

# World Bank pulls funding for Uganda transport project

WASHINGTON: The World Bank on Monday, 21 December cancelled funding for a Uganda transport initiative, citing environmental concerns and allegations of sexual misconduct by contractors working on the project.



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The cancellation, a rarity for the development bank, came after an early review of the Uganda Transport Sector Development Project uncovered numerous problems, the bank said.

"The multiple failures we've seen in this project - on the part of the World Bank, the government of Uganda, and a government contractor - are unacceptable," said World Bank President Jim Yong Kim.

"It is our obligation to properly supervise all investment projects to ensure that the poor and vulnerable are protected in our work. In this case, we did not."

The bank took action following complaints received by an independent board.

Communities in western Uganda had complained of negative environmental and social impacts from the project's construction, including worrisome impacts on road safety.

The complaint also outlined "serious allegations of road workers' sexual relations with minor girls in the community, and

sexual harassment of female employees," the World Bank said.

The World Bank said it suspended financing of the project in late October and cancelled it on 17 December after the Uganda government and the government contractor failed to take corrective steps.

The project, which aimed to improve Uganda's road network and road management system, was seen rising to maximum funding of \$265m.

In addition to cancelling the project, the World Bank said it would review other World Bank programs in Uganda and other countries to make "needed improvements".

Cancelling projects is rare for the World Bank. A bank spokesperson said that the bank ended a \$1.2bn bridge project in Bangladesh in 2012 following accusations of corruption.

The World Bank in February 2014 suspended a \$90m loan to Uganda following the African country's enactment of a harsh anti-gay law.

*Source: AFP*

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