



1. Project Data

Project ID

P113542

Project Name

KE-Informal Settlements Improvement Proj

Country

Kenya

Practice Area(Lead)

Urban, Resilience and Land

L/C/TF Number(s)

COFN-C1440,IDA-48730,TF-18327

Closing Date (Original)

30-Jun-2016

Total Project Cost (USD)

101,587,879.19

Bank Approval Date

24-Mar-2011

Closing Date (Actual)

30-Nov-2019

IBRD/IDA (USD)
Grants (USD)

Original Commitment

100,000,000.00

8,300,000.00

Revised Commitment

108,298,818.01

8,300,000.00

Actual

101,587,879.19

8,300,000.00

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2. Project Objectives and Components

a. Objectives

The Project Development Objective (PDO) as stated in the Financing Agreement (Schedule 1, page 5) and the Project Appraisal Document (PAD, page 11):

"To improve living conditions in informal settlements in selected municipalities in Kenya".



The PAD adds that the PDO was to be achieved by enhancing tenure security and improving infrastructure based on plans developed in consultation with the community.

Revised objective. The revised PDO approved by the Board on May 7, 2015, was:

"To improve living conditions in informal settlements in selected urban centers in selected counties in Kenya".

b. Were the project objectives/key associated outcome targets revised during implementation?

Yes

Did the Board approve the revised objectives/key associated outcome targets?

Yes

Date of Board Approval

07-May-2015

c. Will a split evaluation be undertaken?

Yes

d. Components

There were four components (PAD, pages 12 -17).

1. Strengthening Institutions and Program Management. The estimated cost at appraisal was US\$10.0 million. The actual cost was US\$10.0 million. This component aimed at supporting the institutional strengthening of the Ministry of Housing (MoH), the Ministry of Lands (MoL) and the selected municipalities. Activities included: (i) capacity building of the MoH for undertaking its responsibilities under the new constitution, establishing a housing quality index, and developing a database with inventory of slums: (ii) capacity building of the MoL for planning, surveying and administering the land registration process: and (iii) capacity building of municipalities for developing slum upgrading infrastructure: and (iv) project management support, including for establishing monitoring and evaluation systems and conducting socio economic surveys.

2. Enhancing Tenure Security. The estimated cost at appraisal was US\$8.0 million. The actual cost was as estimated. This component aimed at improving the land tenure process. Since the settlements were at different stages, this component supported activities aimed at supporting the MoL with the regularization process, including community mobilization, preparing development plans, surveying and registering and issuing titles to individuals or groups in informal settlements or slums. (The terms "informal settlements" or "slums" used interchangeably are defined as those lacking at least two of the following: tenure security, adequate infrastructure, settlement level planning and quality housing).(PAD, page 9).

3. Investing in Infrastructure and Service Delivery. The estimated cost at appraisal was US\$70.3 million. The actual cost was US\$70.3 million. This component planned to support infrastructure investments in settlements (such as, roads, street lighting, solid waste management, storm water drains and water and sanitation systems).



4. Planning for Urban Growth. The estimated cost at appraisal was US\$4.0 million. The actual cost was US\$4.0million. This component planned to support activities for planning and developing options for infrastructure service delivery for future urban growth.

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project cost. The estimated cost at appraisal was US\$173.3 million. The actual cost was US\$148.8 million.

Project financing. The project was financed by an IDA credit of US\$100.0 million and a Trust Fund (TF) of US\$8.3 million. With this, the total Bank financing for the project was US\$108.3 million. The total amount disbursed was US\$101.5 million (including US\$93.2 million of the IDA credit and US\$8.3 million of the TF). There was co financing for slum upgrading activities from; (1) The Swedish International Development Cooperation Agency (SIDA). The appraisal estimate was US\$10.0 million. The amount disbursed was US\$8.3 million. and (2) The French Agency for Development (AFD). The appraisal estimate was US\$45.0 million. The amount disbursed was US\$38.9 million.

Borrower contribution. The borrower contribution was estimated at US\$10.0 million at appraisal. According to the team, the borrower contribution was as planned during implementation.

Dates. The project approved on March 24, 2011, became effective on June 30, 2011, and was scheduled to close on June 30,2016. The project closed about three and half years behind schedule on November 30, 2019. The ICR (paragraph 16) notes that the IDA credit closing date of November 30, 2019 was maintained, although the AFD credit was open until December 30, 2020. However,the AFD funds had been fully disbursed by November 30, 2019.

The project was restructured four times, including once through a Level 1 restructuring and three times through Level 2 restructurings.

Level 1 restructuring on May 7, 2015.

The following changes were made through the Level 1 restructuring.

- The PDO was revised to reflect the institutional changes following the first elections under the new constitution on March 4, 2014. Under Kenya's 2010 constitution, newly created county governments were responsible for managing urban areas, and municipalities ceased to exist. The PDO was hence revised from "improving living conditions in selected informal settlements in municipalities" to "improving living conditions in informal settlements in selected urban centers".
- The targets for the PDO indicator "people benefitting from improved tenure security" was reduced drastically from 180,000 to 71,000 after the Bank team's assessment of implementation progress and challenges in the tenure regularization in the initial years of the project.

The following changes were made through the first Level 2 restructuring on April 6, 2016.



- The project closing date was extended by 23 months from June 30, 2016, to May 31, 2018, to provide additional time for completing project activities, as the five-year implementation period was deemed to be unrealistic, given that community engagement was required for prioritizing infrastructure investments in the selected settlements.
- The target for the PDO indicator "people benefiting from tenure security" was further revised downwards from 71,000 to 25,000, due to the slow progress in the distribution of ownership documents to residents of informal settlements.

The following changes were made through the Second Level 2 restructuring on May 7, 2018, subsequent to the institutional changes after the elections on March 4, 2014.

- The implementing agency for the project before the elections - the Ministry of Housing (MoH) - was merged into the Ministry of Land, Housing and Urban Development (MLHUD). Another ministerial reorganization separated land from Housing and Urban development functions. With this, the Ministry of Transport, Infrastructure, Housing and Urban Development (MTIHUD) became the implementing agency.
- The original PDO indicators were made to reflect the anticipated co financing from SIDA and AFD, which became available only after the project became effective. Once the funds became available, the target for "people benefitting from tenure security" were revised upwards from 25,000 to 100,000. This was still lower than the original target of 180,000.
- The capacity building activities (component one activities) were dropped as they were completed using government funding.

The following changes were made through the Third Level 2 restructuring on December 6, 2017.

- The closing date was extended by 18 months from May 31, 2018 to November 30, 2019, to extend the Bank's supervision of AFD co-financing which became effective in July 2018 and to supervise the implementation of the outstanding Resettlement Action Plans (RAPs).
- The funds were reallocated between disbursement categories.

Split rating. The original target for "people benefitting from tenure security" was reduced drastically with the first Level 2 restructuring. The target was then revised upwards with the second Level 2 restructuring once the co-financing funds became available, though the target was lower than the original target. While the revisions in this target did lower the level of ambition of the land tenure activities, this assessment does not see these adjustments reflecting negatively on the overall impact of the project and the uncertainty attached to working in this space does require a degree of adaptation. Thus, in this instance, IEG has chosen to not undertake a split evaluation.

3. Relevance of Objectives

Rationale

Country and sector context. In 2009, 39% of Kenya's population lived in urban areas. The rapid urbanization coupled with poor urban management resulted in the proliferation of sprawling, overcrowded and impoverished informal settlements. Over half of Kenya's urban population (55%) lived in



these settlements. The settlements were often inaccessible, and many residents in these settlements did not have either tenure security, or access to essential infrastructure (such as roads, water supply or sanitation services). The poor living conditions in these settlements were primarily due to the lack of national guidelines, exacerbated by weak institutional capacity at the sub national level. Improving the living conditions in these settlements was important to the government strategy.

Government strategy. At the national level, the PDO was relevant to the government overarching strategy articulated in *Vision 2030*. The government's Medium-Term Plan for 2008-2013, which was the first five-year plan to implement Vision 2030, specified improving conditions in informal settlements as a priority, through among other things, installing physical and social infrastructure, constructing permanent houses, and attracting private investment. In the years before appraisal, the government formulated a 15-year National Slum Upgrading Program that outlined interventions for activities such as participatory planning, strengthening tenure security, and providing housing and infrastructure services in the settlements.

Bank strategy. The activities associated with supporting the formal recognition of rights of residents in informal settlements and reducing the vulnerability of residents to displacement without warning or compensation, was well-aligned with the equity theme of the Bank's Country Partnership Strategy (CPS) for 2010 - 2013. The PDO was well-aligned with two of the three strategic results areas of the Bank's current Country Partnership Strategy for 2014 - 2018 (extended to 2020): (i) competitiveness and sustainability of growth: and (ii) development of human resources for shared prosperity.

While this project aimed at building on previous work in the sector and was consistent with the Bank and Government strategy, the five-year implementation period envisioned at design was unrealistic, given that community engagement was required for prioritizing infrastructure works in informal settlements. The original time period did not factor in the time required for community engagement. The relevance of the PDO is substantial.

Rating

Substantial

4. Achievement of Objectives (Efficacy)

OBJECTIVE 1

Objective

To improve living conditions in informal settlements in selected municipalities in Kenya.

Rationale

Theory of change. The results framework was logical. Regularizing tenure in informal settlements was likely to increase the number of people with secure tenure. Upgrading infrastructure were intended to improve service delivery in settlements. Capacity building activities for the national and county level agencies in the participatory process were likely to improve their institutional capacities. These activities together were likely



to improve the living conditions in urban informal settlements. The causal links between the activities, outputs and outcomes were clear, and the intended outcomes were measurable.

Outputs (ICR pages 10 - 13 and 29 -33).

The targets for the following indicators were either exceeded or realized when the project closed.

Water supply and sanitation services.

- 21 ablution blocks were constructed as targeted.
- 35,000 people in settlements had access to improved sanitation services (target 3,050).
- 8,739 new piped household water connections were provided (target 7,306).
- 11 water kiosks were provided in the settlements as targeted.
- 59 km of sewer lines and 4,788 new sewer connections were provided as targeted.

Transport sector infrastructure. .

- 98.28 km of roads were upgraded to bitumen standards (target 90 km).
- 120 km of footpaths were rehabilitated as targeted.

Security infrastructure.

- 134 high mast security lights were provided as targeted. According to the team, these are floodlights similar to those found in stadiums, to provide lighting over a broader area.

Capacity building activities.

- The Geographic Information Systems (GIS) were upgraded in three government departments of the Ministry of Lands and Physical Planning involved in planning, surveying and land management as targeted. The staff of the departments were trained in using the GIS.
- An inventory of informal settlements was completed as targeted.
- A situational analysis which provided key data on 351 informal settlements in 15 urban centers was completed, and a housing survey was undertaken.
- The staff of the Settlement Executive Committee (SEC) in the project areas were trained. There were no targets for this indicator.
- 26,148 direct jobs were created on construction sites during implementation.

The targets for this indicator were partly realized.

- Tenure security was provided in 80 informal settlements, short of the target of 86. The reason for the shortfall was due to unclear land ownership and related documentation. According to the ICR (paragraph 30) tenure security was considered to be achieved at the point the beneficiary's name was included in a Registry Index Map at the Ministry of Lands.

Outcomes (ICR, pages 10 -13 and pages 27 -28).



The ICR (paragraph 27) notes that the project commissioned a beneficiary survey to independently assess the project's results. The assessment was based on focus group discussions with beneficiaries and interviews. The main conclusions of the assessment are as follows:

- 1,389,980 people directly benefitted from project activities, exceeding the target of 1,030,000. Of this, 694,000 beneficiaries were women, exceeding the target of 585,000.
- 262,870 people in the urban settlements had access to improved water sources, exceeding the target of 162,000.
- About a million people in informal settlements were provided with access to improved drainage and access to all season roads within a 500 meter range. This was slightly short of the target of 1.1 million.
- 125,525 people had improved tenure security in 14 counties at closure. This exceeded the revised target of 100,000, although short of the original target of 180,000.
- 1,389,980 people directly benefitted from project activities. This was 35% more than the target of 1,030,000 beneficiaries. Of these, 694,000 (50%) beneficiaries were females as targeted.
- About 7,300 titles were either issued or dispatched to counties for onward distribution when the project closed. According to the clarifications provided by the team, an additional 10,600 titles are with the Ministry of Lands for printing. The team further clarified that the remaining 7,000 titles are expected to be prepared by November 2020.

While there were a variety of targets altered during restructuring, particularly with regards the land tenure component, IEG acknowledges that achievements were still significant and the alterations diminish only marginally from the overall impact of the project on the livelihoods of those in the informal settlements. Thus, overall Efficacy is rated as Substantial.

Rating

Substantial

OVERALL EFFICACY

Rationale

Considerable progress was made to improve the livelihoods of those in informal settlements. Thus, efficacy is rated Substantial.

Overall Efficacy Rating

Substantial

5. Efficiency



Economic analysis. The PAD, paragraph 64) notes that as the project was designed as a framework project (the interventions were not known in advance), economic analysis was not conducted at appraisal. A cost-benefit analysis was conducted at closure, for activities associated with infrastructure investments. These activities accounted for 76% of the actual cost. The benefits of road and drainage systems were assumed to come from: (i) travel time and travel cost savings: (ii) reductions in vehicle operating costs: (iii) enhanced access to jobs, markets, health facilities and other services: (iv) reduced number of days lost due to flooding: (v) reduced property damage: and (vi) reduced costs of illness due to exposure to polluted water. The benefits from water and sanitation services investments were assumed to come from: (i) improved health: (ii) value of saved lives: and (iii) value of time saved fetching water. The benefits from floodlight investments were assumed to come from: (i) increased safety: (ii) reduced road accidents: and (iii) increased ability to do business after sunset in informal settlements. The Net Present Value (NPV) of roads and drainage investments at 12% discount rate was US\$152.9 and the Internal Rate of Return (IRR) was 41.4%. The NPV of water and sanitation investments at 12% discount rate was US\$137 and the IRR was 41.2% and the NPV of investments in floodlights at 6% discount rate was US\$97 and the IRR was 30%.

Other cost considerations. The project was extended twice for a total of 41 months. The per capita investment reduced from the expected US\$157 (\$110.0 million/700,000 beneficiaries) at appraisal, to an actual US\$115 (US\$160.3 million/1,389,980 beneficiaries), indicating that the potential negative impact of project extension was to an extent offset by additional outcomes.

Other efficiency considerations. In response to the COVID-19 pandemic, the government developed emergency measures in informal settlements. Between April 19, 2020, and June 2020, the government implemented Phase IA of the labor-intensive National Hygienic Program (NHP) in informal settlements, after making necessary adjustments to accommodate COVID-19 response activities (discussed in section 10a). 26,148 jobs were created in 27 settlements across eight counties constricted by restricted movements. The wages were financed by the AFD funds.

Administrative and Operational issues. Following the changes in government after the elections on March 4, 2013, functions, staff and responsibilities of the new ministries and county level agencies were unclear. These changes meant that the project could not formally decentralize to counties at closure, as envisioned at design. The weak implementation capacity and inadequate staffing of the Project Coordination team (PCT), contributed to delays in the initial years. These were rectified and implementation accelerated in the latter years. The activity associated with issuing land titles was delayed, due to delays in preparing the Resettlement Action Plans (RAPs). During the October 2018 mission, the Bank team learned that six fatalities had occurred between 2015 and 2018 that had not been reported by the Project Coordination Team (PCT) at that time to the project high-level management and the Bank. At the time of preparing the ICR, one fatality case was resolved, three of the fatality cases were in court, one with the insurance company and one in dialogue with the contractor. According to the team, the Bank was working with the government to resolve the pending cases to date.

In sum, although there were operational issues during implementation, efficiency is rated as substantial, in view of the economic justification for the project,

In sum, although there were administrative shortcomings, efficiency is substantial, in view of the results of the economic analysis of the project.

Efficiency Rating



Substantial

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 <input type="checkbox"/> Not Applicable
ICR Estimate	✓	38.00	76.00 <input type="checkbox"/> Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

The relevance of the PDO to the government and the Bank strategy is Substantial. Both Efficacy and Efficiency are rated Substantial.

Thus, the overall Outcome rating is Satisfactory.

a. Outcome Rating

Satisfactory

7. Risk to Development Outcome

Institutional risk. There is institutional risk, given that most counties had not taken responsibility for Operation and Maintenance (O&M) of the infrastructure established under the project.

Financial risk. The ICR (paragraph 94) notes that despite the upgrading of key infrastructure, the uptake of water and sewer connections by beneficiaries has not been to the extent envisioned at design, due to factors such as: existing bills (or arrears) from previous connections, standing charges (minimum monthly charges regardless of consumption) and water rationing. It is also not clear whether some counties could afford the electricity bills of high mast lights.

Technical risk. The ICR (paragraph 93) notes that there was discharge of wastewater into the drains, raising the possibility of flooding.



8. Assessment of Bank Performance

a. Quality-at-Entry

The project was prepared in collaboration with donors (AFD and SIDA), providing co financing. The implementation arrangements were appropriate, with the Project Coordination Team (PCT) in the MoH responsible for national level implementation, and the PCTs at the counties responsible for local implementation. Several risks were identified at appraisal, including risks associated with inadequate experience of the MoH with Bank projects. Mitigation measures, included capacity building of staff and recruiting an independent consultant engineer to supervise implementation (PAD, paragraphs 24 and 25). Even with mitigation measures, the overall risk was rated as High at appraisal (PAD, page 26). Appropriate arrangements were made at appraisal for safeguards and fiduciary compliance (discussed in section 10).

There were modest shortcomings at Quality-at-Entry. The original time frame was unrealistic, given that infrastructure activities in settlements required community participation and infrastructure works could only commence three years after project effectiveness. This necessitated extension of the closing date. Although the risk associated with the weak implementation capacity was recognized at preparation, the mitigation measures (such as the capacity building of the implementing agency) were inadequate, and this contributed to delays in the early years of implementation. Having noted this shortcoming, the combination of interventions and activities were pitched well to the development challenge and the team was in a position to act on these.

Quality-at-Entry Rating Satisfactory

b. Quality of supervision

Seventeen missions were held during the implementation period of nearly eight and half years. The ICR (paragraph 87) notes that each supervision team was accompanied by a Lead Specialist to provide strategic advice. The Bank engaged additional specialists to help in addressing issues (for instance, the road failure in one county). The continuity of leadership was more or less maintained. Although there were five Task Team Leaders (TTLs) over the project lifetime, three of these changes were in the first three years of implementation, and most of the supervision was done under two TTLs based in the region for the rest of the project period. The continuity of leadership and location of the most task team members in the field aided in close engagement with county governments. The Bank proactively worked with the team in addressing safeguards challenges and preparing emergency response to the COVID -19 response activities. The Mid-Term Review (MTR) held on May 19, 2014, provided an assessment of progress, identified implementation challenges and recommended measures for addressing them.

Overall Bank performance is rated as Satisfactory.

Quality of Supervision Rating Satisfactory



Overall Bank Performance Rating

Satisfactory

9. M&E Design, Implementation, & Utilization

a. M&E Design

The project's results framework was realistic and the key outcome indicators - the number of people with access to all season roads and access to improved drainage, the number of people with secure tenures and the number of direct beneficiaries (including women beneficiaries), were straightforward and measurable, and the targets set at design, were for the most part, reasonable.

The PCU at the central level and the PCTs at the sub national level, were responsible for data collection through surveys at the national and subnational levels (PAD, paragraph 59). The M&E design envisioned collecting gender-disaggregated data on living conditions in informal settlements through surveys.

b. M&E Implementation

The county level teams were responsible for providing county level data to the national Project Coordination Unit (PCU). Regular site visits and inspections were held by the Bank team for monitoring data collection. The ICR (paragraph 72) notes that counting became more refined and accurate as implementation progressed. The quarterly reports shared with the Bank were consistent with the independent beneficiary assessment and the Bank's validation and verification exercises. At completion, the M&E team provided verifiable project data disaggregated by settlement and type of infrastructure. The surveys once before the project commenced and once at completion were conducted as envisioned at design.

c. M&E Utilization

The M&E framework was used for monitoring project performance. It was also used for: (i) briefing ministerial policy makers and heads of government departments: (ii) designing Ministerial Performance Contracting regimes: and (iii) reporting under the Presidential Delivery Unit and the electronic Project Monitoring Information System. (ICR, paragraph 73). It is not clear if the M&E was used as a basis for reallocating the budget or of policies impacting on the project.

M&E Quality Rating

Substantial

10. Other Issues



a. Safeguards

The project was classified as a Category B (partial assessment) project under World Bank safeguard policies. Three safeguard policies were triggered at appraisal: Environmental Assessment (OP/BP 4.01): Cultural Property (OP/BP 4.11): and Involuntary Resettlement (OP/BP 4.12) (PAD, page 30).

Environmental Assessment and Cultural Property. An Environmental and Social Management Framework (ESMF) was prepared at appraisal to address environmental issues. As part of the ESMF, procedures were developed to address cultural property issues (PAD, paragraph 79). The ICR (paragraph 57) notes that the ESMF was amended to accommodate COVID - 19 response activities (such as through providing protective equipment, sanitation facilities and ensuring social distancing).

The ICR (paragraph 76) notes that Environmental and Social Impact Assessments prepared across project counties, were approved by the National Environmental Management Agency (NEMA). The ICR (paragraph 80) notes that although the performance of the PCT was uneven in the initial years, it improved in the latter years. However at project closing, many of the drainage networks built by the project were clogged by solid waste and wastewater, as residents had yet to work out a mechanism to collect solid waste to maintain the upgraded infrastructure. As indicated in section five above, there were five fatality cases, which took place between 2015 and 2018. An Action Plan was subsequently developed and implemented. As of project closing, one fatality case was resolved, three of the fatality cases were in court, one with the insurance company and one still in dialogue with the contractor. The ICR (paragraph 78) notes that the PCT is committed to resolving these pending cases by enforcing the contract obligations until the affected families are compensated. The ICR does not report any cultural property issues.

Involuntary Resettlement. Since the sub-national level sub projects were to be identified based on demand, a Resettlement Policy Framework (RPF) was prepared at appraisal to address issues pertaining to compensation for land acquisition and loss of assets of project affected people (PAD, paragraph 80). According to the ICR (paragraph 79), there were about 30,000 Project Affected Persons (PAPs) under component three activities and about 18,000 PAPs under component two activities. Excepting for three settlements where alternative land was required for resettling 82 households, all displacement was within the settlement. In three settlements where alternative land was required, alternative land had been identified and resettlement of PAPs was ongoing when the project closed. According to the team, the resettlement activities were to be completed by the end of November 2020.

b. Fiduciary Compliance

Financial management. An assessment of the MoH and of the sub-national level agencies was conducted at appraisal. The financial management risk was rated as substantial at appraisal and an action plan was prepared to address financial issues (PAD, paragraph 68). There was compliance with financial management guidelines (ICR, paragraph 84). The quarterly financial reports and annual audit reports were submitted in a timely fashion and audits were unqualified.

Procurement. A procurement assessment conducted at appraisal, concluded that the procurement risk was substantial, due to the lack of experience of the MoH and the sub national agencies with Bank procedures. The ICR (paragraph 83) notes that there were cases of unsatisfactory performance of



supervision consultants, leading to delays in the completion of the works contracts during implementation. These were eventually resolved and the team clarified that there were no cases of mis procurement.

c. Unintended impacts (Positive or Negative)

There were some unintended negative impacts. In some settlements, the improved drainage financed under the project, affected people living downstream due to flooding. Further, demand for housing in upgraded settlements triggered increase in house rents. The beneficiary survey conducted for the project indicated that, informal settlement beneficiaries were edged out of the rented houses due to the unaffordability of rents.

d. Other

11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Satisfactory	Satisfactory	
Bank Performance	Satisfactory	Satisfactory	
Quality of M&E	Substantial	Substantial	
Quality of ICR	---	Substantial	

12. Lessons

The ICR draws the following three main lessons from the experience of implementing this project, with some adaptation of language.

1. Design for informal settlements projects needs to be flexible for accommodating the tenure regularization process. In this project, many informal resettlements did not allow the project interventions to conform to conventional planning standards without displacement. Flexible standards had to be adopted to minimize displacement. Such flexibility should be captured in the country's planning instruments, such as establishing Special Planning Area (SPA) which allow for flexible standards.

2. Planning for post-construction maintenance of infrastructure needs to be addressed prior to interventions. In this project, provisions for adequate maintenance of infrastructure were identified as an ongoing issue during supervision. The lesson is that discussions on the cost of operating and maintaining infrastructure and services need to take place during project preparation,



in order to establish clear institutional arrangements for operation and maintenance of the rehabilitated infrastructure assets.

3. A realistic time frame is required that is line with the scope of project activities. Infrastructure investments in this project could only commence after community engagement. The original time frame was unrealistic, given the time required for commencing infrastructure activities based on community participation.

13. Assessment Recommended?

Yes

Please Explain

This project was the second of three projects focused on informal settlements in urban areas in Kenya. As noted in the beneficiary survey, some of the project activities affected settlements in downstream settlements. Given that informal urban settlements is a growing concern in many countries in Africa and Asia, it would be useful to incorporate this lesson, and other lessons from this project in an assessment comparing the experience of similar projects in other countries.

14. Comments on Quality of ICR

The ICR is well-written and provides a candid analysis of the problems encountered in the tenure regularization process. The theory of change presented in the ICR helps the reader to understand how the ratings have been achieved. The information provided in the Borrower ICR (Annex 6) contains useful information. The ICR is consistent with the guidelines and draws useful lessons from the experience of implementing this project.

One minor problem is the length of the ICR. The main text of the ICR at 25 pages is ten pages more than the recommended length of 15 pages. The ICR would have benefitted from better editing and eschewing repetitions throughout the text.

a. Quality of ICR Rating Substantial

