



Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 01-Nov-2023 | Report No: PID066



BASIC INFORMATION

A. Basic Project Data

Project Beneficiary(ies) Central African Republic	Operation ID P179211	Operation Name Social Safety Nets and Skills Development for Resilience Project	
Region WESTERN AND CENTRAL AFRICA	Estimated Appraisal Date 05-Feb-2024	Estimated Approval Date 09-Sep-2024	Practice Area (Lead) Social Protection & Jobs
Financing Instrument Investment Project Financing (IPF)	Borrower(s) Central African Republic	Implementing Agency Ministry of Humanitarian Action, Solidarity and National Reconciliation	

Proposed Development Objective(s)

The objective of the project is to: (a) expand access to social safety nets, skills and income-generating opportunities for targeted poor and vulnerable households; and (b) establish a unified social registry.

PROJECT FINANCING DATA (US\$, Millions)

Maximizing Finance for Development

Is this an MFD-Enabling Project (MFD-EP)? No

Is this project Private Capital Enabling (PCE)? No

SUMMARY

Total Operation Cost	30.00
Total Financing	30.00
of which IBRD/IDA	30.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	30.00
IDA Grant	30.00



Environmental and Social Risk Classification

Substantial

Concept Review Decision

The review did authorize the preparation to continue

Other Decision (as needed)

B. Introduction and Context

Country Context

- 1. The Central African Republic (CAR) is one of the poorest and most fragile countries in the world.** While the country possesses significant agricultural potential and is rich in minerals and forests, this is yet to translate into equitable growth and poverty reduction. Poverty is extremely high, with around 70 percent of the population living on less than US\$1.90 per day.¹ Cyclical violence over the past forty years has severely hampered development. Between 2018 and 2021, almost 90 percent of the population lived in a household that had experienced a shock, with armed conflicts being the predominant factor (54 percent), followed by health (48 percent), household income (38 percent), food prices (27 percent) and climate (27 percent). Given the high rates of vulnerability and shocks, stresses, and uncertainty being so common, even non-poor Central African households could soon find themselves below the poverty line. In addition, CAR ranked 120 out of 121 countries on the Global Hunger Index.
- 2. Access to basic services such as clean water/sanitation, health care and education are among the lowest in the Central African Economic and Monetary Community (CEMAC²) and the world.** Only 59 percent of the population have access to safe drinking water, and only 20 percent of the population has access to essential health services. As a result, CAR has one of the highest maternal, infant and child mortality rates in the world.³ In addition, 21.5 percent of children under 5 years are underweight and 39.8 percent are stunted. Also, education outcomes are low (only 4.7 percent of 7 to 14 year-olds have foundational reading skills).⁴ Consequently, CAR scores only 0.29 on the 2020 Human Capital Index, meaning that a child born in CAR will only be 29 percent as productive when she grows up as she could be if she enjoyed complete education and full health.
- 3. CAR is highly vulnerable to climate change but has extremely low levels of readiness, making it the second-most climate vulnerable country in the world⁵.** Extreme temperatures and longer-lasting heat waves are expected to occur more frequently and coincide with the planting season, negatively impacting crops as agriculture is mostly rainfed, further exacerbating food insecurity. It also impacts people's livelihoods as 72 percent of the country's population works in the agricultural sector. Risk of flooding is also expected to increase, putting 60 percent of the

¹ Around 70 percent of the population lives on less than US\$1.90 per day; Poverty Assessment, World Bank, 2021, draft

² CEMAC countries include Cameroon, Chad, the Central African Republic, Equatorial Guinea, Gabon, and the Republic of Congo

³ World Bank, World Development Indicators 2021. Central African Republic Country Profile. <https://data.worldbank.org/country/central-african-republic>

⁴ ICASEES. 2021. *MICS6-RCA Enquête par grappes à indicateurs multiples 2018-2019, Rapport final des résultats de l'enquête*. Bangui, République Centrafricaine : ICASEES, p.334

⁵ It ranks 180 out of 181 countries. The score for CAR indicates that the country has high vulnerability levels and low levels of readiness to adapt to climate change. See <https://gain.nd.edu/our-work/country-index/rankings/>, accessed April 2023.



population at risk by 2050⁶. Low disaster response readiness also increases risks of disease outbreaks (i.e., water-born illnesses) or heat-related illnesses.

4. Gender gaps in human capital, employment opportunities, and gender-based violence (GBV) remain significant. CAR ranks 166 out of 170 countries on the 2021 Gender Inequality Index,⁷ and its fertility rate among adolescent girls aged 15-19 is at 16 percent. Based on the latest available data, only 9.3 percent of girls completed lower secondary school, compared to 15.2 percent of boys, affecting women's ability to actively participate in the labor force. Also, 97.4 percent of women are employed in activities without formal work agreement or safety nets compared to 90.6 percent of men⁸, significantly increasing their vulnerability to losing their livelihoods during shocks. Finally, GBV in CAR has reached alarming levels. In the first half of 2022, 11,732 GBV cases were recorded, surpassing the total cases documented in 2021⁹. The World Bank's *Women, Business, and the Law 2023* report, which measures legal differences between men's and women's access to economic opportunities, assigns CAR a score of 76.9 out of 100.¹⁰

Sectoral and Institutional Context

5. The main response to poverty and vulnerability has been through humanitarian assistance but in recent years investments in safety nets have increased with support from the Bank. The only safety net interventions outside of humanitarian assistance are the Bank-funded Service Delivery and Support to Communities Affected by Displacement Project (PACAD - P161591), and the Londo "Stand-up" Project (P152512). PACAD, which received an additional financing in 2020 to respond to COVID-19 and flood emergencies, successfully delivered: (a) social infrastructure in five urban centers, improving living conditions for over 100,000 people; (b) US\$50 quarterly cash benefits to approximately 48,000 poor and vulnerable households over two years; and (c) accompanying measures to almost 90 percent of cash transfer beneficiaries, which allowed them to provide nutritious meals for their families (91 percent), increase their assets/invest in income-generating activities (73 percent) or enroll/keep their children in school (77 percent). Finally, cash benefits were distributed using 100 percent digital mobile money, the first project to do so in the country. The Londo project provides short term employment opportunities to individuals in selected areas of the country, through labor-intensive public works subprojects.

6. The government has made some progress in recent years in developing a more comprehensive and inclusive social protection system but faces fiscal constraints. In 2016, the government reaffirmed its commitment to social protection¹¹ and in 2017, relaunched the preparation of a national social protection strategy (*Politique nationale de protection sociale - PNPS*). While the completion and adoption of the PNPS has been delayed, it identifies political, social and economic development objectives with an aim to unite the country, reduce the impacts of shocks and promote resilience for its citizens, including the most vulnerable. The government has also taken steps to improve

⁶ By 2050, 60 percent of the population is expected to live in urban areas; with a high urban flooding risk rating, more than half the country's population could be affected in case of flooding.

⁷ UNDP Human Development Reports. "Gender Inequality Index (GII)." <https://hdr.undp.org/data-center/thematic-composite-indices/gender-inequality-index#/indicies/GII>.

⁸ World Bank Gender Data Portal. "Central African Republic." <https://genderdata.worldbank.org/countries/central-african-republic>.

⁹ Statistics of the Gender-based Violence Information Management System (GBVIMS) collected at dedicated services covering only 52 percent of the country's sub-prefectures. See OCHA. "Central African Republic Gender-based Violence: A Surge with Devastating Consequences." <https://reports.unocha.org/en/country/car/card/3wnXz0h5EQ>.

¹⁰ World Bank. 2023. *Women, Business and the Law 2023: Central African Republic*.

<https://wbi.worldbank.org/content/dam/documents/wbi/2023/snapshots/Central-african-republic.pdf>.

¹¹ Through the National Peace and Recovery Consolidation Plan (*Plan de Relèvement et de Consolidation de la Paix pour la République Centrafricaine – RCPA 2016-2021*) under Pillar 2 "Renewing the social contract between the state and the population".



the coordination and efficiency of its social protection programs through the development of the unified social registry (Registre Social Unique – RSU). While concerted inter-ministerial efforts (with support from donors) are underway to develop the RSU, it faces delays due to lack of technical expertise and financial support.

Relationship to CPF

7. **The proposed operation is aligned with the World Bank Country Partnership Framework (CPF) for FY21– 25 (Report No. 150618).** It will support the following strategic objectives: 1.4 – Put in Place Sustainable Safety Nets; and 2.1 – Improve Core Government Functions and Institutions for Effective Service Delivery. In addition, it contributes to Focus Area 1: “Human Capital and Connectivity to Boost Stabilization, Inclusion and Resilience” by complementing ongoing activities of the multisectoral Human Capital Project¹². It also supports the 2021-2025 AFW strategic framework¹³ on three main goals (stronger human capital, more climate resilience, and a new social contract), and is in line with the Green, Resilient, and Inclusive Development (GRID) approach to build the foundation for a strong and durable recovery in a world transformed by the pandemic. Finally, the project is aligned with: (a) the country’s low-carbon emission development goals to improve living conditions and the environment in which people live; and (b) improving the resilience of communities and ecosystems by 2030 in the socio-economic sectors most vulnerable to the adverse effects of climate change.

C. Proposed Development Objective(s)

8. The proposed **project development objective** is to: (a) expand access to social safety nets, skills and income-generating opportunities for targeted poor and vulnerable households; and (b) establish a unified social registry.

Key Results (From PCN)

- Beneficiaries of safety nets programs (number), of which female (percentage), and people with disability (percentage)
- Beneficiaries of the project who have initiated an income generating activity or are self-employed due to project interventions (percentage), of which female (percentage) and people with disability (percentage).
- Beneficiaries of the project who have acquired new skills (number), of which female (percentage) and people with disability (percentage).
- Unified Social Registry functional (Y/N)
- Beneficiaries satisfied with project interventions, of which female (percentage) and people with disability (percentage)

D. Concept Description

9. **The proposed project builds on the government’s renewed commitment to restore its social contract and apply successes/lessons learnt under PACAD.** To this end, the government aims to strengthen the social safety nets system and increase access to economic inclusion and skills for youth. It also responds to the government’s aim to support poor and vulnerable populations: (a) meet their basic consumption needs through safety nets interventions, especially cash transfers; and (b) gain access to basic services and restore livelihoods, including after the devastating effects of the successive crises.

¹² i.e., promoting life skills and behaviors that save and improve lives.

¹³ World Bank, 2021, *Supporting a Resilient Recovery, the World Bank Western and Central Africa region priorities*. Available at <https://worldbankgroup.sharepoint.com/sites/AFR/WSAFR/Documents/AFW%20Strategy/AFW%20Strategy%202021%20v27%20Low.pdf>



10. **Component 1 – Expansion of social safety nets and accompanying measures to households in targeted areas.** The component will support targeted households meet their basic needs, build and protect human capital, and build resilience. Activities under this component would be developed in a way that would allow for rapid scale-up or expansion as more resources become available. Two mutually reinforcing sub-components are being proposed: (i) Cash transfers to the poorest households; and (ii) accompanying measures and links to other services.

11. **Component 2 – Economic inclusion and skills development for resilience.** This component aims to support livelihoods, as well as acquisition and development of skills to build resilience among beneficiaries of component 1. Households with youth (especially girls), persons with disability, minorities, displaced persons and those who are out of school (among others) will be prioritized in this component. Support will be in the form of functional literacy and numeracy, micro-entrepreneurship training for income generating activities, life skills, etc. In addition, the possibility of offering short-term vocational training opportunities to youth will be explored to enhance their chances of employment or business development.

12. **Component 3 – Social safety nets systems strengthening:** This component will strengthen the social safety nets delivery system by supporting: (a) the establishment of the RSU; (b) the development of a payment platform for safety net programs, and (c) the establishment of a mechanism for response to shock, using the social registry.

13. **Component 4 – Capacity building and project management, monitoring and evaluation:** The objective of this component is to develop the capacities of the government’s implementing agency and institutions involved in the delivery of the project, as well as ensuring adequate management, monitoring and evaluation of project results.

Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Area OP 7.60	No

Summary of Screening of Environmental and Social Risks and Impacts

14. At this stage of project preparation, **the environmental risk is judged moderate.** The project will not finance civil engineering works that are likely to entail risks and/or negative impacts on the environment. CAR, however, has some protected and sensitive areas. Should the project be implemented in these areas, there might be negative aspects on the environment. Under component 2, income generating activities as well as support to vocational training for youths are foreseen in order to facilitate entry into the labor market. Depending on what the income generating activities and the vocational training will entail, there might be negative effects on the environment. These risks will be assessed once the vocational training activities have been further developed. **The social risk rating is considered substantial** at this stage of project preparation. The project will deliver benefits to the poorest households and increase access to skills development for youth and other vulnerable groups, that will benefit both the communities (through the multiplier effects of cash transfers) and the households. It will also provide a favorable environment for the expansion of cash transfer programs, the empowerment of individuals and the building of resilience in communities in the project areas. The project’s identified social risks and impacts, such as exclusion of



marginalized groups are mostly predictable and reversible, and there are proven mitigation measures that will be used to preclude and manage these risks, particularly during project preparation. The social risk classification might be reconsidered during the assessment of the project.

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APPROVAL

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