox"/>		No Change
IDA-49500		Finance Agreement :Sch.2, Section II.B.4 Description :The Recipient shall, not later than four months after the Effective Date, recruit an independent and		After delay complied with	<input type="checkbox"/>		No Change

		qualified external auditor. Due Date :12-Feb-2012					
IDA-49500		Finance Agreement :Sch. 2, Sec. III.E. Description :The Recipient shall, not later than December 31, 2011, recruit two procurement specialists. Due Date :31-Dec-2011		Complied with	<input type="checkbox"/>		No Change
Conditions							
Source Of Fund		Name		Type			
IDA		Retroactive Financing		Disbursement			
Description of Condition							
No withdrawal shall be made for payments made prior to the date of the restated Financing Agreement, except that withdrawals up to an aggregate amount not to exceed \$3,800,000 may be made for payments made prior to this date but on or after May 1, 2017 for Eligible Expenditures under Category 5.							
Risk							
Risk Category					Rating (H, S, M, L)		
1. Political and Governance					Moderate		
2. Macroeconomic					High		
3. Sector Strategies and Policies					Moderate		
4. Technical Design of Project or Program					Moderate		
5. Institutional Capacity for Implementation and Sustainability					Substantial		
6. Fiduciary					Substantial		
7. Environment and Social					Substantial		
8. Stakeholders					Moderate		
9. Other							
OVERALL					Substantial		
Finance							
Loan Closing Date - Additional Financing (Second Additional Financing to Liberia Road Asset Management Project - P161939)							

Source of Funds				Proposed Additional Financing Loan Closing Date						
International Development Association (IDA)				30-Jun-2024						
Loan Closing Date(s) - Parent (Liberia Road Asset Management Project - LIBRAMP - P125574)										
Explanation:										
As road rehabilitation under LIBRAMP was delayed by force majeure suspension of works and site hand over delays, the original long-term performance-based contracts required that the civil works contracts resurface the road earlier than necessary. These contracts have been extended to allow for the needed adjustment in timing of the final resurfacing and improve the economic efficiency of the investments.										
Ln/Cr/TF	Status	Original Closing Date		Current Closing Date		Proposed Closing Date		Previous Closing Date(s)		
IDA-49500	Effective	30-Jun-2022		30-Jun-2022		30-Jun-2024				
IDA-51670	Effective	30-Jun-2022		30-Jun-2022		30-Jun-2024		30-Jun-2022		
TF-99588	Effective	30-Jun-2020		30-Jun-2020		30-Jun-2020		30-Jun-2020		
Change in Disbursement Estimates (including all sources of Financing)										
Explanation:										
Reduction in the counterpart financing, an increase in the IDA contribution, and a change in project closing will lead to changes in the annual disbursements.										
Expected Disbursements (in USD Million)(including all Sources of Financing)										
Fiscal Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Annual	23.20	16.40	21.50	14.59	12.30	27.40	34.70	11.80	0.00	0.00
Cumulative	23.20	39.60	61.10	75.69	87.99	115.39	150.09	161.89	0.00	0.00
Allocations - Additional Financing (Second Additional Financing to Liberia Road Asset Management Project - P161939)										
Source of Fund	Currency	Category of Expenditure			Allocation			Disbursement %(Type Total)		
					Proposed			Proposed		
IDA	USD	Works under Part A of the Project			30,000,000.00			100.00		
IDA	USD	Goods, consultants’ services, Training and Operating Costs under Part B of the Project			200,000.00			100.00		
IDA	USD	Goods, Works, Consultants’ Services, Training, and Operating Costs under Part C of the project			5,000,000.00			100.00		
IDA	USD	Resettlement			4,800,000.00			100.00		

		Compensation under Part D of the Project				
		Total:	40,000,000.00			
Reallocation between Disbursement Categories						
Explanation:						
The proposed restructuring will allocate contingency funds to the Disbursement Categories where they will be utilized.						
Ln/Cr/TF	Currency	Current Category of Expenditure	Allocation		Disbursement %(Type Total)	
			Current	Proposed	Current	Proposed
IDA-49500	XDR	CIVIL WORKS FOR PART A OF THE PROJ	29,600,000.00	32,800,000.00	30.00	30.00
IDA-49500		GDS CONS SER TRNG OP COSTS PART B	10,300,000.00	10,300,000.00	100.00	100.00
IDA-49500		UNALLOCATED	3,200,000.00	0.00	0.00	0.00
IDA-49500		Designated Account	0.00	0.00	0.00	0.00
		Total:	43,100,000.00	43,100,000.00		
IDA-51670	XDR	CIVIL WORKS FOR PART A OF THE PROJ	13,500,000.00	15,800,000.00	100.00	100.00
IDA-51670		GDS CONS SER TRNG OP COSTS PART B	3,160,000.00	17,200,000.00	100.00	100.00
IDA-51670		UNALLOCATED	16,340,000.00	0.00	0.00	0.00
IDA-51670		Designated Account	0.00	0.00	0.00	0.00
		Total:	33,000,000.00	33,000,000.00		
TF-99588	USD	CIVIL WORKS FOR PART A OF THE PROJ	108,900,000.00	108,900,000.00	70.00	70.00
TF-99588		Designated Account	0.00	0.00	0.00	0.00
		Total:	108,900,000.00	108,900,000.00		
Components						
Change to Components and Cost						
Explanation:						

The proposed AF2 allocates contingency resources to components and adds two new components. A new Road Safety and Right-of-Way Protection Measures component will finance road safety investments in the corridor, support national-level road safety investment, and protect Suakoko Highway from encroachment. The new Resettlement Compensation component will finance resettlement compensation along the remaining 6.5 km of road. The additional financing will allow retroactive financing of up to US\$3.8 million of eligible resettlement compensation costs incurred on or after May 1, 2017. Incremental costs for pending activities of the URIRP will be covered under Component 2 of the project.

Current Component Name	Proposed Component Name	Current Cost (US\$M)	Proposed Cost (US\$M)	Action
Civil Works- OPRC for Monrovia-Ganta-Guinea Border Road	Works under Part A of the Project	240.40	267.80	Revised
Consultant Services, Operating Costs and Training	Goods, consultants' services, Training and Operating Costs under Part B of the Project	21.00	26.80	Revised
Price Contingency	Price Contingency	38.00	0.00	Revised
	Goods, Works, consultants' services, Training and Operating Costs under Part C of the Project	0.00	5.00	New
	Resettlement Compensation under Part D of the Project	0.00	4.80	New
	Total:	299.40	304.40	

Other Change(s)

Implementing Agency Name	Type	Action
Infrastructure Implementation Unit	Implementing Agency	No Change

Change in Implementation Schedule

Explanation:

The delay to the completion of civil works, triggered by Resettlement Action Plan (RAP) implementation and the EVD-related force majeure suspension, has pushed the implementation schedule by approximately two years. The two major ongoing contracts, Lot1 and Lot2 will now close by July 2023 and April 2024 respectively. The updated procurement plan indicates that the procurement for civil works for the remaining 6.5 kilometer section of the Suakoko Highway will be completed in November 2017.

Other Change(s)

Explanation:

1 - Change in Financing plan: Reduction of the government financing and increase in IDA financing for components.

2- Change to the counterpart funding schedule: Counterpart Funding” means the following minimum amounts hereby committed by the Recipient to allocate in its budget for each year of Project implementation to finance activities under the Program and to make them timely available to ensure adequate Project implementation: (i) seven million, two hundred eighty thousand Dollars (\$7,280,000), for the seventh year of Project implementation; (ii) twenty-eight million Dollars (\$28,000,000) to be provided from the eighth to eleventh year of Project implementation, being a minimum of seven million Dollars per year; (iii) six million five hundred twenty thousand Dollars (\$6,520,000), for the twelfth year of Project implementation; and (iv) six million Dollars (\$6,000,000), for the thirteenth year of Project implementation.

Appraisal Summary

Economic and Financial Analysis

Explanation:

The costs and benefits of the completed Suakoko Highway are consistent with the assumptions made at the time of the parent project's approval. The updated economic internal rate of return (EIRR) is 35 percent and would decrease to 29 percent if there were to be a 20 percent drop in traffic. The following economic analysis is based on the revised cost for the scope of the outstanding civil works to be implemented. The civil works consist of upgrading 6.5 km of the road between SD Cooper intersection and Coca Cola bottling factory from two to four travelling lanes.

The results, shown in Table 1, indicate that the investments are justified with the economic internal rate of return (EIRR) well above the baseline rate of 12 percent and a positive net present value (NPV).

Table 2: Results of the Economic Analysis:

Activity: Upgrading of SD Cooper intersection and Coca Cola bottling factory (6.5 km) from two to four travelling lanes; NPV (at 12%, US\$, millions): 5.972; EIRR: 17.3.

The main benefits of the investment accrue from savings in vehicle operating costs (VOCs), travel time, and road maintenance. A design life of 20 years has been assumed for the analysis and the base year is 2012. Robustness of the results to changes in assumed traffic growth and construction costs was tested up to 20 percent in either direction. The NPV was positive in all cases as indicated in Table 2 reflecting the robustness of investments.

Table 3: Sensitivity Analysis

Economic Indicator	Base Case (0%)	Traffic Growth Rate		Construction Costs	
		(-20%)	(+20%)	(-20%)	(+20%)
NPV	5.972	3.545	1.492	8.362	3.582
IRR	17.3	15.4	18.9	20.6	14.8

The greenhouse gas (GHG) emissions of the project are calculated using the Highway Development and Management IV (HDM IV) vehicle emissions model. The net GHG emissions of the project are estimated to be 111,420 tons CO₂ per year.

Technical Analysis

Explanation:

The proposed AF2 will mitigate risks associated with the financing gap and the Government's current

fiscal challenges and better manage non-safeguards-related social impacts without curtailing other project activities. The AF2 shall provide US\$30 million for existing civil works activities under Component 1 of the project. US\$25 million of these funds will reduce the Government's counterpart funding obligations under the original financing plan from US\$72.8 million to US\$47.8 million. The balance US\$5 million will close the financing gap arising from contractual claims.

The proposed AF2 will fund the resettlement costs along the urban section of Suakoko Highway estimated at US\$4.8 million. The affected properties/livelihoods would be assessed and the costs related to compensation of project-affected persons evaluated and paid under the project.

The proposed AF2 will also address road safety in the light of the increased severity of road accidents on Suakoko Highway. Preliminary road safety studies have been carried out by monitoring consultants and identified a number of issues leading to road accidents. Critical road safety interventions including black spot identification and related road safety warnings will be implemented. Appropriate provisions for road safety in the urban section of the highway will also be provided. The World Bank team has secured a GRSF grant to examine road safety issues in Liberia and an International Road Assessment Programme (iRAP) study shall commence in the coming months. AF2 will finance a training needs assessment and selected key downstream activities arising from the recommendations of the assessment and iRAP study. The safety measures will focus on vulnerable road users. Other proposed activities include road safety sensitization awareness at the national level, capacity building in road safety both within the IIU and the newly inaugurated Road Safety Secretariat, and protection of the RoW of Suakoko Highway.

A provisional amount of US\$0.2 million will be allocated to support two ongoing consultancy services under the soon-to-close URIRP. These activities include transaction advisory service for the dry port, which is steadily progressing, but the transaction will conclude a few months after the project closing date of the URIRP (June 30, 2017). Similarly, the testing phase and defect liability period (DLP) of the new Fuel Unloading Facility will go beyond the closing date of the URIRP. The provision made will cover the cost of supervision for the testing of the new facility and the DLP after the closing date of the URIRP.

The implementation arrangements for the original project (LIBRAMP) are satisfactory and will continue for AF2. The IIU remains the implementing agency for the project with responsibility for project management, procurement and all technical matters. The capacity-building effort aimed at establishing a core of Liberian professionals to manage the sector continues. The Government has shown commitment by establishing a road fund for maintenance of its road network, and the other elements of the institutional reforms continue to be rolled out. PFMU will continue to maintain responsibility for financial management of the project even as it transitions to the office of the Controller and Accountant General by December 31, 2017.

Social Analysis

Explanation:

The remaining road rehabilitation works will widen the 6.5 km urban section of the LIBRAMP from a single carriage to a dual carriage road. The widening of the road carriage will ease traffic congestion and increase mobility of people and goods in and out of Monrovia. Upon completion of rehabilitation, it is expected that there will be substantial reduction in travel delays and fuel consumption. Improved mobility and accessibility are expected to improve socioeconomic activities within and beyond the entire corridor as well as contribute to enhanced quality of life.

During the rehabilitation phase of the urban section, squatters and encroachments within the RoW will be cleared, business will be temporarily affected, public utilities will be relocated and reinstalled, and petty traders will be encouraged to relocate to a new safer location. A RAP is under preparation. The RAP will

be finalized and disclosed before commencement of civil works, and will be the basis for RAP implementation. The US\$4.8 million allocated for resettlement compensation will include support for livelihood restoration measures and compensation for (a) project-affected assets, (b) income losses, (c) moving allowances, and (d) support to project-affected persons for the transition period.

The IIU/MPW will be responsible for implementing and supervising the RAP. The IIU/MPW has implemented several RAPs including those under LIBRAMP along Suakoko Highway and under the URIRP for Cotton Tree Buchanan Road. The project safeguards implementation arrangements under the World Bank financing allow for checks and balances to address potential safeguard related risk. The overall RAP implementation results along 246 km of the corridor are satisfactory. While the IIU/MPW has experience in implementing social safeguard (OP 4.12) and environment policies, its capacity to implement both social and non-social safeguard related works will be further strengthened.

The following clauses will be introduced into the bidding/contract documents to address non-social safeguards responsibilities of the IIU and the contracting entity:

At all times during the implementation of the project, the implementing agency shall:

(a) Ensure any contractor employed for the purpose of construction enforcement will impose high standards for its subcontractors or personnel involved in the works and immediately remove any personnel involved in any alleged violation or abuse of the local communities and any event of gender-based violence;

(b) Ensure that any contractor employed for the purpose of construction enforcement will ensure that its subcontractors or personnel are fully informed and/or trained in engagement of local communities, in the pertinent section of the road; and

(c) Establish a transparent, accessible, and effective grievance redress mechanism and actively monitor implementation of the grievance redress mechanism (provisions made under the RAP).

Gender considerations. The major investments under LIBRAMP are already in place. For the 6.5 km urban section still to be implemented, consultations during the conceptual designs and the preparation of the RAP will highlight gender issues upfront for consideration. To ameliorate the risk of gender disparities in restoration of livelihoods under the RAP, the project will monitor the number of women with their livelihoods restored. Further, the project will endeavor to cover the gender gap in public sector by encouraging the IIU to hire more women in its workforce. Available labor force statistics indicate a strong bias against women. While women constitute 59.5 percent of total workforce in Liberia, they are disproportionately clustered in the least productive sectors with 90 percent employed in the informal sector or in agriculture, compared to 75 percent of working men. Men are more than three times as likely to be employed by the civil service or the public corporations. A similar gender gap exists at the IIU. The project will target to fill at least 50 percent of existing and future vacancies in the IIU with women.

Citizen engagement. Citizen engagement is mainstreamed throughout the project and supported by an ICT-enabled feedback mechanism. The project has the following citizen engagement framework in place.

(a) Participatory planning. The project design advocates a bottom-up approach and requires citizens' feedback through the involvement of the direct beneficiaries at an early stage of the project preparation.

Public consultation hearings help inform the beneficiaries about the proposed project and the expected results, and collect feedback to inform designs.

(b) Citizen monitoring and feedback during implementation. Under the project, an ICT platform called 'Argo' (formerly, 'Taarifa'), a smartphone-based app and online tool has been implemented by the IIU for enhancing project monitoring, transparency, and social accountability. The user can provide a direct feedback using a smartphone or a text message. The app will provide a georeferenced dashboard of incidents/reports, which will be monitored regularly by the IIU to inform the project implementation and the maintenance process.

To date, the Argo app has helped monitor and map construction-related issues on various roads including Suakoko Highway and plot these on the website. This app is being developed further, and in collaboration with existing telephone service providers, its use will be extended to the general public and local communities to enable a more effective citizen engagement. The IIU/MPW will conduct workshops along the corridor to encourage project beneficiaries and the broader community stakeholders to monitor project

implementation and voice any issues related to maintenance. The IIU will respond to user queries within seven days, indicating the measures being taken to address the issues raised. This feedback cycle will increase transparency and accountability.

(c) Impact assessment surveys. The project will initiate regular project impact assessment surveys over the remaining project life to evaluate citizens' access to markets and basic services such as health care and schools. The surveys will be followed by specific actions to address implementation and maintenance issues related to the project.

Environmental Analysis

Explanation:

The AF2 will partially fund the rehabilitation works in the remaining section of the Monrovia-Ganta corridor that runs from SD Cooper Road to Coca Cola Factory. This 6.5 km section lies entirely in a built environment. In addition, the AF2 will also finance road safety and RoW protection works. The parent project has triggered World Bank Operational Policies OP 4.01 and OP 4.12, and the nature of the activities to be financed under the AF2 do not raise the environmental category of the parent project or trigger any new safeguard policies.

With regard to impacts, rehabilitation of this road, which includes widening of the road, is expected to considerably ease traffic in this section of the road with associated socioeconomic benefits. The environmental, health, and safety concerns include those normally associated with rehabilitation works in urban area. There are no sensitive environmental features in this area. Climate and disaster risk screening did not identify new or noteworthy risks to the service delivery outcomes of project activities. Extreme temperatures are likely to be more frequent while rainfall and flood risk, which is currently the most significant climatic factor affecting road works, is likely to decrease. No significant labor influx or construction of workers' camp is anticipated as the work will be undertaken in urban area where nearly all required labor will be drawn and absorbed. The potential adverse environmental (including health and safety) impacts associated with this works can be addressed in the context of the ongoing project.

The Government has prepared several Environmental and Social Management Plans (ESMPs) for road rehabilitation works under the World Bank financing, starting with the Emergency Infrastructure Project (EIP) in 2006. The ESMP for the EIP was initially disclosed in August 2007. It was redisclosed for the URIRP in September 2008 and supplemented with an addendum in connection with the URIRP in 2009. The plan specifically covers the Monrovia-Ganta-Guinea border road corridor where works supported by the AF2 will take place. The ESMP for the parent project has been updated and redisclosed on April 17, 2017. The disclosed ESMP will be a part of the bidding documents to guide contractor's activity during the rehabilitation works. In addition to including the project ESMP in the bidding documents, the bid documents will require the contractor develop and implement a Health, Safety, and Environmental Management Plan (HSEMP) for contracted works. The contractor's HSEMP shall be built upon the findings and proposed measures identified in the project ESMP. The bidders will submit a preliminary draft of its HSEMP during the bid submission, which will then be finalized upon the award of contract. The IIU will approve the contractors HSEMP before the commencement of works. The remaining civil works contract(s) will include payments for implementing the HSEMP to track the performance and incentivize full adherence to the approved HSEMP.

The overall responsibility for implementation of the safeguards instruments prepared under this project lies with the MPW through the IIU. The safeguards capacity of the IIU has significantly improved. The unit is staffed with two full-time safeguards specialists who oversee the implementation of Environmental and Social Safeguards instruments (Environmental and Social Impact Assessment /ESMPs and RAP) developed under the project. The safeguards specialists conduct frequent field supervision missions to ensure contractor's compliance with project ESMP and contractor's HSEMP.

On the parent project, Monitoring Consultants (MCs) are responsible for monitoring the day-to-day implementation of the contractor's HSEMP. The same arrangement will apply to the AF. The Environmental Protection Agency of Liberia will also conduct regular environmental compliance audit of the project to ensure contractor's compliance with project environmental permit. The World Bank through its regular implementation support mission will supervise implementation of the safeguards instruments.

Risk

Explanation:

The overall risk rating remains Substantial.

Political and Governance risk is rated Moderate. To date, Government support has been consistently positive for most of the project implementation period, and the country is now in an election period for transition to a new government. Although a political transition will take place, it is unlikely to influence Government support for the project, as the essential elements of World Bank support are already in place, and the additional elements being developed are most critical to the broader impact of the project.

Macroeconomic risk is rated High and emanates from the volatile exchange rates and unpredictable commodity price regime. This may in turn affect the Government's ability to provide remaining counterpart funding to the project as per the proposed disbursement schedule. The risk is being mitigated to an extent by including a financial covenant in the revised and restated financing agreement for the project.

Sector Strategies and Policies. The development of sector strategies and policies have made substantial progress and the general direction of the sector is now defined. Legislative and institutional framework continues to progress and the overall risk is therefore rated Moderate.

Technical Design of Project. This risk is rated Moderate because the majority of the road construction is already completed and the new designs and contracts will benefit from the lessons of implementation of the OPRC completed so far under the project as well as under other projects in Liberia.

Institutional Capacity for Implementation and Sustainability is rated Substantial on account of anticipated changes to the institutional framework where the Government will assume greater responsibility for funding and management of staff.

Fiduciary risk rating is assessed as Substantial. The PFMU is undergoing reforms that would transit and integrate the unit into the office of the CAGD. Effective January 1, 2018, the transition arrangement allows for two locals to take over the management of the PFMU from the current international, as Director and Deputy Director. The risk of interference by the national systems to the independence of the PFMU, and the likely impact on project implementation, is Substantial. The World Bank will continue to monitor the implementation of the PFMU transition arrangement to provide the mitigating measures against the likely impact on the project.

Environment and Social risk is rated Substantial given the capacity challenges in handling environmental and social issues to date.

Stakeholder risk is rated Moderate in view of the broad acceptability of the project and the positive impacts on travel and business to date.

Overall project risk aggregated, from the assessment above, is rated Substantial.

IV. Appraisal Summary

Economic and Financial Analysis

The cost and benefits of the completed sections of Suakoko Highway are consistent with the assumptions made at the time of approval of the parent project. The updated economic internal rate of return (EIRR) is

35 percent and decreases to 29 percent if there were to be a 20 percent drop in traffic.

The following economic analysis is based on the revised cost for the scope of the outstanding civil works to be implemented. The civil works consist of upgrading 6.5 km of the road between SD Cooper intersection and Coca Cola bottling factory from two to four travelling lanes.

The results, shown in Table 1, indicate that the investments are justified with the economic internal rate of return (EIRR) well above the baseline rate of 12 percent and a positive net present value (NPV).

Table 1. Results of the Economic Analysis

Activity	NPV (at 12%) (US\$, millions)	EIRR
Upgrading of SD Cooper intersection and Coca Cola bottling factory (6.5 km) from two to four travelling lanes	5.972	17.3

The main benefits of the investment accrue from savings in vehicle operating costs (VOCs), travel time, and road maintenance. A design life of 20 years has been assumed for the analysis and the base year is 2012. Robustness of the results to changes in assumed traffic growth and construction costs was tested up to 20 percent in either direction. The NPV was positive in all cases as indicated in Table 2 reflecting the robustness of investments.

Table 2. Sensitivity Analysis

Economic Indicator	Base Case	Traffic Growth Rate		Construction Costs	
	(0%)	(-20%)	(+20%)	(-20%)	(+20%)
NPV	5.972	3.545	1.492	8.362	3.582
Internal Rate of Return	17.3	15.4	18.9	20.6	14.8

The greenhouse gas (GHG) emissions of the project are calculated using the Highway Development and Management IV (HDM IV) vehicle emissions model. The net GHG emissions of the project are estimated to be 111,420 tons CO₂ per year.

Technical Analysis

The proposed AF2 will mitigate risks associated with the financing gap and the Government's current fiscal challenges and better manage non-safeguards-related social impacts without curtailing other project activities. The AF2 shall provide US\$30 million for existing civil works activities under Component 1 of the project. US\$25 million of these funds will reduce the Government's counterpart funding obligations under the original financing plan from US\$72.8 million to US\$47.8 million. The balance US\$5 million will close the financing gap arising from contractual claims.

The proposed AF2 will fund the resettlement costs along the urban section of Suakoko Highway estimated at US\$4.8 million. The affected properties/livelihoods would be assessed and the costs related to compensation of project-affected persons evaluated and paid under the project.

The proposed AF2 will also address road safety in light of the increased severity of road accidents on Suakoko Highway. Preliminary road safety studies have been carried out by monitoring consultants and identified a number of issues leading to road accidents. Critical road safety interventions including black spot identification and related road safety warnings will be implemented. Appropriate provisions for road

safety in the urban section of the highway will also be provided. The World Bank team has secured a GRSF grant to examine road safety issues in Liberia and an International Road Assessment Programme (iRAP)² study shall commence in the coming months. AF2 will finance a training needs assessment and selected key downstream activities arising from the recommendations of the assessment and iRAP study. The safety measures will focus on vulnerable road users. Other proposed activities include road safety sensitization awareness at the national level, capacity building in road safety both within the IIU and the newly inaugurated Road Safety Secretariat, and protection of the RoW of Suakoko Highway.

A provisional amount of US\$0.2 million will be allocated to support two ongoing consultancy services under the soon-to-close URIRP. These activities include transaction advisory service for the dry port, which is steadily progressing, but the transaction will conclude a few months after the project closing date of the URIRP (June 30, 2017). Similarly, the testing phase and defect liability period (DLP) of the new Fuel Unloading Facility will go beyond the closing date of the URIRP. The provision made will cover the cost of supervision for the testing of the new facility and the DLP after the closing date of the URIRP.

The implementation arrangements for the original project (LIBRAMP) are satisfactory and will continue for AF2. The IIU remains the implementing agency for the project with responsibility for project management, procurement and all technical matters. The capacity-building effort aimed at establishing a core of Liberian professionals to manage the sector continues. The Government has shown commitment by establishing a road fund for maintenance of its road network, and the other elements of the institutional reforms continue to be rolled out. PFMU will continue to maintain responsibility for financial management of the project even as it transitions to the office of the Controller and Accountant General by December 31, 2017.

Social Analysis

The remaining road rehabilitation works will widen the 6.5 km urban section of the LIBRAMP from a single carriage to a dual carriage road. The widening of the road carriage will ease traffic congestion and increase mobility of people and goods in and out of Monrovia. Upon completion of rehabilitation, it is expected that there will be substantial reduction in travel delays and fuel consumption. Improved mobility and accessibility are expected to improve socioeconomic activities within and beyond the entire corridor as well as contribute to enhanced quality of life.

During the rehabilitation phase of the urban section, squatters and encroachments within the RoW will be cleared, business will be temporarily affected, public utilities will be relocated and reinstalled, and petty traders will be encouraged to relocate to a new safer location. A 2009 Resettlement Policy Framework has already been disclosed and was re-disclosed in April 10, 2012 providing the modalities for resettlement and compensation under the project. A RAP is currently under preparation. The RAP will be finalized and disclosed before commencement of civil works, and will be the basis for RAP implementation. The US\$4.8 million allocated for resettlement compensation will include support for livelihood restoration measures and compensation for (a) project-affected assets; (b) income losses; (c) moving allowances; and (d) support to project-affected persons for the transition period.

The IIU/MPW will be responsible for implementing and supervising the RAP. The IIU/MPW has implemented several RAPs including those under LIBRAMP along Suakoko Highway and under the URIRP for Cotton Tree Buchanan Road. The project safeguards implementation arrangements under the

² The iRAP is a registered charity. It has developed star ratings based on road inspection data that provide a simple and objective measure of the level of safety which is 'built-in' to the road for vehicle occupants, motorcyclists, bicyclists, and pedestrians. Five-star roads are the safest while one-star roads are the least safe. The GRSF has provided a grant of US\$90,000 for the iRAP study in Liberia.

World Bank financing allow for checks and balances to address potential safeguard related risk. The overall RAP implementation results along 246 km of the corridor are satisfactory. While the IIU/MPW has experience in implementing social safeguard (OP 4.12) and environment policies, its capacity to implement both social and non-social safeguard related works will be further strengthened.

The following clauses will be introduced into the bidding/contract documents to address non-social safeguards responsibilities of the IIU and the contracting entity:

At all times during the implementation of the project, the implementing agency shall:

- (a) Ensure any contractor employed for the purpose of construction enforcement will impose high standards for its subcontractors or personnel involved in the works and immediately remove any personnel involved in any alleged violation or abuse of the local communities and any event of gender-based violence;
- (b) Ensure that any contractor employed for the purpose of construction enforcement will ensure that its subcontractors or personnel are fully informed and/or trained in engagement of local communities, in the pertinent section of the road; and
- (c) Establish a transparent, accessible, and effective grievance redress mechanism and actively monitor implementation of the grievance redress mechanism (provisions made under the RAP).

Gender considerations. The major investments under LIBRAMP are already in place. For the 6.5 km urban section still to be implemented, consultations during the conceptual designs and the preparation of the RAP will highlight gender issues upfront for consideration. To ameliorate the risk of gender disparities in restoration of livelihoods under the RAP, the project will monitor the number of women with their livelihoods restored. Further, the project will endeavor to cover the gender gap in public sector by encouraging the IIU to hire more women in its workforce. Available labor force statistics indicate a strong bias against women. While women constitute 59.5 percent of total workforce in Liberia, they are disproportionately clustered in the least productive sectors with 90 percent employed in the informal sector or in agriculture, compared to 75 percent of working men. Men are more than three times as likely to be employed by the civil service or the public corporations. A similar gender gap exists at the IIU. The project will target to fill at least 50 percent of existing and future vacancies in the IIU with women.

Citizen engagement. Citizen engagement is mainstreamed throughout the project and supported by an ICT-enabled feedback mechanism. The project has the following citizen engagement framework in place.

- (a) **Participatory planning.** The project design advocates a bottom-up approach and requires citizens' feedback through the involvement of the direct beneficiaries at an early stage of the project preparation. Public consultation hearings help inform the beneficiaries about the proposed project and the expected results, and collect feedback to inform designs.
- (b) **Citizen monitoring and feedback during implementation.** Under the project, an ICT platform called 'Argo' (formerly, 'Taarifa'), a smartphone-based app and online tool has been implemented by the IIU for enhancing project monitoring, transparency, and social accountability. The user can provide direct feedback using a smartphone or a text message. The app provides a georeferenced dashboard of incidents/reports, which will be monitored regularly by the IIU to inform the project implementation and the maintenance process.

To date, the Argo app has helped monitor and map construction-related issues on various roads including Suakoko Highway and plot these on the website. This app is being developed further, and

in collaboration with existing telephone service providers, its use will be extended to the general public and local communities to enable a more effective citizen engagement. The IIU/MPW will conduct workshops along the corridor to encourage project beneficiaries and the broader community stakeholders to monitor project implementation and voice any issues related to maintenance. The IIU will respond to user queries within seven days, indicating the measures being taken to address the issues raised. This feedback cycle will increase transparency and accountability.

- (c) **Impact assessment surveys.** The project will initiate regular project impact assessment surveys over the remaining project life to evaluate citizens' access to markets and basic services such as health care and schools. The surveys will be followed by specific actions to address implementation and maintenance issues related to the project.

Environmental Analysis

The AF2 will partially fund the rehabilitation works in the remaining section of the Monrovia-Ganta corridor that runs from SD Cooper Road to Coca Cola Factory. This 6.5 km section lies entirely in a built environment. In addition, the AF2 will also finance road safety and RoW protection works. The parent project has triggered World Bank Operational Policies OP 4.01 and OP 4.12, and the nature of the activities to be financed under the AF2 do not raise the environmental category of the parent project or trigger any new safeguard policies.

With regard to impacts, rehabilitation of this road, which includes widening of the road, is expected to considerably ease traffic in this section of the road with associated socioeconomic benefits. The environmental, health, and safety concerns include those normally associated with rehabilitation works in urban area. There are no sensitive environmental features in this area. Climate and disaster risk screening did not identify new or noteworthy risks to the service delivery outcomes of project activities. Extreme temperatures are likely to be more frequent while rainfall and flood risk, which is currently the most significant climatic factor affecting road works, is likely to decrease. No significant labor influx or construction of workers' camp is anticipated as the work will be undertaken in urban area where nearly all required labor will be drawn and absorbed. The potential adverse environmental (including health and safety) impacts associated with these works can be addressed in the context of the ongoing project.

The Government has prepared several Environmental and Social Management Plans (ESMPs) for road rehabilitation works under the World Bank financing, starting with the Emergency Infrastructure Project (EIP) in 2006. The ESMP for the EIP was initially disclosed in August 2007. It was redisclosed for the URIRP in September 2008 and supplemented with an addendum in connection with the URIRP in 2009. The plan specifically covers the Monrovia-Ganta-Guinea border road corridor where works supported by the AF2 will take place. The ESMP has been updated and redisclosed on April 17, 2017. The disclosed ESMP will be a part of the bidding documents to guide contractor's activity during the rehabilitation works. In addition to including the project ESMP in the bidding documents, the bid documents will require the contractor to develop and implement a Health, Safety, and Environmental Management Plan (HSEMP) for contracted works. The contractor's HSEMP shall be built upon the findings and proposed measures identified in the project ESMP. The bidders will submit a preliminary draft of its HSEMP during the bid submission, which will then be finalized upon the award of contract. The IIU will approve the contractors HSEMP before the commencement of works. The remaining civil works contract(s) will include payments for implementing the HSEMP to track the performance and incentivize full adherence to the approved HSEMP.

The overall responsibility for implementation of the safeguards instruments prepared under this project lies with the MPW through the IIU. The safeguards capacity of the IIU has significantly improved. The unit is staffed with two full-time safeguards specialists who oversee the implementation of Environmental and

Social Safeguards instruments (Environmental and Social Impact Assessment /ESMPs and RAP) developed under the project. The safeguards specialists conduct frequent field supervision missions to ensure contractor's compliance with project ESMP and contractor's HSEMP.

On the parent project, Monitoring Consultants (MCs) are responsible for monitoring the day-to-day implementation of the contractor's HSEMP. The same arrangement will apply to the AF. The Environmental Protection Agency of Liberia will also conduct regular environmental compliance audit of the project to ensure contractor's compliance with project environmental permit. The World Bank through its regular implementation support mission will supervise implementation of the safeguards instruments.

Risk

The overall risk rating remains Substantial.

Political and Governance risk is rated Moderate. To date, Government support has been consistently positive for most of the project implementation period, and the country is now in an election period for transition to a new government. Although a political transition will take place, it is unlikely to influence Government support for the project, as the essential elements of World Bank support are already in place, and the additional elements being developed are most critical to the broader impact of the project.

Macroeconomic risk is rated High and emanates from the volatile exchange rates and unpredictable commodity price regime. This may in turn affect the Government's ability to provide remaining counterpart funding to the project as per the proposed disbursement schedule. The risk is being mitigated to an extent by including a financial covenant in the revised and restated financing agreement for the project.

Sector Strategies and Policies. The development of sector strategies and policies have made substantial progress and the general direction of the sector is now defined. Legislative and institutional framework continues to progress and the overall risk is therefore rated Moderate.

Technical Design of Project. This risk is rated Moderate because the majority of the road construction is already completed and the new designs and contracts will benefit from the lessons of implementation of the OPRC completed so far under the project as well as under other projects in Liberia.

Institutional Capacity for Implementation and Sustainability is rated Substantial on account of anticipated changes to the institutional framework where the Government will assume greater responsibility for funding and management of staff.

Fiduciary risk rating is assessed as Substantial. The PFMU is undergoing reforms that would transit and integrate the unit into the office of the CAGD. Effective January 1, 2018, the transition arrangement allows for two locals to take over the management of the PFMU from the current international, as Director and Deputy Director. The risk of interference by the national systems to the independence of the PFMU, and the likely impact on project implementation, is Substantial. The World Bank will continue to monitor the implementation of the PFMU transition arrangement to provide the mitigating measures against the likely impact on the project.

Environment and Social risk is rated Substantial given the capacity challenges in handling environmental and social issues to date.

Stakeholder risk is rated Moderate in view of the broad acceptability of the project and the positive impacts on travel and business to date.

Overall project risk aggregated, from the assessment above, is rated Substantial.

V. World Bank Grievance Redress

26. 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/GRS>. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.

Annex 1: Revised Results Framework and Monitoring Indicators

Table 1.1. Second Additional Financing for Liberia Road Asset Management Project

Revisions to the Results Framework		Comments/Rationale for Change
PDO		
Current (LIBRAMP AF1)	Proposed change	
To support the Recipient's efforts to reduce transport costs along the road corridor from Monrovia to the Guinea border and to maintain the road in good condition over a 10-year period	No change	n.a.
PDO indicators		
Current (LIBRAMP AF1)	Proposed change*	
Transport cost borne by road users including VOCs and monetary value of travel time (measured in terms of roughness reduction, International Roughness Index [IRI] rate)	Revised	The end target date has been revised to match the new closing date of the project.
Roads in good and fair condition as a share of total classified roads (percentage)	Revised	The end target date has been revised to match the new closing date of the project.
Direct project beneficiaries (number), of which female (percentage)	Dropped	This sub-indicator has been dropped in favor of adding two alternative gender indicators at the intermediate results level.
Share of rural population with access to an all-season road (proportion)	Revised	The end target date has been revised to match the new closing date of the project. The new rural access measurement methodology using spatial techniques will be used to track this indicator.
Intermediate Results Indicators		
Current (LIBRAMP AF1)	Proposed change*	
Component 1: Design, Rehabilitation, and Maintenance of Monrovia (Red Light)-Gbarnga-Ganta-Guinea Border Road - price escalations		
Road rehabilitated, rural	Target for Y5 to be revised downwards from 254 km to 253 km	Road length was initially overestimated.
Road constructed, rural	Continued	n.a.
Road maintained	Target for Y5 to be revised downwards from 254 km to 253 km	Road length was initially overestimated.
Component 2: Consultant Services, Operating Costs, and Training		
Number of staff training hours by training program	Revised	The end target date has been revised to match the new closing date of the project and frequency of measurement has been clarified..
On-the-job training provided by MC	No change	The end target date has been revised to match the new closing date of the project and frequency of measurement has been clarified.
Increased share of qualified staff in key competency areas	No change	The end target date has been revised to match the new closing date of the project.
Increased share of female staff in the IIU	New	To monitor and reduce the gender gap in management of the sector
Multimodal transport plan and strategic investment plans developed and presented to stakeholders	Revised	The end date is revised as September 30, 2017.

Revisions to the Results Framework		Comments/Rationale for Change
Structures at ELWA Intersection (split-level intersection) built	Revised as Improved ELWA intersection operational	The sub-indicator is being reworded to match the project scope.
Percentage of citizen complaints addressed within seven days	New	To monitor strengthened citizen engagement under the project
Component 3: Road Safety and RoW Protection Measures along the Project Corridor		
RoW protection measures installed	New	n.a.
Number of staff trained in road safety	New	n.a.
Component 4: Resettlement Compensation		
Compensation payments completed before the start of civil works	New	To monitor compliance with OP4.12
Number of women who have their livelihood and income restored	New	To monitor gender parity in livelihood restoration

Note: ELWA = Eternal Love Winning Africa.

Table 1.2. Revised Results Framework

Project Name:	Second Additional Financing to Liberia Road Asset Management Project (P161939)			Project Stage:	Additional Financing	Status:	Draft
Team Leader(s):	Kulwinder Singh Rao	Requesting Unit:	AFCW1	Created by:	Damon C. Luciano on 05-Jan-2017		
Product Line:	IBRD/IDA	Responsible Unit:	GTI07	Modified by:	Damon C. Luciano on 16-Mar-2017		
Country:	Liberia	Approval FY:	2017				
Region:	Africa	Lending Instrument:	Investment Project Financing				
Parent Project ID:	P125574	Parent Project Name:	Liberia Road Asset Management Project - LIBRAMP (P125574)				
.							
Project Development Objectives							
Original Project Development Objective - Parent:							
The objective of the project is to support the recipient's efforts to reduce transport costs along the road corridor from Monrovia to the Guinea border and to maintain the road in good condition over a 10-year period.							
Proposed Project Development Objective - Additional Financing (AF):							
Results							
Core sector indicators are considered: Yes				Results reporting level: Project Level			
.							
Project Development Objective Indicators							
Status	Indicator Name	Core	Unit of Measure		Baseline	Actual (Current)	End Target
Revised	Transport cost borne by road users including VOCs and monetary value of travel time (measured in terms of roughness reduction, IRI	<input type="checkbox"/>	Number	Value	12	3	3
				Date	01-Sep-2011	31-March-2017	30-Jun-2024
				Comment		Outcome has	

	rate)					exceeded the target value; updated measurement pending	
Revised	Share of rural population with access to an all-season road	<input checked="" type="checkbox"/>	Percentage	Value	0.00	11.00	10.00
				Date	01-Sep-2011	31-March-2017	30-Jun-2024
				Comment		Outcome has exceeded target value	
Revised	Number of rural people with access to an all-season road	<input checked="" type="checkbox"/>	Number Subtype Supplemental	Value	288,000.00	288,000.00	362,905.00
Revised	Direct project beneficiaries	<input checked="" type="checkbox"/>	Number	Value	288,000.00	315,600.00	362,905.00
				Date	01-Sep-2011	31-March-2017	30-Jun-2024
				Comment			
Dropped	Female beneficiaries	<input checked="" type="checkbox"/>	Percentage Subtype Supplemental	Value	51.00	51.00	51.00
Revised	Roads in good and fair condition as a share of total classified roads	<input checked="" type="checkbox"/>	Percentage	Value	1.00	33.7	34.5
				Date	01-Sep-2011	31-March-2017	30-Jun-2024
				Comment			
No change	Size of the total classified network	<input checked="" type="checkbox"/>	Kilometers Subtype Supplemental	Value	746.00	746.00	746.00

Intermediate Results Indicators							
Status	Indicator Name	Core	Unit of Measure		Baseline	Actual (Current)	End Target
Revised	Roads rehabilitated, rural	<input checked="" type="checkbox"/>	Kilometers	Value	0.00	246.00	253.00
				Date	01-Sep-2011	31-March-2017	30-Jun-2024
				Comment			
No change	Roads constructed, rural	<input checked="" type="checkbox"/>	Kilometers	Value	0.00	2.00	2.00
				Date	01-Sep-2011	31-Mar-2017	30-Jun-2024
				Comment			
Revised	Road maintained	<input type="checkbox"/>	Kilometers	Value	0.00	246.00	253.00
				Date	01-Sep-2011	31-March-2017	30-Jun-2024
				Comment			
Revised	Number of staff training hours by training program (P1–P3, see methodology column)	<input type="checkbox"/>	Hours	Value	0.00	700	1,500.00
				Date	01-Sep-2011	31-Mar-2017	30-Jun-2024
				Comment		Reported value is mean hours per year	Yearly; not cumulative
Revised	On-the-job training provided by MC	<input type="checkbox"/>	Hours	Value	0.00	500.00	500.00
				Date	01-Sep-2011	31-Mar-2017	30-Jun-2024
				Comment		Outcome exceeds project target; updated measurement pending	Half-yearly; not cumulative
Revised	Increased share of qualified local staff in key competency areas	<input type="checkbox"/>	Percentage	Value	10.00	50.00	100.00
				Date	01-Sep-2011	31-Aug-2015	30-Jun-2024
				Comment			
Revised	Multimodal transport plan	<input type="checkbox"/>	Yes/No	Value	No	No	Yes

	together with strategic investment plan			Date	23-Aug-2012	31-March-2017	30- Sep -2017
				Comment			
Revised	Improved ELWA intersection operational	<input type="checkbox"/>	Yes/No	Value	No	No	Yes
				Date	23-Aug-2012	31-March-2017	31-Dec-2019
				Comment			
New	Increased share of female staff in the IIU measured as yearly percentage of new hires	<input type="checkbox"/>	Percentage	Value	0		51
				Date	31-Mar-2017		30-Jun-2024
				Comment	No baseline		
New	Percentage of citizen complaints received through Argo platform addressed within seven days	<input type="checkbox"/>	Percentage	Value	0	0	85
				Date	31-Mar-2017	31-Mar-2017	30-Jun-2024
				Comment	No baseline		
New	RoW protection pillars installed along the project corridor	<input type="checkbox"/>	Yes/No	Value	No	No	Yes
				Date	31-Mar-2017	31-Mar-2017	30-Jun-2019
				Comment			
New	Number of staff trained in road safety	<input type="checkbox"/>	Number	Value	0	0	50
				Date	31-Mar-2017	31-Mar-2017	30-Jun-2024
				Comment			
New	RAP implemented before start of civil works for ELWA Junction to Coca Cola Factory	<input type="checkbox"/>	Yes/No	Value	No	No	Yes
				Date	31-Mar-2017	31-Mar-2017	30-Jun-2018
				Comment	RAP is under preparation	RAP is under preparation	
New	Number of women who have their livelihood and income restored	<input type="checkbox"/>	Number	Value			To be determined
				Date	31-Mar-2017	31-Mar-2017	30-Jun-2018
				Comment	No baseline	RAP is under preparation	

Annex 2: Detailed Description of Modified or New Project Activities

1. LIBRAMP has successfully rehabilitated and is maintaining almost the entire length of the Monrovia-Gbarnga-Ganta-Guinea Border corridor. Following improvement of the road condition, the observed traffic speeds have increased and the severity of collisions has worsened. Funding is now available for an iRAP study from the GRSF Trust Fund for Liberia's main road corridors, including this corridor. The study will provide an assessment of road safety situation of the corridor (star rating on a scale of 1 to 5) and an investment plan to improve the road safety based on the assessed and desired ratings.

2. As the Government does not have resources to implement the expected recommendations from the iRAP survey it has requested World Bank financing. A provision is, therefore, kept in this Additional Financing to support potential road safety interventions. It is envisaged that the interventions will include the following, but not necessarily limited to, measures (the exact locations and extent of these measures will be determined during the iRAP assessment):

- (a) Police posts for enforcement of traffic rules including safe barriers and lay-bys for vehicle inspection
- (b) RoW markers (prominent that can be easily detectable) to reduce encroachments to reduce the chances of vehicle-pedestrian crashes
- (c) Signage (if missing) and if augmentation is needed
- (d) Crash barriers (with end nosed-down/fish tails/ with crash cushions)
- (e) Raised pavement markers or studs to delineate roadway alignment, especially at night
- (f) Speed management devices on sections that pass through built-up areas (only to be used where they are absolutely needed and the vehicle speed poses significant dangers to other road users, including pedestrians and cyclists)
- (g) Enhancing bridge approach safety (if not adequate including bridge signage with crash barriers at the approaches)

3. To address the increased risk of road accidents within the remainder of the corridor from ELWA to Coca Cola Factory, special considerations and provisions for road safety and traffic management in this urban section will be taken into account in the design and works implementation, including sidewalks and pedestrian crossings, especially as the degree of conflict increases.

Annex 3: Proposed Project Costs

Table 3.1. Component Costs by Source of Financing (US\$, millions equivalent)^a

Financing:	Original Financing Structure (June 2011)				Financing Structure at the time of AF1 (September 2012)				Proposed revised Financing Structure			
Source:	LRTF	GOL	IDA	Total	LRTF	GOL	IDA	Total	LRTF	GOL	IDA	Total
Component:												
Component 1: Design, Rehabilitation and Maintenance of Monrovia-Ganta-Guinea Border Road.												267.8
Existing Financing at Approval	—				108.9	64.6	46.5	220.0	108.9	64.6	66.9	—
New Financing	108.9	64.6	46.5	220.0	—	—	20.4	20.4	—	−25.0	30.0	
Reallocated Contingencies	—				—	—	—	—	—	8.2	14.2	
Cumulative Financing	108.9	64.6	46.5	220.0	108.9	64.6	66.9	240.4	108.9	47.8	111.1	
Component 2: Consultant Services, Operations Costs, and Training												26.8
Existing Financing at Approval	—				—	—	16.2	16.2	—	—	21.0	—
New Financing	—	—	16.2	16.2	—	—	4.8	4.8	—	—	0.2	
Reallocated Contingencies	—				—	—	—	—	—	—	5.6	
Cumulative Financing	—	—	16.2	16.2	—	—	21.0	21.0	—	—	26.8	
Proposed New Component (AF2): Road Safety and Right-of-Way Protection Measures												5.0
New Financing	—								—	—	5.0	
Proposed New Component (AF2): Resettlement												4.8
New Financing	—								—	—	4.8	
Contingencies (Unallocated)												0.0
Existing Financing at Approval	—				—	8.2	5.0	13.2	—	8.2	29.8	—
New Financing	—	8.2	5.0	13.2	—	—	24.8	24.8	—	—	—	
Reallocation	—				—	—	—	—	—	−8.2	−19.8	
Cumulative	—	8.2	5.0	13.2	—	8.2	29.8	38.0	—	0.0	10.0	
Exchange Rate Gains/Losses	—				—	—	—	—	—	—	−10.0	
Total Costs	108.9	64.6	62.7	236.2	108.9	64.6	87.9	261.4	108.9	−25.0	30.0	
Financing Subtotals	108.9	72.8	67.7	249.4	—	—	50.0	299.4	—	−25.0	40.0	314.4
Exchange Rate Gains	—	—	—	—	—	—	—	—	—	—	−10.0	−10.0
Cumulative Resources	108.9	72.8	67.7	249.4	—	—	50.0	299.4	—	−25.0	30.0	304.4

Note: a. Amounts reflect assignment of funding to anticipated project costs in project legal agreements and the restructuring reallocation table.

**Table 3.2. Estimated Disbursements of the AF2 and GOL Counterpart Funds
(World Bank FY/US\$, millions)**

FY	FY18	FY19	FY20	FY21	FY22	FY23	FY24	Total
AF2	9.00	8.0	7.0	6.0	5.0	5.0	0.0	40.0
LIBRAMP: GOL share	7.28	7.0	7.0	7.0	7.0	6.52	6.0	47.8

Annex 4: Crossing-cutting and Non-social Safeguard Risks and Mitigation Measures

1. A review of the implementation of LIBRAMP indicates that there has not been any major noncompliance relating to social safeguards (OP4.12) and non-social safeguard issues. The Government has prepared Environmental and Social Management Plans (ESMPs) for road rehabilitation works under the World Bank financing, under the Emergency Infrastructure Project (EIP) in 2006. The ESMP for the EIP was initially disclosed in August 2007. It was redisclosed for the URIRP in September 2008 and supplemented with an addendum in connection with the URIRP in 2009. The plan specifically covers the Monrovia-Ganta-Guinea border road corridor where works supported by the AF2 will take place. The ESMP for the parent project has been updated and redisclosed on April 17, 2017. The Resettlement Policy Framework (RPF) was disclosed in 2009 and re-disclosed on April 10, 2012. The RAP for the 6.5 km of urban section of Suakoko Highway is currently being developed. The ESMP has been implemented satisfactorily.
2. While the MPW/IIU has experience in implementing social safeguard (OP 4.12) and environment policies, its capacity to implement both social safeguards and non-social safeguard related activities needs to be strengthened. Contractors' commitment to comply with safeguards and non-social safeguards issues needs to be reinforced, contractors' workers need to be trained and kept aware of acceptable conduct, and the quality of implementation reports needs to be improved.
3. Furthermore, contractors, the monitoring consultant, resident engineers, the IIU/MPW, civil society organizations (CSOs), and the World Bank social team will have to work side by side to ensure compliance with safeguard policies and best practices. While advancing social safeguard policies and best practices, the project (LIBRAMP) shall implement and follow risk mitigation measures shown in the Table 4.1.

Table 4.1. Mitigation Measures

Risk	Mitigation Measures	Responsibility	Monitoring
Cross-cutting: Capacity building, binding contract, appropriate conduct, and reporting			
Weak capacity to implement and enforce safeguards policies and non-safeguards requirements	<ul style="list-style-type: none"> • Ensure the capacity of the implementing agency to manage environmental and social impacts is built. • Ensure that the IIU's environmental and social team capacity is periodically reassessed. • Ascertain that appropriate staffing is maintained throughout the life of the project. • The World Bank provides periodic training on social and environmental safeguards as well as targeted social issues such as labor influx, child abuse, gender, social accountability, and lessons on grievance redress mechanism. 	IIU/MPW	World Bank
Contractor and Monitoring consultant failing to fully comply to social safeguard	<ul style="list-style-type: none"> • Contractually binds <ul style="list-style-type: none"> ○ The contractor and supervision consultant to abide to principles and mitigation measures stated in the Environmental Impact Assessment (EIA), ESMP, RAP, and Resettlement 	IIU/MPW	World Bank

Risk	Mitigation Measures	Responsibility	Monitoring
policies and to non-social safeguards requirements	<p>Policy Framework (RPF) as well as sanction for failing to fully comply with or failure to enforce the EIA, ESMP, RAP, and RPF provisions;</p> <ul style="list-style-type: none"> ○ The contractor to prepare site-specific ESMP to manage social, environmental, workforce conduct and camp management; and ○ The contractor and supervision consultant to have qualified social and environmental staff. 		
Inappropriate conduct of contractor's and supervision consultant's workers	<ul style="list-style-type: none"> ● Explicitly require contractor and monitoring consultant to develop and implement Code of Conduct (CoC) for their workers. ● Provide training to all workers on the CoC. ● Include in each worker's contract a clause of CoC and the need to strictly comply. ● Fully enforce compliance with the CoC. 	<p>IIU/MPW</p> <p>Contractors/Monitoring consultant</p>	<p>World Bank</p> <p>IIU/MPW</p>
Poor quality reporting on safeguard policies and no-safeguard implementation status	<ul style="list-style-type: none"> ● Prepare and provide monthly reports on the contractor's compliance with all environmental and social impact mitigation plans. ● Conduct a quarterly audit of compliance with non-social safeguards, social and environmental measures/policies. ● Increase quality and frequency of field supervision exercises. 	Monitoring consultant	<p>IIU/MPW</p> <p>World Bank</p> <p>CSOs</p>
<p align="center">Non-social safeguard: Labor influx, decent labor practice, communicable diseases, gender violence, gender inclusion, gender sensitive, illicit sex, child labor</p>			
Potential labor influx from neighboring counties	<ul style="list-style-type: none"> ● There is likelihood of influx of non-skilled and skilled labor from Bong and Bomi counties where LIBRAMP is implemented. Contractor should : <ul style="list-style-type: none"> ○ Encourage to give hiring priority to skilled and unskilled worker from the project area; ○ Report peak labor force requirement in the entire corridor and consist of those workers who are likely to be obtained from the local labor force and those who will be immigrated from other regions or counties; and ○ Provide adequate number of site camps for its labor force and essential services such as water and electricity.. 	Contractor	<p>IIU/MPW</p> <p>World Bank</p> <p>CSOs</p>
Decent labor practice	<ul style="list-style-type: none"> ● Bind contractor to <ul style="list-style-type: none"> ○ Assess and plan workers' accommodation needs or camp sites; ○ Adopt standards for and management of workers' accommodation or camp sites; and ○ Pay standard wage for a job as required by national/labor law and respect work hours as stipulated in the national law. 	<p>Contractor</p> <p>Monitoring consultant</p>	<p>IIU/MPW</p> <p>World Bank</p> <p>CSOs</p>

Risk	Mitigation Measures	Responsibility	Monitoring
	<ul style="list-style-type: none"> ○ Provide skill enhancement training to workforce (unskilled, skilled, and management). 		
Increase in communicable diseases	<ul style="list-style-type: none"> ● Provide awareness and training to all workers on HIV/AIDS/STD and TB prevention. ● Collaborate with local health centers and traditional leaders. ● Provide best practices and impose sanction in cases of noncompliance 	Contractor MPW Resident Engineer	Monitoring consultant CSOs World Bank social team
Increase in gender-based violence and illicit behavior	<ul style="list-style-type: none"> ● Monitor the entry and exit of all personnel and visitors in and out of the camp. ● Immediately report to police and the IIU/MPW incidents of gender violence and illicit sex involving its workers. ● Collaborate with youth groups and women groups in project area. 	Contractor MPW Resident Engineer	Monitoring consultant CSOs World Bank social team
Use of child labor	<ul style="list-style-type: none"> ● Include a clause into the contractor's work contract prohibiting the contractor from hiring minors and economic exploitation. ● Enforce minor/child labor-related agreements. ● Enforce strict compliance to child labor contractual, national, and international provision. ● 	Contractor MPW Resident Engineer	Monitoring consultant CSOs World Bank social team
Gender exclusions	<ul style="list-style-type: none"> ● Ensure women are afforded the same opportunity as men. ● Ensure that women are hired at all levels (in unskilled, skilled, and management positions) ● Ensure equal pay for equal job. 	Contractor	Monitoring consultant IIU/MPW CSOs World Bank social team
Gender insensitive	<ul style="list-style-type: none"> ● Ensure that bathrooms for men and women are separated and are clearly marked. ● Ensure and adopt policy on the use of words that are offensive and unacceptable. ● Report to appropriate authorities unacceptable and inappropriate behaviors. 	Contractor	Monitoring consultant IIU/MPW CSOs World Bank social team

Note: AIDS = Acquired Immune Deficiency Syndrome; HIV = Human Immunodeficiency Virus; STD = Sexually Transmitted Disease; TB = Tuberculosis.