

Ex-Ante Evaluation

1. Name of the Project

Country : Republic of Uganda

Project : Kampala Flyover Construction and Road Upgrading Project

Loan Agreement : September 11, 2015

Loan Amount : 19,989 million Yen

Borrower : The Government of the Republic of Uganda

2. Background and Necessity of the Project

(1) Current State and Issues of the Transportation Sector in Uganda

Uganda is an inland country of East Africa and approximately 95% of the whole transportation is road transportation. The number of registered vehicle in Uganda increased to 550,000 in FY 2009 which is about 3.6 times as many as that in FY 1997 and the traffic volume in 2009 has also increased some 10% every year since 2005 (Uganda Bureau of Statistics). Moreover, as East African Community (EAC) of which Uganda is one of the member countries has strengthen the tie an economic zones among the member countries, improvement of the regional road network has become a challenge of the whole region. Uganda locates in an important point as a hub to connect surrounding inland countries/regions, such as Rwanda, east Democratic Republic of Congo, and South Sudan, and coastal countries on the Indian Ocean: Kenya and Tanzania. Capital city Kampala locates in logistically strategic point adjoining the Northern Corridor from Mombasa Port in Kanya.

Recently, major junctions and roads have been seriously congested in Kampala due to increase of traffic volume associated with rapid population and economic growths, which may cause an adverse effect to economic growth in surrounding regions. In addition, traffic accidents involving pedestrians and bicycles and the air pollution status have become serious problems. In the National Development Plan of Uganda (2010/11 - 2014/15), the improvement of the Greater Kampala traffic is recognized as one of the targets of the transportation sector in its priority sector: "Improving stock and quality of economic infrastructure." By updating major junctions that are particularly congested as well as widening existing roads in the road network of Kampala city, this Project is to contribute to improve traffic congestions in the city, increase safety of pedestrians and bicycles and reduce air pollution.

(2) Development Policies for the Transportation Sector in Uganda and the Priority of the Project

In its National Development Plan for FY2015/16 – 2019/20 (NDP II), Uganda defines infrastructure improvement contributing to economic and social development as one of the priority issues of development, and the improvement of traffic infrastructure of the Greater Kampala, in particular, is recognized as one of the priority areas. This Project is also highly prioritized by Uganda's the National Transport

Master Plan /the Transport Master Plan for the Greater Kampala Metropolitan Area (2009).

(3) Japan and JICA's Policy and Operations in the Transportation Sector

This Project falls under one of the priority areas of Country Assistance Policy for the Republic of Uganda (June, 2012), "infrastructure improvement to achieve economic growth," and consistent with the Assistance Policy. Moreover, it contributes to infrastructure development for boosting economic growth which was declared at the Fifth Tokyo International Conference on African Development (TICAD V).

Japan has provided its assistance for intersection upgrading, road pavement and extension through the grant aid project until its phase III as well as implemented the development study, "the Study on Greater Kampala Road Network and Transport Improvement" from 2009 to 2010, which recognizes this Project as a priority project.

Moreover, "Upgrading of Atiak-Nimule Road Project (approved in FY 2009)," is ongoing in the northern area of Uganda co-financed with the World Bank.

(4) Other Donors' Activity

The World Bank implements the preparatory survey and detailed design (D/D) for Bus Rapid Transit (BRT); EU constructs the North Bypass; and China provides assistance for construction of the toll road between Kampala and Entebbe.

(5) Necessity of the Project

This Project is consistent with the development policy of the Government of Uganda as well as the assistance policy of Japan and JICA, and contributes to the international commitment of TICAD V. Thus, the necessity and relevance for assisting the implementation of the Project is high.

3. Project Description

(1) Project Objective

By constructing flyovers, widening roads and upgrading junctions in Kampala, this Project contributes to mitigate traffic congestion in Kampala city, thereby, contributing the improvement and revitalization of the flow of goods and traffic.

(2) Project Site/Target Area

Kampala city (population as of 2013: 1.78 million)

(3) Project Components

1) ODA Loan

① To contribute to mitigate traffic congestion problems in Kampala city by improving the traffic flow concentrated in the existing expressway (Entebbe-Kampala), flyovers are constructed in major junctions that are particularly congested in Kampala city (at Clock Tower and Kitgum House) and major roads connecting the junctions (Mukwano Road) are widened and bypassed. At the same time, round-about is upgraded to signalized junctions (contractor is selected through international bidding).

② Consulting services (D/D review, construction supervision (short-listing selection.

The Ugandan side expressed their preference of discretionary contract). Consulting services only include D/D review and construction supervision. D/D review is financed by the Government of Uganda.)

(4) Estimated Project Cost (Loan Amount)

ODA Loan: 24,914 million yen (Loan amount: 19,989million yen)

(5) Schedule

The planned implementation schedule of the project is from September 2015 to December 2020 (64 months in total). The use of the facilities will start in December 2019, which is defined as the completion date of the project.

(6) Project Implementation Structure

1) Borrower : The Government of the Republic of Uganda

2) Guarantor : none

3) Executing Agency : Uganda National Roads Authority : (UNRA)

4) Operation and Maintenance System : UNRA is in charge of operation management while Kampala Capital City Authority (KCCA) conducts maintenance works.

(7) Environmental and Social Consideration/Poverty Reduction/Social Development

1) Environmental and Social Consideration

① Category : B

② Reason for Categorization : This Project is not assumed to have a significant negative impact on the environment because it does not fall under the category of large-scale projects in the road and bridge sectors as specified in the JICA Guidelines for Environmental and Social Considerations (published in April 2010). Moreover, the Project does not have sensitive characteristics nor is located in sensitive areas as defined in the guidelines.

③ Environmental Permit : The Environmental Impact Assessment (EIA) report concerning this Project was applied by UNRA in June 2014 and approved by the National Environment Management Authority (NEMA) in August 2014.

④ Anti-Pollution Measures : This Project deems to meet the domestic criterions by installing coating sheet on exposed surface soil, treating leachate, installing sound-proof wall, limiting running speed, and taking other measures to mitigate expected impact during the construction work and at the time of operation.

⑤ Natural Environment : Since the Project is not located in sensitive areas such as national parks, its adverse impact on the natural environment is assumed to be limited.

⑥ Social Environment : In this Project, 88 residents (21 households) will be resettled and approximately 6 ha of lands will be acquired, which are promoted in line with the JICA Guidelines for Environmental and Social Considerations (published in April 2010) and domestic procedures of the country. According to

briefings for neighboring residents and hearings with them, no specific objection against the Project is received from those affected residents. Replacement of Clock Tower, the cultural asset, is associated with the Project, which is carried out after implementing detailed survey conducted by the Ministry of Tourism, Wildlife and Antiquities who mainly manages the asset, UNRA and KCCA.

⑦ Other / Monitoring: In this Project, UNRA implements monitoring of air pollution, noise, etc.

2) Promotion of Poverty Reduction:

None

3) Promotion of Social Development (e.g. Gender Perspective, Measure for Infectious Diseases Including HIV/AIDS, Participatory Development, Consideration for the Handicapped etc.)

Because this Project implements the large-scale infrastructure improvement in an area with a high incidence of HIV/AIDS, the contractor will be required to take measures against AIDS policy.

(8) Collaboration with Other Donors :

None

(9) Other Important Issues

None

4. Targeted Outcomes

(1) Quantitative effect

1) Operation and Effect Indicator

Indicator	Baseline (2013)	Target 【2 years after project completion】
Annual Average Daily Traffic (vehicle/day)		
Flyover at Clock Tower	59,000	Flyover: 30,000 Flat junction:98,000
Underpass at Nsambya	24,000	Underpass: 58,000 Flat junction:24,000
Flyover at Kitgum House	38,000	Flyover: 47,000 Flat junction:57,000
Travel time		

Route 1	Africana junction – Mukwano road – Clock Tower intersection	18 minutes	5 minutes
	Clock Tower intersection – Mukwano road – Africana junction	20 minutes	
Route 2	Africana junction – Kampala road – Clock Tower intersection	26 minutes	13 minutes
	Clock Tower intersection – Kampala road – Africana junction	19 minutes	

2) Internal Rate of Return

Based on the conditions indicated below, the Economic Internal Rate of Return (EIRR) of this project is 25.2%. Financial Internal Rate of Return (FIRR) is not calculated.

【EIRR】

Cost : Project cost (tax excluded), operation and maintenance cost

Benefit : Reduction of driving cost and maintenance cost and shortening of required travel time.

Project Life : 25 years

(2) Qualitative Effect

Smooth traffic in the city and flow of goods by securing smooth road transportation; increased safety of pedestrians and bicycles; and reduction of air pollution.

5. External Factors and Risk Control

(1) Preconditions : Political and security conditions in Uganda and surrounding countries are not deteriorated.

(2) External conditions : Construction period is not influenced by a large-scale natural disaster, etc.

6. Lessons Learned from Past Projects

Ex-post evaluation of the Project for Improvement of Traffic Flow in Kampala City in FY 2005 (Grant Aid) points out that problems in maintenance of traffic signals were observed due to the retirement of engineers who pursued technical transfer during the project implementation after organizational reform. In this Project, technical supervision is provided for the bridge maintenance and management through On-the-Job Training(OJT) and safety management training conducted under the consulting services while reliable technical supervision including formulation of specifications and manuals is provided for the traffic signal maintenance and management through the Project for Improvement of Systematic Junction Management in Kampala City, a new technical cooperation project to collaborate with this Project; thereby making efforts to ensure that maintenance and management techniques are organizationally handed over.

Moreover, the importance of providing support for strengthening the safety management capacity of the borrower government and executing agency was recommended in the past project. In this Project, therefore, safety management trainings and monitoring of ground and structure in addition to OJT, are considered to prevent accidents; thereby increasing the safety management capacity of UNRA.

7. Plan for Future Evaluation

(1) Indicators to be Used

Annual average daily traffic (vehicle/day), travel time (minutes), Economic Internal Rate of Return (EIRR) (%)

(2) Timing

Two years after project completion.