



Project Summary Information

Date of Document Preparation: March 31, 2021	
Project Name	Rwanda Digital Acceleration Project (Digital Investment for Recovery, Resilience and Connectivity)
Document Code	P000462
Country	Rwanda
Sector/Subsector	COVID-19 Recovery Facility / Economic Resilience
Status of Financing	Under Preparation
Project Description	<p>The project is a major country-wide digital transformation centered on:</p> <ul style="list-style-type: none"> • expanding digital adoption and access, enhancing government's digital service capabilities (particularly in health and education sector); • equipping government with the ability to harness the power of big data and offer quality data-driven solutions and next generation e-services in key sectors based on shared digital standards, platforms, and infrastructure; and • increasing Rwanda's capacity to support digitally-enabled innovation and productivity-gains, by strengthening the local digital innovation and entrepreneurship ecosystem, supporting tech firms to move from startups to growth and by developing Rwanda's digital talent base. <p>The project aimed to finance the following components:</p> <p>Component 1: Digital Enabled Citizen (~USD 90million)</p> <p>Component 2: Digital Public Service Delivery (~USD75million)</p> <p>Component 3: Digital Innovation and Entrepreneurship (USD20million)</p> <p>Component 4: Project Implementation Support and Technical Assistance (USD5million)</p>
Objective	To support Rwanda's timely recovery from and resilient response to the pandemic with investment in broadband, digital public service delivery and digital business platforms.
Expected Results	The project will increase the fixed and mobile internet penetration rate; increase the scope and quality of government services that are delivered digitally and securely; and accelerate the creation of viable

	digital businesses. The project will benefit a wide range of beneficiaries, including citizens, the private sector, and public agencies.
Environmental & Social Category	World Bank Category “Moderate” (which is equivalent to Category B if AIIB’s ESP were applicable).
Environmental and Social Information	<p>The loan will be co-financed with the WB as lead co-financier, and the project’s environmental and social (ES) risks and impacts will be assessed in accordance with the WB’s Environmental and Social Framework (ESF).</p> <p>To ensure a harmonized approach in addressing the ES risks and impacts of the project, and as permitted under AIIB’s Environmental and Social Policy (ESP), the WB ESF will apply to the project in lieu of AIIB’s Environmental and Social Policy (ESP).</p> <p>The WB has categorized the ES risks of the project as “Moderate” (which is equivalent to Category B if AIIB’s ESP were applicable). Nine of WB’s Environmental and Social Standards (ESS) have been applied to the project, namely WB’s ESS on Assessment and Management of ES Risks and Impacts (ESS1), Labor and Working Conditions (ESS2), Resource Efficiency and Pollution Prevention and Management (ESS3), Community Health and Safety (ESS4), Land Acquisition, Restriction on Land Use and Involuntary Resettlement (ESS5), Biodiversity Conservation and Sustainable Management of Living Natural Resource (ESS6), Cultural Heritage (ESS8) and Financial Intermediaries (ESS9). An Environmental and Social Management Framework (ESMF) will be prepared and will be disclosed in accordance with the WB’s ESF and policies. A draft Resettlement Policy Framework (RPF) will be also be developed to manage potential risks of land acquisition and involuntary settlement together with a Labor Management Procedures (LMPs). The ES documents are anticipated to be posted by the World Bank and Client during May-June 2021. Link to the websites will also be disclosed in the AIIB website once the E&S documents will be finalized.</p> <p>This project will be financing ICT connectivity infrastructure including laying fiber cables and mobile access network which could include installation telecommunication mast or tower. It will be implemented at national scale and the potential environmental adverse impacts will be temporary, reversible, and site-specific. It is not expected to result in large-scale civil works and or/ permanent disruptions with adverse environmental impact. Anticipated environmental impacts will occur mainly during the pre-construction and construction stage including dust, noise, and disruption to local traffic and local</p>

	<p>business and residents. For component 1.1, it will be implemented by Rwanda Development Bank (BRD) which will be related to device affordability in close collaboration with Rwanda Information Society Authority (RISA) where it will act as a financial intermediary. BRD currently has an existing Environmental and Social Management System (ESMS). Other components, namely, 2, 3 and 4 will not have any direct environmental impact however the project might generate an increase in e-waste from replacing IT devices, hardware and from increased consumption of smartphones.</p> <p>The project is expected to generate positive social impacts, as it will enhance access to digital tools and services, as well as facilitate improved public service delivery by leveraging digital solutions and stimulate growth in digital entrepreneurship and skills development. The project is consciously addressing the issue of social inclusion, through its focus is on rural and underserved areas, targeting low-income households, as well as access requirements for women and people with disabilities (PWD). The anticipated social risk is expected to be site-specific and moderate in nature. This relates to possible land acquisition for the installation of the telecommunication mast or towers for deploying the telecommunication infrastructure. It is not expected to yield permanent disruptions or displacement, as most of the sites are anticipated to be on government-owned land.</p> <p>A Stakeholder Engagement Plan (SEP) will be developed with special provisions for different project components. The SEP will outline the characteristics and interests of the relevant stakeholder groups as well as the timing and methods of engagement envisioned throughout the project lifecycle. The project will establish digitally enabled Grievance Redress Mechanism (GRM), integrated into existing GRM Structures in communities targeted and with those already managed by the Borrower. This would be addressed in the draft ESMF.</p> <p>The proposed due diligence during project preparation will include follow up with the Borrower on: (i) preparation of the draft ESMF, ESCP and SEP and (ii) assess (if any) project level GRM which will be consistent with the WB's ESF.</p>
Cost and Financing Plan	<p>AIIB Loan: USD100 million World Bank loan: USD 100 million</p>
Borrowers	Rwanda Ministry of Finance and Economic Planning

Guarantor	N/A
Estimated date of loan closing	July 2021

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Date of Final Decision	June 2021	
Estimated Date of Financing Approval	August 2021	

Independent Accountability Mechanism	<p>Pursuant to AIIB's agreement with WB, the WB's ESF will apply to this Project instead of AIIB's ESP. The WB's corporate Grievance Redress Service (GRS) and its Independent Accountability Mechanism, the Inspection Panel, which reviews the WB's compliance with its policies and procedures, will handle complaints relating to ES issues that may arise under the Project. In accordance with AIIB's Policy on the Project affected People's Mechanism (PPM), submissions to the PPM under this Project will not be eligible for consideration by the PPM. Information on WB's corporate GRS is available at http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service. Information on WB's Inspection Panel is available at http://www.inspectionpanel.org.</p>
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