

Ministry of Public Works and Transport



Transport Infrastructure and Connectivity Project in Lesotho (P155229)

IDA Credit No 61510 - LS

1. **Introduction.** The Government of Lesotho (GoL), with the financing from the World Bank (WB), International Development Agency (IDA) is in the process of implementing the Transport Infrastructure and Connectivity Project (TICP) in Lesotho. In line with the World Bank project cycle, the TICP has gone through the negotiation stage in September 2017, approved by the WB's Executive Directors on the 20th November 2017 and subsequently signed on the 30th November 2017. Therefore, the project effective date was the 27th December 2017.

The proposed project is fully aligned with the new World Bank Group Country Partnership Framework (CPF, Number 97823-LS) for the Financial Years 2016-2019 for Lesotho. The proposed TICP will contribute to the main focus area of the CPF on creation of jobs, through increasing the road connectivity to the social services and creating short term employment opportunities in the road and foot-bridges construction and maintenance works. The CPF identifies that safe road connectivity is critical to the competitiveness and job creation in Lesotho, as higher returns to export oriented activities depend on reliable infrastructure and transport systems.

The project will further support the priorities outlined in the Lesotho National Strategic Development Plan (NSDP), specifically the development of an integrated transport system, promotion of the private sector and enhancement of the country's export competitiveness. In addition, the project will assist the Lesotho's commitment in the Intended National Determined Contribution (INDC, 2015) report to meet climate mitigation goals through improving vehicle efficiency under the new vehicle registration and inspection and drivers licensing system. The project will further meet objective of the decade of action for road safety 2011-2020 by reducing road accident fatalities through the operationalization of National Road Safety Council and deployment of computerised Geographic Information System (GIS) based Roads Accident Data Management System. The system will inform the Government with accident black spots for interventions.

2. **Project Development Objective.** The proposed Project Development Objectives are to:

- i) **Improve access to social services and markets in target rural areas of Lesotho:** - This will be realised through the application of Output and Performance based Road Contracts (OPRC) and construction of Footbridges;

- ii) Strengthen road safety management capacity: - This will be achieved through improvement of road safety management capacity and mitigation of road safety risks in the Department of Road Safety and Department of Traffic and Transport
- iii) Improve recipient's capacity to respond promptly and efficiently to an eligible crisis or emergency.

3. **The proposed Project Development Objectives key indicators are to:**

- i) Reduce travel time
- ii) Reduce transport costs
- iii) Great a share of the population with access to a paved/all season roads or footbridges
- iv) Reduce number of road traffic fatalities
- v) Great number of direct construction jobs, disaggregated by gender

4. **Project Scope.** The project is composed of four components namely:

- i) **Component 1: *Improvement of Access (US\$9.2M)***: - this component will include road rehabilitation and maintenance through the application of Output and Performance-based Road Contracting (OPRC) approach aimed to improve the road connections to social services, markets and tourism centres and the construction of 35 footbridges to provide all weather access to cross over the rivers to education centres, health services and markets;
- ii) **Component 2: *Improvement of Road Safety (US\$4.4M)***: - this component is aimed to address road safety in more integrated manner in order to achieve the objective of global decade of action for 2011-2020 which is aimed to reduce road accidents fatalities by 50% between 2011 and 2020. This component will be achieved through the capacity building of the Road Safety Department, operationalization of the National Road Safety Council and establishment of an integrated system for vehicle registration, drivers licensing and enhancement of enforcement records;
- iii) **Component 3: *Institutional Strengthening and Support to the Transport Sector(US\$4.7M)*** - capacity building and implementation support to the staff of the Ministry of Public Works and Transport, the Roads Directorate and the Road Fund to effectively monitor and administer (OPRC) system. This component will further include formulation of National Transport Sector Master Plan for 2020-2040, implementation of community engagement mechanism, Sexual Exploitation and abuse and HIV/AIDS and gender target activities in the construction; and
- iv) **Component 4: - *Contingency Emergency Response Component (US\$0.00)***. This component is provided with zero-dollar allocation, given that Lesotho remains vulnerable to the climate change with high and low temperatures as well as rain deficits. This component allows for the possibility of accessing funds for eligible expenditures in the case of emergency.

5. **Project Cost.** The initial estimated cost is currently USD18.3 million for Phase 1. The additional USD 14.5 from IDA and USD 20 million from the Organization of Petroleum Exporting Countries (OPEC) Fund for International Development (OFID) for phase 2 is contingent to the successful implementation of phase 1.

6. **Project Timeframe.** 21st November, 2017 to 31st December, 2023.