



Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 20-Nov-2023 | Report No: PIDA36762

**BASIC INFORMATION****A. Basic Project Data**

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|---|--|--|---------------------------------------|
| Country Myanmar | Project ID P181413 | Project Name Myanmar Community Support Project Additional Financing | Parent Project ID (if any) P179066 |
| Parent Project Name Myanmar Community Support Project | Region EAST ASIA AND PACIFIC | Estimated Appraisal Date 10-Nov-2023 | Estimated Board Date 19-Dec-2023 |
| Practice Area (Lead) Social Sustainability and Inclusion | Financing Instrument Investment Project Financing | Borrower(s) World Food Programme (WFP), International Committee of the Red Cross (ICRC) | Implementing Agency WFP, ICRC |

Proposed Development Objective(s) Parent

To improve food security and livelihoods of vulnerable populations in selected areas of Myanmar

Components

Protect Human Capital
Improve Nutrition of Vulnerable Groups
Support Sustainable Livelihoods
Ensure Access to Basic Services

PROJECT FINANCING DATA (US\$, Millions)**SUMMARY**

| | |
|--------------------|------|
| Total Project Cost | 9.20 |
| Total Financing | 9.20 |
| of which IBRD/IDA | 0.00 |
| Financing Gap | 0.00 |

DETAILS**Non-World Bank Group Financing**



| | |
|-------------------------------|------|
| Trust Funds | 9.20 |
| Myanmar Strategic Partnership | 9.20 |

Environmental and Social Risk Classification

Substantial

Other Decision (as needed)

B. Introduction and Context

Country Context

The Myanmar Community Support Project (MCSP) was approved by the World Bank on April 26, 2023 and became effective on May 2, 2023. At the time of appraisal, Myanmar was experiencing a devastating economic, political, and social crisis as result of COVID-19 and the military takeover of February 2021. In 2022, the economy was estimated to be 30 percent smaller than it would have been without COVID-19 and the takeover. The share of Myanmar's population below the national poverty line was estimated at 40 percent and is estimated to have risen further to half of the population in 2023.¹ Vulnerable households were facing increasing debt and were resorting to negative coping strategies, including reduced food consumption and sale of assets. Joint assessments by WFP, FAO, and UNICEF estimated that a total of 15.2 million, or 28 percent of the population, were either severely or moderately food insecure, of which 1.2 million were severely food insecure and that the situation was likely to deteriorate over the course of 2023.² Conflict has escalated sharply since the military takeover spreading across the country. As of 30 October 2023, approximately 1.68 million people have been displaced due to clashes and insecurity since the takeover, and there were more than 1.99 million internally displaced persons (IDPs) in Myanmar.³

The MCSP is designed as an emergency response to the deteriorating humanitarian situation in-country. The project development objective (PDO) is to improve the food security and livelihoods of vulnerable populations in selected areas of Myanmar. The project seeks to support households to meet basic food security and nutritional needs and to reduce negative coping strategies brought on by multiple shocks caused by the current crises. The PDO is to be achieved through four project components: (i) Protect Human Capital; (ii) Improve Nutrition of Vulnerable Groups; (iii) Support Sustainable Livelihoods; and (iv) Ensure Access to Basic Services. Components (i) and (ii) are being implemented by the World Food Program (WFP); components (iii) and (iv) are being implemented by the International Committee of the Red Cross (ICRC).

Project locations. The MCSP supports WFP to implement activities in central and northern Rakhine. ICRC project locations were kept flexible initially to allow for the project to respond to areas with emerging needs and because restrictions on access from the authorities could mean that some areas could not be reached. To date, ICRC has implemented MCSP activities in Kachin, Rakhine, Shan, and Chin states. The MCSP aims to support approximately 316,400 vulnerable and conflict-affected people.

¹ UN OCHA, 2023 Humanitarian Needs Overview Myanmar

² UN OCHA, 2023 Humanitarian Response Plan Myanmar

³ UNHCR, 30 Oct 2023, Myanmar Emergency Overview Map



Sectoral and Institutional Context

Additional financing (AF) is sought to scale-up the MCSP. The humanitarian situation in Myanmar remains dire in much of the country. The needs have further increased in parts of the country due to the devastating impacts of Cyclone Mocha of May 2023. The cyclone affected an estimated 1.6 million people⁴ and caused widespread and significant damages to infrastructure including health facilities, schools, communication networks, transportation systems and agriculture, estimated at US\$ 2.24 billion (3.4 percent of Myanmar's GDP in 2021). The impacts on people's lives are significant with 262,954 houses, 3,057 religious buildings, 1,892 schools, and 44 medical facilities damaged. Five states or regions—Rakhine, Chin, Sagaing, Magway, and Mandalay—were affected, with over 80 percent of damages occurring in Rakhine State and Sagaing.⁵ Many project locations have been affected and the responses by ICRC and WFP were facilitated by having the MCSP in place at the time. Access to basic services and food insecurity are expected to worsen due to the damages to crops and infrastructure, potentially aggravating existing tensions between different ethnic groups over access to basic resources.

Conflict has continued at high levels with widespread impacts and significantly escalated in early November 2023. As of mid-November 2023, around 2.2 million people are displaced across the country due to insecurity and violence, an increase of 200,000 since October 30, 2023.⁶ There are 76,923 civilian properties that have been burnt or destroyed since the takeover as of October 31, 2023,⁷ and martial law is in place in 55 townships as of November 12, 2023. There are approximately 1.3 million refugees and asylum-seekers from Myanmar in neighboring countries including 965,467 Rohingya refugees in Bangladesh,⁸ while 630,000 Rohingya remain in Myanmar, mostly in Rakhine State, and face long-standing difficulties including a lack of basic rights and freedom of movement.⁹ A year-long ceasefire between the Arakan Army and the Myanmar military was broken by the AA in mid-November 2023.¹⁰

Donor contributions of additional funds to the Myanmar Strategic Partnership Trust Fund provide an opportunity for MCSP scale-up to address these continuing and additional needs and to enhance the MCSP's humanitarian and development impact.

C. Proposed Development Objective(s)

Original PDO

To improve food security and livelihoods of vulnerable populations in selected areas of Myanmar.

Current PDO

⁴ Relief Web, International Federation of Red Cross and Red Crescent Societies, Cyclone Mocha Operation Update, June 23, 2023.

⁵ Global Rapid Post-Disaster Damage Estimation (GRADE) Report, World Bank, Myanmar, June 29, 2023.

⁶ Data from: UNHCR, 30 Oct 2023, Myanmar Emergency Overview Map. UN OCHA, 14 Nov 2023, Myanmar: Intensification of clashes. Flash Update #4.

⁷ Latest available from Data for Myanmar, the organization maintaining best up-to-date data on arson, etc. Webpage currently down. See <https://www.facebook.com/data4myanmar?mibextid=ZbWKwL>

⁸ UNHCR, September 30, 2023.

⁹ UNHCR, June 2023.

¹⁰ UN OCHA, 14 Nov 2023, Myanmar: Intensification of clashes. Flash Update #4.



To improve food security and livelihoods of vulnerable populations in selected areas of Myanmar. (There is no change from the original PDO.)

Key Results

The indicators in the original Results Framework will remain unchanged but some target values will be updated to reflect expanded AF coverage. The AF will target 192,500 additional beneficiaries, bringing the total number of MCSP beneficiaries to 508,900. Further details of the updated project results targets are available in the Project Paper and its Results Framework (RF).

D. Project Description

Project design, including components, activities, and implementation agencies, under the Additional Financing will remain the same as for MCSP.

Component 1: Protect Human Capital. Implemented by WFP, this component with AF will continue to provide emergency food assistance in Rakhine State to targeted vulnerable populations. Flexibility to provide support in cash or in-kind will be retained. While WFP typically aims to provide cash, at times providing food is a more viable solution due to market conditions. WFP conducts regular market assessments to determine the value of cash assistance per person. The current projected value of monthly support provided to each beneficiary is MMK40,000, or approximately US\$15 per month.

Component 2: Improve Nutrition of Vulnerable Groups. Implemented by WFP, this component will continue to support WFP's Blanket Supplementary Feeding Program (BSFP), targeting pregnant and lactating women and girls, and children under 5 years of age. It will continue to support BSFP nutrition interventions including provision of specialized nutritious foods, growth monitoring of infants and children, counselling and cooking demonstrations, and referrals. The component would continue to target BSFP activities in Rakhine State.

Component 3: Support Sustainable Livelihoods. Implemented by ICRC, Component 3 finances the provision of several types of basic livelihoods support to reduce negative coping strategies by displaced and conflict-affected populations. This includes: (i) unconditional cash transfers to assist households in recovering from the loss of livelihoods due to displacement; (ii) cash-for-work wage transfers to cover the critical needs of vulnerable households and that also help to maintain or repair community infrastructure; and (iii) inputs and technical oversight and assistance to increase household agricultural production to improve food security. With AF, work will be focused on food production (mainly paddy seed and tool distribution), and will continue to target conflict-affected, displaced, and highly vulnerable communities, including those living in the areas most affected by Cyclone Mocha.

Component 4: Ensure Access to Basic Services. Implemented by ICRC, Component 4 finances construction materials, basic equipment, contractor costs, labor, and technical oversight for small-scale infrastructure that supports access to basic services such as water, sanitation, and shelter. Most sub-projects are small in scale (in general ranging in value from US\$500 for individual shelters or latrines to US\$50,000 for medium size water systems or school reconstruction/expansion). With AF, the project will continue to focus on short term/emergency responses, and small-scale community infrastructure projects, (such as repair or extension of schools, reconstruction of embankments, rehabilitation and protection of additional rainwater harvesting ponds, rehabilitation of health facilities damaged by Cyclone Mocha and development of water sources and construction of distribution networks in IDP re-settlements areas).



Legal Operational Policies

| | Triggered? |
|---|------------|
| Projects on International Waterways OP 7.50 | No |
| Projects in Disputed Areas OP 7.60 | No |

Summary of Assessment of Environmental and Social Risks and Impacts

Environmental and Social (E&S) Risk is rated Substantial. Nine of ten E&S standards remain relevant, with risks including: (i) potential exclusion of disadvantaged or vulnerable households and ethnic minorities; (ii) risks of conflict, sexual exploitation or abuse (SEA/SH), occupational health and safety to community members or project workers; (iii) risks to beneficiaries when collecting assistance (security, discrimination, SEA/SH, COVID-19); (iv) food safety from improper storage of food assistance; (v) air, water and soil pollution and occupational health and safety risks associated with construction and renovation activities; (vi) extraction of forest resources; (vii) improper disposal of aid packaging or construction materials; (viii) pesticides or agrochemical risks; and (ix) potential for insufficient stakeholder engagement. Healthcare waste related risks are also possible as renovation of healthcare centers affected by Mocha cyclone may be carried out under the ICRC's AF activities. Mitigation measures as outlined in the E&S risk management instruments (the Environmental and Social Commitment Plan (ESCP), the Stakeholder Engagement Plan (SEP) and the Environmental and Social Management Framework (ESMF)) will be applied. The instruments have been updated to reflect the MCSP-AF, including procedures to manage healthcare waste, reviewed by the Bank, and disclosed prior to appraisal. In general, the institutional capacity and track record of both ICRC and WFP to prevent such risks from materializing is high.

E. Implementation

Institutional and Implementation Arrangements

Project design, including components, activities and implementation agencies, under the Additional Financing will remain the same as for MCSP. WFP and ICRC will continue to use their existing offices, personnel, systems and procedures to implement the AF activities. The current Operations Manuals will be updated to account for the AF scale-up.¹¹ Procurement and financial management arrangements will remain the same, with the systems and procedures of the two implementing agencies being used.¹² The Project Procurement Strategy for Development (PPSD), prepared by WFP and ICRC, have been updated. Procurement plans are also being updated by both Implementing Partners. The existing Environmental and Social Standards documents for MCSP (the Environmental and Social Commitment Plans, Stakeholder Engagement Plans, and Environmental and Social Management Frameworks) have been updated and disclosed and will be applied to the additional financing activities.

¹¹ There are separate Operations Manuals for WFP and ICRC.

¹² ICRC and WFP procedures are acceptable to the World Bank as Alternative Procurement Arrangements (APA) allowed for under Section II of the Procurement Regulations for IPF Borrowers. The use of APA for the MCSP was approved by the World Bank on October 10, 2022, and on October 10, 2023 for AF.



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APPROVAL

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|---------------------------|-------------------|-------------|
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