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Report No: PAD1185

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED GRANT IN THE AMOUNT OF SDR 10.7 MILLION  
(US\$15 MILLION EQUIVALENT)

AND A

PROPOSED SAHEL ADAPTIVE SOCIAL PROTECTION GRANT IN THE AMOUNT OF  
US\$4 MILLION

TO THE

ISLAMIC REPUBLIC OF MAURITANIA

FOR A

SOCIAL SAFETY NET SYSTEM PROJECT

April 23, 2015

*Social Protection and Labor  
Africa Region*

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## CURRENCY EQUIVALENTS

(Exchange Rate Effective February 28, 2015)

Currency Unit = Mauritanian Oughiya (MRO)  
MRO 315.00 = US\$1  
US\$0,7105351 = SDR 1

## FISCAL YEAR

January 1 – December 31

## ABBREVIATIONS AND ACRONYMS

ARMP	Public Procurement Regulatory Authority, <i>Agence de Regulation des Marches Publics</i>
ASP	Adaptive Social Protection Grant
CNCMP	National Commission Control of Public Procurement ( <i>Commission Nationale de Contrôle des Marchés Publics</i> )
CPMSS	<i>Commission de Passation des Marchés des Secteurs de Souveraineté</i>
CPS	Country Partnership Strategy
CP-SNPS	Steering committee for the National Social Protection Strategy, <i>Comité de pilotage de la Stratégie Nationale de Protection Sociale</i>
DA	Designated Account
DFID	Department for International Development
ECD	Early-Childhood Development
ESW	Economic Sector Work
FM	Financial Management
GDP	Gross Domestic Product
GRS	Grievance Redress Service
IBRD	International Bank for Reconstruction and Development
ICB	International Competitive Bidding
IDA	International Development Association
IFR	Interim Financial Report
IT	Information Technology
JSDF	Japanese Social Development Fund
KG	Kilograms
LEAP	Learning for Equality, Access and Peace
M&E	Monitoring and Evaluation
MAED	Ministry of Economic Affairs and Development, <i>Ministère des Affaires économiques et du Développement</i>
MASEF	Ministry of Social Affairs, of the Child and of the Family, <i>Ministère des affaires Sociales de l'Enfance et de la Famille</i>
MDG	Millennium Development Goals
MDTF	Multi Donor Trust Fund

MIS	Management Information System
MRO	Mauritanian Oughiya
NCB	National Competitive Bidding
NGO	Non-Governmental Organization
NLTA	Non-Lending Technical Assistance
PA	Project Account
PDO	Project development Objectives
PIE	Project Implementing Entity
PMT	Proxy Means Test
PPR	Post Procurement Reviews
PRS	Poverty Reduction Strategy
PSCBP	Public Sector Capacity Building Project
RBF	Results Based Financing
RFP	Request for Proposal
SBD	Standard Bidding Documents
SNPS	National Social Protection Strategy, <i>Stratégie Nationale de Protection Sociale</i>
SORT	Systematic Operations Risk- Rating Tool
SR	Social Registry
SSN	Social Safety Nets
SSS	Single Source Selection
STP	Social Transfer Program
TA	Technical Assistance
TOR	Terms of Reference
UNDB	United Nations Development Business online
UNICEF	United Nations Children's Fund
WB	World Bank

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Task Team Leader:	Aline Coudouel



# MAURITANIA SOCIAL SAFETY NET SYSTEM

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**PAD DATA SHEET**  
*Mauritania*  
*Social Safety Net System (P150430)*  
**PROJECT APPRAISAL DOCUMENT**  
*AFRICA*

Report No.: PAD1185

Basic Information			
Project ID P150430	EA Category C - Not Required	Team Leader(s) Aline Coudouel	
Lending Instrument Investment Project Financing	Fragile and/or Capacity Constraints [ ]		
	Financial Intermediaries [ ]		
	Series of Projects [ ]		
Project Implementation Start Date 14-May-2015	Project Implementation End Date 30-Jun-2020		
Expected Effectiveness Date 01-Sep-2015	Expected Closing Date 31-Oct-2020		
Joint IFC No			
Practice Manager/Manager Stefano Paternostro	Senior Global Practice Director Arup Banerji	Country Director Vera Songwe	Regional Vice President Makhtar Diop
Borrower: ISLAMIC REPUBLIC OF MAURITANIA			
Responsible Agency: AGENCE TADAMOUN			
Contact:	Mohamedou Ould Ahmedou	Title:	Coordinateur Programme
Telephone No.:	22236301926	Email:	arram2001@yahoo.fr
Project Financing Data(in USD Million)			
[ ] Loan	[ X ] IDA Grant	[ ] Guarantee	
[ ] Credit	[ X ] Grant	[ ] Other	
Total Project Cost:	29.00	Total Bank Financing:	15.00
Financing Gap:	0.00		

<b>Financing Source</b>		<b>Amount</b>				
BORROWER/RECIPIENT		10.00				
IDA Grant		15.00				
Free-standing TFs AFR Human Development		4.00				
Total		29.00				
<b>Expected Disbursements (in USD Million)</b>						
Fiscal Year	2016	2017	2018	2019	2020	2021
Annual	2.00	2.00	3.00	4.00	4.00	0.00
Cumulative	2.00	4.00	7.00	11.00	15.00	15.00
<b>Institutional Data</b>						
<b>Practice Area (Lead)</b>						
Social Protection & Labor						
<b>Contributing Practice Areas</b>						
<b>Cross Cutting Topics</b>						
[ ] Climate Change						
[ ] Fragile, Conflict & Violence						
[ ] Gender						
[ ] Jobs						
[ ] Public Private Partnership						
<b>Sectors / Climate Change</b>						
Sector (Maximum 5 and total % must equal 100)						
Major Sector	Sector	%	Adaptation Co-benefits %	Mitigation Co-benefits %		
Health and other social services	Other social services	100				
Total		100				
<input checked="" type="checkbox"/> I certify that there is no Adaptation and Mitigation Climate Change Co-benefits information applicable to this project.						



<b>Themes</b>		
Theme (Maximum 5 and total % must equal 100)		
Major theme	Theme	%
Social protection and risk management	Social Safety Nets/Social Assistance & Social Care Services	100
Total		100
<b>Proposed Development Objective(s)</b>		
The objectives of the proposed Project are to support the establishment of key building blocks of the national social safety net system and to provide targeted cash transfers to extreme poor households.		
<b>Components</b>		
<b>Component Name</b>	<b>Cost (USD Millions)</b>	
Support to National Social Safety Net System	4.00 (of which IDA: US\$2.0 million)	
Support to Social Transfer Program	23.00 (of which IDA: US\$12.0 million)	
Project Management	2.00 (of which IDA: US\$1.0 million)	
<b>Systematic Operations Risk- Rating Tool (SORT)</b>		
<b>Risk Category</b>	<b>Rating</b>	
1. Political and Governance	Moderate	
2. Macroeconomic	Moderate	
3. Sector Strategies and Policies	Moderate	
4. Technical Design of Project or Program	Substantial	
5. Institutional Capacity for Implementation and Sustainability	Substantial	
6. Fiduciary	Substantial	
7. Environment and Social	Low	
8. Stakeholders	Low	
9. Other		
<b>OVERALL</b>	Substantial	

<b>Compliance</b>			
<b>Policy</b>			
Does the project depart from the CAS in content or in other significant respects?	Yes [ ]	No [X]	
Does the project require any waivers of Bank policies?	Yes [ ]	No [X]	
Have these been approved by Bank management?	Yes [ ]	No [ ]	
Is approval for any policy waiver sought from the Board?	Yes [ ]	No [ ]	
Does the project meet the Regional criteria for readiness for implementation?	Yes [X]	No [ ]	
<b>Safeguard Policies Triggered by the Project</b>			
	<b>Yes</b>	<b>No</b>	
Environmental Assessment OP/BP 4.01		<b>X</b>	
Natural Habitats OP/BP 4.04		<b>X</b>	
Forests OP/BP 4.36		<b>X</b>	
Pest Management OP 4.09		<b>X</b>	
Physical Cultural Resources OP/BP 4.11		<b>X</b>	
Indigenous Peoples OP/BP 4.10		<b>X</b>	
Involuntary Resettlement OP/BP 4.12		<b>X</b>	
Safety of Dams OP/BP 4.37		<b>X</b>	
Projects on International Waterways OP/BP 7.50		<b>X</b>	
Projects in Disputed Areas OP/BP 7.60		<b>X</b>	
<b>Legal Covenants</b>			
<b>Name</b>	<b>Recurrent</b>	<b>Due Date</b>	<b>Frequency</b>
Project Steering and Monitoring Committee		01-Nov-2015	
<b>Description of Covenant</b>			
<p>The Recipient shall, no later than two (2) months after the Effective Date, establish, and at all times during Project implantation maintain, under the presidency of the General Secretary of the Ministry of Economic Affairs and Development, a Project Steering and Monitoring Committee ('PSMC').</p>			

Name	Recurrent	Due Date	Frequency
Counterpart Funding		01-Nov-2015	
<b>Description of Covenant</b>			
The Recipient shall, not later than two (2) months after the Effective Date, open a separate treasury account or Bank account (Project Account B) and shall maintain the Project Account B open for a period of not less than eight (8) months after the implementation of the project, for the exclusive for depositing funds provided by the Recipient for the financing of the Project (“Counterpart Funding”) in an amount not to exceed ten million United States Dollars (\$10,000,000).			
Name	Recurrent	Due Date	Frequency
Counterpart Funding		01-Nov-2015	
<b>Description of Covenant</b>			
The Recipient shall, not later than two (2) months after the Effective Date, commit to deposit the sum of two million United States Dollars (US\$2,000,000) in Project Account B.			
Name	Recurrent	Due Date	Frequency
Counterpart Funding	X		Yearly
<b>Description of Covenant</b>			
The Recipient shall, no later than September 1 in each year of Project implementation, deposit the sum of two million United States Dollars (US\$2,000,000), in Project Account B, with the final payment deposited no later than October 31, 2019			
Name	Recurrent	Due Date	Frequency
Project Implementing Entity		01-Nov-2015	
<b>Description of Covenant</b>			
The Recipient shall, not later than two (2) months after the Effective Date, cause the PIE to update its existing Accounting Information System.			
Name	Recurrent	Due Date	Frequency
Project Implementing Entity		01-Jan-2016	
<b>Description of Covenant</b>			
The Recipient shall, not later than four (4) months after the Effective date, cause the PIE to recruit an External Auditor with competence and experience satisfactory to the Association.			
<b>Conditions</b>			
Source Of Fund	Name	Type	
IDAT	Subsidiary Agreement	Effectiveness	
<b>Description of Condition</b>			
The Subsidiary Agreement has been executed on behalf of the Recipient and the Project			

Implementing Entity.			
<b>Source Of Fund</b>	<b>Name</b>	<b>Type</b>	
IDAT	Co-financing Agreement	Effectiveness	
<b>Description of Condition</b>			
The Co-financing Agreement has been executed by the parties thereto.			
<b>Source Of Fund</b>	<b>Name</b>	<b>Type</b>	
IDAT	Project Manuals	Effectiveness	
<b>Description of Condition</b>			
The Recipient has adopted and disseminated the Project Manuals.			
<b>Source Of Fund</b>	<b>Name</b>	<b>Type</b>	
AFRH	Subsidiary Agreement	Effectiveness	
<b>Description of Condition</b>			
The Subsidiary Agreement has been executed on behalf of the Recipient and the Project Implementing Entity.			
<b>Source Of Fund</b>	<b>Name</b>	<b>Type</b>	
AFRH	Co-financing Agreement	Effectiveness	
<b>Description of Condition</b>			
The Co-financing Agreement has been executed by the parties thereto.			
<b>Source Of Fund</b>	<b>Name</b>	<b>Type</b>	
AFRH	Project Manuals	Effectiveness	
<b>Description of Condition</b>			
The Recipient has adopted and disseminated the Project Manuals.			
<b>Source Of Fund</b>	<b>Name</b>	<b>Type</b>	
IDAT	Disbursement	Disbursement	
<b>Description of Condition</b>			
Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made: (b) Under Category 1 prior to the recruitment of the Accountant, the Internal Auditor and the Procurement Specialist.			
<b>Team Composition</b>			
<b>Bank Staff</b>			
<b>Name</b>	<b>Role</b>	<b>Title</b>	<b>Unit</b>
Aline Coudouel	Team Leader (ADM Responsible)	Lead Social Protection Specialist	GSPDR
Moustapha Ould El Bechir	Procurement Specialist	Senior Procurement Specialist	GGODR

Fatou Fall Samba	Financial Management Specialist	Financial Management Specialist	GGODR
Hebatalla Elgazzar	Peer Reviewer	Senior Economist, Human Development	GSPDR
Hocine Chalal	Safeguards Specialist	Lead Environmental Specialist	GENDR
Ruslan G. Yemtsov	Peer Reviewer	Lead Economist	GSPDR
Siobhan McInerney-Lankford	Counsel	Senior Counsel	LEGAM
Stefanie Koettl - Brodmann	Peer Reviewer	Senior Economist	GSPDR
Susana Gamez	Team Member	Consultant	GSPDR
Thomas Dickinson	Team Member	E T Consultant	GSPDR
Xavier Huchon	Team Member	Consultant	GSPDR
Zarafshan H. Khawaja	Safeguards Specialist	Lead Social Development Specialist	OPSOR

### Locations

Country	First Administrative Division	Location	Planned	Actual	Comments
Mauritania	Trarza	Wilaya du Trarza	X		
Mauritania	Tiris Zemmour	Tiris Zemmour	X		
Mauritania	Tagant	Tagant	X		
Mauritania	Nouakchott	District de Nouakchott	X		
Mauritania	Inchiri	Inchiri	X		
Mauritania	Hodh el Gharbi	Hodh el Gharbi	X		
Mauritania	Hodh ech Chargui	Hodh ech Chargui	X		
Mauritania	Guidimaka	Guidimaka	X		
Mauritania	Gorgol	Gorgol	X		
Mauritania	Dakhlet Nouadhibou	Dakhlet Nouadhibou	X		
Mauritania	Brakna	Brakna	X		
Mauritania	Assaba	Assaba	X		
Mauritania	Adrar	Adrar	X		

### Consultants (Will be disclosed in the Monthly Operational Summary)

Consultants Required? Consulting services to be determined



## **I. STRATEGIC CONTEXT**

### **A. Country Context**

1. Mauritania has enjoyed strong growth in the years following the global crisis, registering 6.4 percent Gross Domestic Product (GDP) growth in 2014. The Gross National Income per capita (PPP Atlas method) was estimated at US\$1,160 in 2013, thus confirming Mauritania's new status as a lower-middle income country. Growth is bolstered by mining exports, which account for over 80 percent of total exports and a third of the country's revenue. Expansion plans in mineral production are expected to offset - at least partly - the recent slump in international prices for iron ore (Mauritania's main export commodity). More specifically, the effect of the recent price shocks on Mauritania's macroeconomic performance will be mixed: the oil shock will affect the country positively, due to Mauritania being a net importer, while the iron shock coupled with a potential food price shock (due to a shortfall in agricultural production in the aftermath of a pluviometric deficit in some of the most productive areas of the country at the end of 2014) will negatively weigh on the national economy. Nevertheless, the outlook for the medium term remains cautiously optimistic, with an average of 6.4 percent real GDP annual growth between 2015 and 2017. The anticipated expansion in mining output will play the biggest role in maintaining a sound macroeconomic system.

2. Mostly a desert country, Mauritania has undergone a rapid transition from a largely rural and nomadic society towards sedentarization and urbanization. The capital, Nouakchott, has seen the second-highest urban expansion in Africa over the twentieth century, growing by 10.4 percent per year between 1950 and 2010, and now accounts for up to a quarter of the country's population of 3.5 million. The fertile zone along the Senegal River and the border with Mali in the south is the other area of dense population, with the remainder of the country mostly arid and sparsely populated.

3. Despite its strong recent growth, Mauritania faces a number of serious challenges. Because it imports 70 percent of its food and most of its fuel, Mauritania is exposed to international price fluctuations. With its mostly arid Sahelian topography, the country is also particularly vulnerable to climate shocks, to which it is regularly subjected. In 2008, national poverty incidence stood at 42 percent, and was significantly higher in rural areas, where 59 percent of the population was poor. Overall, attainment of the Millennium Development Goals (MDGs) has been varied, but important deficiencies persist, particularly with regard to health-related MDGs. The MDG on extreme poverty seems to be still off track, and the forthcoming household survey (due mid-2015) will shed more light on this.

4. Since 2008, rising international food and fuel prices and droughts have exposed Mauritania's vulnerabilities on the external front, and therefore spurred the Government to put in place countermeasures. In particular, the 2011 drought caused a 75 percent contraction in agricultural production and led Mauritania to invest massively in emergency social safety net programs. As a result, expenditure on safety nets increased to 5.4 percent of GDP (including emergency programs and food and fuel subsidies).

## B. Sectoral and Institutional Context

5. Mauritania ranks 155th out of 187 countries on the 2013 human development index. It has made progress on a number of MDGs, including objectives in basic education, fighting HIV and malaria, and ensuring access to water (Table 1). Mauritania has also made advances on gender equality, particularly by improving access to primary education and establishing minimum quotas on women's political participation. However, the 2015 MDG target on poverty reduction (28.3 percent) is likely beyond reach. If Mauritania were to maintain currently projected growth rates, it could conceivably halve extreme poverty by 2030, but this would require a more inclusive growth model and social safety nets to protect the poor and ensure some redistribution of resources.

**Table 1: Progress on Millennium Development Goal in Mauritania**

Main MDGs	Actual performance		Targets for 2015
	1990	2010	MDGs
<i>1. Eradicate extreme poverty and hunger</i>			
Poverty incidence (%)	56.6	42	28.3
Prevalence of child malnutrition (%)	47.6	39.4	23.5
<i>2. Provide primary education for all</i>			
Gross primary enrollment rate (%)	49.0	73	100.0
Retention rate at the entrance of the 5th grade (%)	73.8	49.3	100.0
<i>3. Promote gender equality and empower women</i>			
Ratio of girls to boys in primary education	0.72	1.02	1.00
<i>4. Reduce child mortality</i>			
Child mortality (per 1,000 live births)	137.0	122	45.0
<i>5. Improve maternal health</i>			
Maternal mortality (per 100,000 live births)	930	686	232
<i>6. Combat HIV/AIDS, malaria, and other diseases</i>			
HIV/AIDS infection rate (%)	0.3	0.6	–
<i>7. Ensure environmental sustainability</i>			
Share of population with access to potable water (%)	37.0	62.0	82.0

Source: Islamic Republic of Mauritania, "Rapport sur les progrès 2010 vers l'atteinte des objectifs du millénaire pour le développement (OMD) en Mauritanie," 2010

### Poverty

6. In 2008, an estimated 59.4 percent of the rural population lived below the poverty line, against 20.8 percent in urban areas. As a result, an estimated 80 percent of Mauritania's poor are rural residents. The four most populated southern Wilayas (Regions) account for 55 percent of total poor in Mauritania. Similarly, the poverty gap and poverty severity are greater in rural areas (22.3 and 11.1 percent respectively) than in urban areas (4.9 and 1.7 percent respectively). Nouakchott accounted for less than 8 percent of the poor in 2008, even though it counts for a third of its population.

7. A little over a quarter (25.9 percent) of Mauritania's population is estimated to live at or below the level of extreme poverty (set at an annual Mauritanian Oughiya (MRO) 96,400 for 2008). Between 2004 and 2008, extreme poverty fell by 3 percentage points, a smaller reduction than the overall fall in poverty registered over the same period. Rural areas again have a higher



level of extreme poverty than urban areas (40.8 percent versus 7.7 percent) and account for 86 percent of the extreme poor.

### **Food insecurity and Malnutrition**

8. Mauritania's vulnerability to environmental shocks and food insecurity exposes many households to transient poverty. In 2007, for example, rising oil and food prices directly affected the food security of about 30 percent of the population; and in 2011, the drought caused significant loss of cattle, with severe wealth and income loss for farmers and the rural economy in general. Food insecurity affects an estimated quarter of Mauritania's population, and while it remains most significant in rural areas, food insecurity seems to also be a growing concern in cities. Chronic malnutrition remains stubbornly high, affecting 40 percent of Mauritania's children. Acute malnutrition is on the rise, affecting about 15.6 percent of children.

### **Health and Education**

9. Health indicators are improving but remain precarious, with discrepancies along economic and geographic lines. In 2001, maternal and child mortality rates were 626 per 100,000 live births and 218 per 1,000 live births, respectively (Multiple Indicator Cluster Survey). Assisted delivery progressed slightly, reaching 60.2 percent in 2008 but it is only 27.4 percent among the poorest quintile versus 92 percent among the wealthiest. Immunization recorded a decline, reaching only 58.4 percent among the poor in 2008 and only 40 percent in some Wilayas. Health outcomes are affected by a weak healthcare system, as well as multiple external factors, including hygiene (safe drinking water, removal of household waste and low awareness of correct behaviors among the population) and food and nutritional insecurity.

10. Progress has been made in education, particularly at the primary level, but significant discrepancies remain between rural and urban areas, across Wilayas, and across economic quintiles. Enrollment drops significantly at the lower secondary level, especially in rural areas. Overall, one child out of two does not complete the basic education cycle. The probability of completing primary school is higher for boys than for girls (42 versus 34 percent). Furthermore, significant issues have been identified in terms of quality.

### **Existing social safety net programs**

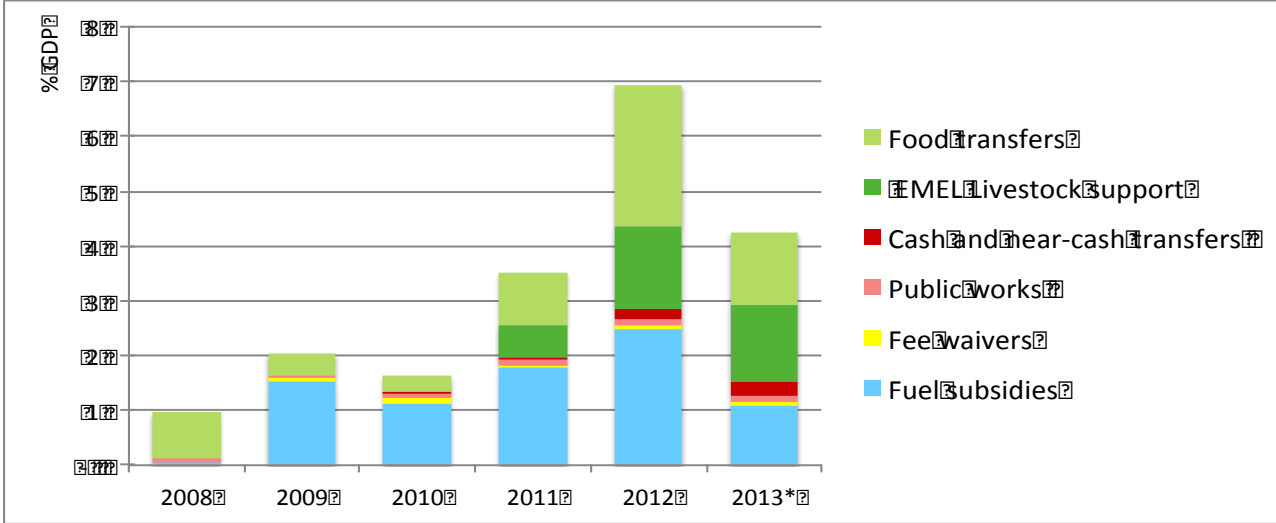
11. As a response to recent shocks, Mauritania has invested massively in emergency responses. Two major programs were implemented: a universal subsidy on fuel products launched in response to the 2008 crisis in world energy prices, and a national emergency program – the *Emel* (Arabic for "Hope") program – in response to the 2010-2011 droughts. The peak in spending was reached in 2012, when spending on social safety nets climbed to 5.4 percent of GDP (18.1 percent of Government spending, including fuel subsidies). Figure 1 shows social safety nets expenditure between 2008 and 2013.

12. The *Emel* program, the largest safety net program, is structured around two components. A 'human' component with emergency food distribution, restocking of cereal banks and the *Boutiques Emel* (a network of over 1,200 shops selling basic food items at subsidized prices).

The *Boutiques* account for 80 percent of total expenditures for this component, and two-thirds of the entire ‘food transfer’ category from 2012 in Figure 1. The second component is a large livestock support program, geared towards the pastoral population which owns animals.

13. A recent review of social safety net programs in Mauritania found that the overwhelming majority of safety net expenditure was divided between subsidies and the Emel program, largely geared towards crisis response and structured around food aid. While Mauritania has a number of other programs that fall under the social safety net classification (for example, donor-supported school feeding and nutrition programs and a few small-scale programs for particular vulnerable groups), such interventions have not received significant increases in funding since 2008. Between 2008 and 2013, food transfers represented, on average, 82 percent of total spending on social safety nets (fuel subsidies excluded). Overall, 90 percent of social safety net spending was connected to crisis response in 2013.

**Figure 1: Social Safety Net expenditure (including Emel livestock support)**



Source: Mauritania SSN Review, World Bank (2014)

14. Mauritania has also recently had experiences with small cash transfer programs. Financed by the European Union, these were designed to respond to crises and promote food security. The limited nature of payments – three payments over the lean season – marks these programs as crisis response. As such, most crisis response programs do not focus on reducing chronic poverty or improving vulnerable households’ resilience, and do not constitute a sufficient social safety net.

15. To meet its long-term poverty reduction goals, the Social Safety net assessment recommends that Mauritania should progressively shift its focus from emergency response to building effective medium- and long-term programs. It should also progressively move away from food-based support to a broader set of instruments, including monetary transfers (except in the few areas of the country where food availability can still be a constraint during lean periods). Finally, to increase the efficiency of its expenditure and its impact on poverty, Mauritania should replace some of its universal programs with targeted interventions.

16. Core elements are in place for this transformational change. Mauritania adopted its National Social Protection Strategy (*Strategie Nationale de Protection Sociale, SNPS*) in 2014 and created an institutional anchoring for its implementation. The strategy offers a long-term vision and roadmap for creating an integrated social protection system. The strategy has five pillars: (a) food security and nutrition, (b) access to health and education, (c) social security and employment, (d) improving the environment, and (e) social assistance and support to vulnerable populations. Also, the country's favorable growth outlook gives it the means to achieve its ambition of providing support to its most vulnerable households.

### **C. Higher Level Objectives to which the Project Contribute**

17. The proposed Project focuses on supporting two key instruments that are critical for this transformation:

- a. The first of these is a Social Registry (SR), which would provide any social program with a mechanism to target the poor and vulnerable in an efficient and transparent way. Building such a registry is complex and costly, but, when used effectively by all targeted programs, it becomes a shared public good which allows the overall system to improve its targeting (and hence its impact) at a lower cost. It also provides a basis for the coordination in the provision of services to poor and vulnerable households, and for better planning of investments where needs or gaps are greater. With the SR, the proposed Project will support a transformative public good, expected to be used by all targeted programs to increase their efficiency and their impact, and fundamentally change the way services are delivered.
- b. The second key element for the proposed transformation is the nation-wide core Social Transfer Program (STP), which targets all extremely poor households in the territory and provides them with basic support in the medium-term, to promote investments in the human capital of the children and women in the household. Building a program on a national scale is a new endeavor in Mauritania, and will help address the issues of fragmentation of numerous small-scale programs experienced so far. By providing reliable support to the poorest in the medium-term, it also provides a basis for other programs to build on regular transfers and help the poorest improve their situation in terms of education, health, nutrition, productive assets, etc.

18. ***National coverage, progressive implementation.*** To play their roles, the SR and the STP will need to have full, national, coverage. However, both are complex in nature and will need to be rolled out progressively. This will allow the testing and fine-tuning of instruments after the first phase, before a progressive scale-up over the entire territory. The proposed Project will focus on providing support for the development of the instruments, tools, methodology and material. Initially, the SR and the STP will be rolled out simultaneously in the areas identified as those with the highest concentration of extreme poverty in Mauritania (the triangle of poverty, '*triangle de la pauvreté*').

19. ***Significant leveraging of resources.*** The proposed Project is expected to leverage significant resources, both from the Government and from other development partners. The

Project itself benefits from the Adaptive Social Protection (ASP) Multi Donor Trust Fund (MDTF) – which promotes innovative social protection programs to promote resilience in six Sahelian countries (Burkina Faso, Chad, Mali, Mauritania, Niger, and Senegal) – to support its innovative approaches to resilience building (US\$4 million). In addition to the funds it has directly allocated to the proposed Project (US\$10 million in counterpart funds), the Government has committed to financing the scaling up of the SR and the STP to reach their target population. Development partners have also expressed their interest in supporting the expansion of both the registry and the programs. Furthermore, key Government institutions and development partners have committed to using the SR to target the beneficiaries of the programs they support. This is expected to result in significant efficiency gains for social programs and hence increased impact of Government resources. The ability of Government to effectively target its most vulnerable households can also be an important factor in policy discussions around the potential reforms of universal subsidies. Indeed, many universal subsidies were put in place to protect the poor in the absence of a mechanism to reach only the poorest, even though they are known to mostly benefit the richest segments of the population. With the new instrument available, these universal approaches are no longer justified and poorly targeted subsidies can be phased out, using the targeted transfer program to compensate the poorest from the potential loss.

20. ***Multi-sectoral effort and impact.*** The SR and the STP are instruments that both rely on the coordination of efforts from multiple sectors and simultaneously benefit these same sectors. Indeed, the transfer program relies on the contribution of social actors (health, nutrition, education, livelihood, etc.) to design its promotion activities and to ensure the supply of basic services is in place to reach its most vulnerable beneficiaries. On the other hand, the SR provides a tool for all sectors to improve their programs (by informing program design or guiding investment plans to meet supply gaps), and the STP provides them with a means to get in contact with the poorest households, often the hardest to reach. Finally, the shared targeted tool of the SR is expected to help programs coordinate their interventions, seeking synergies and avoiding duplication.

21. ***A critical learning agenda.*** The Project supports a series of innovative features, and has planned a series of activities to test their effectiveness or evaluate their impact. Among others, innovations include the promotion of good practices in early-childhood development among beneficiaries; the combination of cash transfers with promotion activities to encourage resilience by investing in human capital and in adaptive productive practices; the development of a registry which goes beyond the chronically extreme poor to include vulnerable households (so that emergency interventions can identify them easily); and the expansion of early warning systems to better inform decisions to scale-up programs or put in place additional interventions. Some of these features are supported by the ASP program, which aims at promoting the development of integrated adaptive approaches that help address the challenges of climate risk management, by protecting poor households from shocks before they occur or helping them cope with the impact of shocks once they occur. The Project will therefore benefit from a joint learning effort across the Sahel, as well as the broader West Africa region through the recently created Community of Practitioners on Social Safety Nets.

22. ***Alignment with national policy.*** The activities supported by the proposed Project are fully aligned with and contribute to Mauritania's Poverty Reduction Strategy (PRS) and its

*SNPS*. Indeed, the *SNPS* proposes a series of axes to address the vulnerability of the poorest and their ability to face risks and shocks, among which is the development of social assistance programs that are targeted to the poorest (the second axis of the national PRS). This also calls for the development of a methodology for the effective targeting and coordination of interventions. By supporting the new SR, the proposed Project will support a transformative public good, expected to be used by all targeted programs to increase their efficiency and their impact and fundamentally change the way services are delivered. On the other hand, the new National STP will promote the resilience of the poorest to help ensure they can better face shocks and invest in their children's human capital.

23. *Synergies within the Mauritania Country Partnership Strategy for FY14-17*. The proposed operation supports pillar 2 “economic governance and service delivery”, which aims at enhancing public sector capacity to: (a) promote effective use of the resources generated from growth; (b) support job creation through education and skills development; and (c) address vulnerability at the household level. The proposed Project displays important synergies with support in the areas of education and health, by promoting the use of basic services among the poorest (through promotion activities and regular financial support) and by providing a mechanism for sectors to better target their interventions to the poorest (by providing them with additional services or waiving fees, and by identifying the areas for priority investments to increase coverage among the poorest) (see Box 1 in section C on sustainability). The Project is also strongly linked to the Regional Sahel Pastoralism Support Project, because they can be highly complementary in the services provided to the poor and because of the opportunity to include pastoral populations in the SR for their quick enrolment in case of emergencies. Finally, the planned regional project on early-warning systems will provide the platform to integrate the broadening of early warning systems with social protection-relevant indicators within the national system.

## **II. PROJECT DEVELOPMENT OBJECTIVES**

### **A. Project Development Objectives**

24. The objectives of the proposed Project are to support the establishment of key building blocks of the national social safety net system and to provide targeted cash transfers to extreme poor households. Key building blocks include, among others, a national registry of poor and vulnerable households (Social Registry), a management information system, which can be adapted and adopted by other programs, and a functional coordination mechanism.

### **B. Project Beneficiaries**

25. The direct Project beneficiaries are the households who are registered in the SR and benefit from the STP. Indirect beneficiaries also include all households in the SR, who might benefit from other social programs, as well as households living in the communities served by the STP who benefit from community-level promotion activities.

### **C. PDO Level Results Indicators**

26. The indicators used to monitor progress in reaching the development objectives are:

- Number of households registered in the Social Registry, with support from the Project;
- Number of Social Transfer Program beneficiaries supported by the Project (households);
- Targeting accuracy.

27. The main Intermediate Results Indicators are:

➤ *Support to National Social Safety Net System*

- Households with complete information in Social Registry;
- Social Registry grievance mechanism implemented.

➤ *Support to Social Transfer Program:*

- Total number of Social Transfer Program beneficiaries (individuals);
- Percentage female among Social Transfer Program recipients (the recipient is the individual receiving the funds on behalf of the household);
- Share of households benefitting from promotion activities;
- Share of beneficiaries receiving payments on time;
- Share of beneficiaries who know their rights and responsibilities;
- Social Transfer Program grievance mechanism implemented.

### **III. PROJECT DESCRIPTION**

#### **A. Project Components**

28. To achieve the proposed development objectives, the proposed Project has three components: (a) support to National Social Safety Net System, (b) support to National Social Transfer Program, and (c) Project Management.

**Component 1: Support to National Social Safety Net System (US\$4.0m equivalent: US\$2.0m IDA Grant, US\$1.0m ASP grant, US\$1.0m counterpart funding)**

29. The objective of this component is to support the central Government's capacity for the establishment and coordination of the national social safety net system. The component will support: (a) the implementation of the national SR, and (b) in-depth analyses to inform program design and the implementation of improved early-warning systems to trigger effective social

protection responses to crises or disasters.

***Subcomponent 1.1: Implementation of the National Social Registry (US\$3.0m: US\$1.5m IDA Grant, US\$1.0m counterpart funding, and US\$0.5m ASP grant).***

30. This sub-component will support the development and implementation of the SR. The first task of the SR will be to identify households for the STP supported by Component 2. However, it is developed with a view to serve all targeted social programs in Mauritania. In practice, subcomponent 1.1 will support:

- a. *Design and implementation of social registry tools and mechanisms.* Development of the Management Information System (MIS), calculation of quotas and Proxy-Means Test (PMT), grievance mechanisms, communication material, etc. – and acquisition of key equipment, software and hardware.
- b. *Implementation of the national social registry.* The implementation of the SR for a share of the targeted population (100,000 out of 150,000). Activities include the organization of the community committees for community targeting, implementation of questionnaires, management of grievances, as well as preparation of lists of eligible households for targeted programs.
- c. *Support activities to help registered individuals obtain a national identity number and/or card.* While a significant portion of the individuals to be enrolled in the SR are likely to have national identity numbers or cards, some might lack such numbers, especially among children. This activity will include information campaigns among Social Registry households to inform them of the procedures to request a number and/or card.
- d. *Evaluation activities.* Activities to assess the implementation of the SR, evaluate its targeting efficiency, and potentially propose adjustments or reforms.

***Subcomponent 1.2: Support to the implementation of the National Social Protection Strategy (US\$1.0m: US\$0.5 IDA Grant and US\$0.5m ASP grant)***

31. Subcomponent 1.2 will contribute to the strengthening of the capacity of the central actors responsible for spearheading the national social protection strategy. It supports activities aimed at informing the design of interventions or analyzing their impacts, and strengthening the early-warning system and emergency contingency plan. In practice, subcomponent 1.2 will support:

- a. *Analytical services and related capacity building activities.* Support for a series of analytical services to help the various actors involved in the implementation of the national strategy plan their investments and design their programs in the most effective way. These could include the analysis of options for targeting of potential beneficiaries for selected programs, the analysis of gaps in the supply of basic services on the basis of the SR and maps of services, the analysis of patterns of vulnerability to better design responses, the analysis of the distributional impact of subsidies to inform their potential reform, and the analysis of barriers faced by the



poor when accessing basic goods (formation and transmission of food prices, etc.).

- b. *Implementation of the expanded early-warning system.* This sub-component will support the implementation of an expanded early-warning system, which can trigger social protection contingency plans. The mechanism would include: the indicators, thresholds, scale of response as well as their duration and subsequent scale-down. It will also propose targeting criteria for the emergency response.

32. The design of this broader early warning system will be supported by other technical assistance activities, while the proposed Project would focus on its implementation. Design will focus on: (a) Broadening the scope of existing early warning system to include social protection-relevant factors, (b) designing a mechanism to trigger adaptive social protection responses in emergency plans (c) proposing mechanisms to ensure adequate financing of the contingency-triggered activities. The work will be undertaken in close collaboration with colleagues working on disaster-risk management (who will take the technical lead for the overall dialogue on the early-warning system), pastoralism (who will promote the inclusion of indicators that reflect risks to husbandry), and water management. The expanded Economic Sector Work (ESW) will also closely be coordinated with similar initiatives in other countries of the Sahel, as part of the ASP. This activity will be undertaken under the broader umbrella of the support provided by the Bank to the Permanent Interstates Committee for Drought Control in the Sahel (*Comité permanent Inter-Etats de Lutte contre la Sécheresse dans le Sahel, CILSS*) to strengthen the regional network of early warning systems.

**Component 2: Support to Social Transfer Program (US\$23.0m equivalent: US\$12.0m IDA Grant, US\$8.0m counterpart funding and US3.0m ASP Grant)**

33. The objective of this component is to support the design and implementation of the Social Transfer Program. The program combines regular transfers with promotion activities designed to promote knowledge of essential family practices and investment in households' human capital and resilience. One of the motivations for combining regular transfers and promotion activities lies in the fact that poverty taxes the mind and impedes the capacity to focus on the future. Hence, the relief provided by regular cash transfers provides a unique opportunity for poor households to invest and adopt new practices. Furthermore, experience suggests that cash alone is not sufficient to shift practices, but that combining regular transfers with promotion activities that aim at encouraging investments in human capital for greater productivity and at deploying strategies to diversify income sources and to promote adaptation to shocks can indeed be transformative. The Government's strategy also includes a third pillar dedicated to reinforcing provision of basic social services. This activity is outside of the scope of the project but will be supported indirectly through the information collected through the SR. The component will support: (a) program tools and processes, (b) payment of transfers to beneficiaries and (c) promotion activities to increase resilience.

***Subcomponent 2.1: Development of program tools and processes, monitoring and evaluation and operational costs (US\$4.0m: US\$2.5 IDA Grant, US\$1.0m counterpart funding and US\$0.5m ASP Grant)***

34. Subcomponent 2.1 will focus on supporting the tools and processes to effectively implement the program. In practice, subcomponent 2.1 will support:

- a. *The development of the program tools.* These include a MIS that includes modules for the registration of beneficiaries, payment of transfers, verification of households with respect to their conditionality, management of grievances and redress, management and monitoring of daily program activities, and production of regular reports on program implementation; a grievance mechanism to respond to complaints and ensure a high level of transparency; an operational manual for the STP which specifies the roles of all actors, as well as the formats, communication tools, and all support required for implementation.
- b. *Operational costs.* These include core program staff and operating costs at central and regional levels and equipment and operating costs for the program. Overall, core staff will include the central technical team (a Program Coordinator, a Social Promotion Specialist, a Payment Specialist, a Monitoring and Evaluation (M&E) Specialist, and a MIS expert) as well as regional teams where the program is implemented. The proposed Project will support those staff that are not civil-servants, and the cost of their routine activities.
- c. *Monitoring and evaluation costs.* Monitoring and evaluation will mostly rely on regular monitoring based on the MIS as well as supervision in the field. Additional activities will be supported as needed, including process evaluations that review the implementation of the program and identify bottlenecks; and spot checks to assess the quality of implementation and respect of procedures in selected localities. In addition, an evaluation of the impact of the promotion component of the program is envisaged, depending on funding opportunities.

***Subcomponent 2.2: Payment of transfers to beneficiaries (US\$15.0m equivalent: US\$8.0m IDA Grant, US\$6.0m counterpart funding and US\$1.0m ASP Grant)***

35. Subcomponent 2.2 will focus on supporting the payment of cash transfers to a share of program beneficiaries. In practice, subcomponent 2.2 will support:

- a. *Payment of transfers to 25,000 beneficiaries of the cash transfer program.* This corresponds to approximately 25 percent of extreme-poor households in Mauritania. The national program itself aims to reach all of Mauritania's households living in extreme poverty, approximately 100,000 households or 620,000-700,000 individuals, by 2020. The 25,000 households will enter progressively in the program, as described in the results framework presented in Annex 1. The transfers will be paid to the person in charge of the daily activities surrounding children's health, nutrition and education. In most cases, the recipients will be the mother of the households'

children. The payment will be made conditional on the household participating in the promotion activities supported by Subcomponent 2.3.

- b. *Payment of financial fees associated with the transfers to the 25,000 beneficiaries.* The fees will be specified in the service provision contract made with the financial institution(s) in charge of the payments. Special efforts are made to ensure a reasonable cost, in line with international best practice and local conditions.

***Subcomponent 2.3: Promotion of investment in human capital and resilience (US\$4.0m: US\$1.5 IDA Grant, US\$1.0m counterpart funding and US\$1.5m ASP grant)***

36. Subcomponent 2.3 will focus on supporting the provision of promotion activities to program beneficiaries. In practice, subcomponent 2.3 will support:

- a. *Development of modules and materials for social promotion.* The core curriculum for the promotion activities will consist of five modules: (a) Social Transfer Program objectives, activities and conditions, (b) health, (c) nutrition, (d) Early-Childhood Development (ECD) and (e) resilience. The project will support development of modules and materials for modules (a-c), with modules (d) and (e) currently planned to be developed through additional trust fund resources in collaboration with cross-sectoral Bank units.
- b. *Implementation of promotion activities.* The project will support implementation of the component to a subset of program beneficiaries and their communities, through contracting of qualified Non-Governmental Organizations (NGOs). Promotion activities will be initially implemented once every three months. Initially, the payment of the transfers will be conditional upon participation in the promotion activities. This sub-component will also support programming, supervision and monitoring of activities by the Tadamoun Agency (*the National Agency in charge of Fighting against the Consequences of Slavery, Promoting Insertion, and Fighting against Poverty*) central and regional teams.

**Component 3: Project Management (US\$2.0m equivalent: US\$1.0m IDA Grant, US\$1.0m counterpart funding)**

37. This component will support activities related to the management of the proposed Project. To this end, it will support a Project operational administrative team, which will be located within the Tadamoun Agency but will support all activities, to ensure it is fully operational and successfully and efficiently implements the project in conformity with the Financing Agreement, project document and the implementation manuals (Administrative, Procurement and Accounting Manual, Social Registry Manual, and Social Transfer Program Manual). Specifically, this component will support:

- a. *Core administrative project staff*, including a Project operational coordinator and fiduciary specialists (procurement and financial management) who will be located in the Tadamoun Agency and support all Project activities (the technical staff for the SR

and the STP are supported under Components 1 and 2 respectively).

- b. *Equipment and operating costs* directly linked to the daily management of the Project (utilities and supplies, communications, equipment maintenance costs, etc.).
- c. *Regular internal and external audits* (focusing on financial and procurement aspects).
- d. *Training* for the Project operational support team.
- e. *Costs associated with Project reporting*, including a mid-term review involving stakeholders and civil society.

## B. Project Cost and Financing

38. The proposed Project has a total cost of US\$29.0 million. It will be financed with an IDA grant (US\$15.0 million equivalent), a grant from the Sahel Adaptive Social Protection MDTF (US\$4.0 million) and US\$10.0 million in counterpart funding from the Government of Mauritania.

39. Over time, the Project will also leverage significant additional resources from both Government and the donor community. The national cash transfer program will expand and serve as a channel for additional Government resources, particularly following the reform of universal fuel subsidies that is currently under discussion at the national level. Furthermore, the donor community has expressed keen interest in the national cash transfer program, and preliminary discussions have taken place on leveraging additional financing from these sources also. Overall, the National SR and STP seek to support all extreme poor households in Mauritania, for a total cost of approximately US\$60.0 million over the initial 5-year period of this Project.

**Table 2: Overall project costs (US\$ millions)**

Project Components	Total Project	IDA	Counterpart funding	ASP Grant
<i>Component 1 : Support to the national social safety net system</i>	<b>4.0</b>	<b>2.0</b>	<b>1.0</b>	<b>1.0</b>
1.1. Social Registry	3.0	1.5	1.0	0.5
1.2. Support implementation of the national social protection strategy	1.0	0.5	0.0	0.5
<i>Component 2 : Support to the Social Transfer Program</i>	<b>23.0</b>	<b>12.0</b>	<b>8.0</b>	<b>3.0</b>
2.1. Design of program tools and processes	1.5	1.0	0.0	0.5
Operational costs and M&E	2.5	1.5	1.0	0.0
2.2. Payment of transfers to beneficiaries	15.0	8.0	6.0	1.0
2.3. Promotion of investment in human capital and resilience	4.0	1.5	1.0	1.5
<i>Component 3: Project Management</i>	<b>2.0</b>	<b>1.0</b>	<b>1.0</b>	<b>0.0</b>
<b>Total Project Costs</b>	<b>29.0</b>	<b>15.0</b>	<b>10.0</b>	<b>4.0</b>
<b>Front –end fees</b>				
<b>Total Financing required</b>	<b>29.0</b>	<b>15.0</b>	<b>10.0</b>	<b>4.0</b>

### C. Lessons Learned and Reflected in the Project Design

40. The project's design is the result of extensive ESW, policy dialogue and analysis of existing experiences in the Mauritania context. The Government of Mauritania, the Bank, and other development partners have been engaged in an intense dialogue on social protection and safety nets since 2009. This dialogue has resulted in the validation of the first National Social Protection Strategy in 2013, and its institutionalization in a National Steering Committee and Technical Committee, mandated with overseeing the strategy's implementation. The Bank has contributed to this process since 2012, with technical assistance resulting in the development and approval of a national targeting methodology and the production of a Safety Nets Assessment in 2014.

41. The safety net assessment identified an excessive reliance on food-based emergency programs, and called for investment in long-term interventions to address chronic poverty and build resilience against shocks. The assessment also underscored the need for targeted interventions and for additional investment in emergency response mechanisms.

42. Operationally, the proposed project also builds on the experience created in Mauritania through a series of small-scale pilot cash transfer projects implemented between 2011 and 2013 and financed by the European Union. These projects built key experience in the fields of targeting and transfer delivery. The Project also benefits from a small-scale cash transfer project currently under implementation by the United Nations Children's Fund (UNICEF), which focuses specifically on maternal and child health, with a focus on accompanying measures for behavior change.

43. Lessons learned from other countries have also benefited the Project design. Through their participation in the regional Community of Practice on Cash Transfer Programs, the authorities will also continue to incorporate lessons from their West African neighbors. International experience in comparable contexts such as Niger, Mali, Senegal or Djibouti have also yielded specific insights and guidance on how to design and implement the proposed project. The following are the most important lessons and recommendations incorporated in the current project:

- *The institutional framework for social protection policy needs to provide concrete value added to be capable of mobilizing social actors around a safety net system.* The development of a system of effective social safety nets begins with the definition of a long-term vision and a coherent policy, but then must bring concrete value added to maintain its momentum. Because social protection is a multi-sectoral area, this can take the form of instruments that stand to benefit all stakeholders, such as a national targeting methodology and social registry. Such transversal instruments can bring concrete advantages and benefits to social actors and contribute to operationalizing the institutional framework for social safety nets in Mauritania.
- *Move from an individual program approach to a national safety net system.* Development of such a national Social Safety Net (SSN) system requires developing a medium-term

expenditure framework for the sector that prioritizes expenditures and builds a sustainable funding basis for social safety nets. A systems approach reduces fragmentation, promotes harmonization and can enhance both the performance of individual programs and the overall protective, preventive, and promotive functions of social safety nets in Mauritania.

- *Develop a management information system that informs strategic decision-making.* A MIS would inform the design and implementation of programs, make it possible to demonstrate their impact to political decision-makers, development partners, and civil society, and enhance global knowledge of the social safety nets.
- *Build the capacity of public administration.* The Project supports the strengthening of the Government's capacity for planning, implementing, monitoring and evaluating social safety nets for all sectors involved in social protection.
- *Build synergies within the World Bank interventions in the country, and propose an effective platform for improved service delivery.* During both the design and implementation phases, the proposed Project will develop synergies with the other operations in the country, such as the Projects supporting investments in health, nutrition and education. The STP may also serve as a shared delivery platform to improve existing programs in Mauritania, such as the Ministry of Health's obstetrical grant.
- *Strategies to support extreme-poor households require a combination of long-term, regular transfers and support to promote investment in households' human capital.* Assessments of emergency cash transfer programs implemented for short periods of time show immediate positive effect on food security and social expenses, but have not resulted in sustained impacts much beyond the life of the intervention. Analysis also shows combining long-term transfers with information on parenting, health, education and nutrition, as well as options to diversify income sources and protect from shocks directly improve the general health status of participants and the nutritional status of children. "Spillover" effects are also shown to occur on non-participating households within targeted communities.
- *Good targeting is necessary to provide support to those who are most in need.* A balance must be struck between targeting accuracy on the one hand and cost and complexity on the other. A combination of quotas by locality (to ensure equity and reach the poorest across the country), community-based targeting, and the estimation of household poverty using PMT will empower communities to voice their priorities and allow for objective comparison among households.
- *Partnering with experienced civil society organizations and NGOs can facilitate the implementation of the project and foster capacity building, particularly at the local level.* It is envisaged that the civil society organizations and NGOs will be involved in delivery of the accompanying measures (information campaigns) and in social accountability mechanisms, such as the complaints and grievance system, to strengthen project governance.

- *Donor Coordination.* With a larger and long-term view of the entire safety net system, it is important to promote coordination among partners and to clarify areas of interest and investment - this will strengthen efficiency of resources and avoid unnecessary duplication of efforts. Regular coordination mechanisms can help to learn from ongoing programs, to avoid duplication, and to identify potential areas of collaboration. This also can contribute to the long-term sustainability of the program by strengthening donors' confidence and interest in supporting an effective and well-targeted safety nets program.

## **IV. IMPLEMENTATION**

### **A. Institutional and Implementation Arrangements**

44. The overall implementation arrangements for the proposed Project include the following (for a detailed description of these stakeholders and their roles, please refer to Annex 3):

- a. The Steering Committee for the SNPS: provides strategic guidance for the overall SNPS, and is responsible for the overall guidance and supervision of the Project.
- b. The Technical Committee: provides technical support and validation of Project instruments and mechanisms.
- c. The Social Protection Unit: responsible for the technical coordination of the Project.
- d. The Tadamoun Agency: responsible for the implementation of the Project.

45. The decision to trust implementation of the Project to the Tadamoun Agency is based on the mandate and overall capacity of the institution, including at the local level. It is also based on the institution's willingness to mainstream the Project into its core activities through the mainstreaming of its fiduciary functions and regional offices. This will allow the Project's learning and capacity-building agenda to contribute to strengthening the Agency's overall capacity, and will also foster the integration of the social transfer program within the Agency's existing programming, which focuses on small-scale social infrastructure (schools and health posts) and livelihoods activities.

### **B. Results Monitoring and Evaluation**

46. Monitoring and evaluation is a key element of the Project, because it provides the regular assessment of the Project's performance to the Government, the World Bank and other development partners. In this Project, one of the core elements of both Component 1 and Component 2 is to build the capacity within the Government of Mauritania to monitor its programs. In particular, the proposed Project supports the development of a MIS for both the SR and the STP that will allow the implementing institutions to manage and monitor the implementation of their programs.

47. In addition, the proposed Project includes a series of monitoring and evaluation activities for the SR and the STP. These include: process evaluations; regular spot checks and beneficiary surveys to evaluate the quality of implementation, the efficiency of the targeting, and the overall satisfaction with the registry and program. The team might also implement an impact evaluation for parts of the social promotion component, depending on funding availability. Finally, the implementing agency will organize annual financial audits for the Project, annual reviews of progress, and a mid-term evaluation to guide the Project implementation. The mid-term review will involve the Project's stakeholders and civil society in the review of performance, intermediary results, and outcomes.

### **C. Sustainability**

48. The Government of Mauritania has shown its commitment to the implementation of this strategy – by setting up a special Social Protection Unit (*Cellule de Protection Sociale*) in the Ministry of Economic Affairs and Development, putting in place an Inter-Ministerial Committee to supervise the strategy implementation presided by the Ministry of Economic Affairs and Development (*Ministère des Affaires économiques et du Développement, MAED*) and the Ministry of Social Affairs, of the Child and of the Family (*Ministère des affaires Sociales de l'Enfance et de la Famille MASEF*), and selecting the Tadamoun Agency to implement the national STP. The Government has also committed to finance the expansion of the program to all extreme poor households, to complement the support provided by the IDA project. As part of its commitment to support targeted, efficient, social protection programs, the Government has engaged in the reform of its universal subsidies (including the successful reduction of oil subsidies). In addition to reductions in fiscal spending, this reform would also free resources for the transfer program, as a mechanism to mitigate the impact of reforms on the poor.

49. The donor community in Mauritania has gathered around the SNPS and committed to support its implementation. They have provided coordinated technical support to the definition of the methodology for the SR and the STP, and have committed to using the SR to target their own interventions. The SR methodology builds on their past experience, and has been developed in consultation with all actors, under the guidance of the Technical Committee for the implementation of the SNPS. The questionnaires used for the SR were consensually developed to include the key variables that different partners typically use for their targeting purposes, thereby ensuring the SR's versatility. To illustrate, Box 1 presents some of the potential uses of the Registry in the health sector.

#### **Box 1: Using the Social Registry and Social Transfer Program to Promote Results in the Health Sector:**

This box illustrates the potential gains from the instruments supported by the proposed Project, beyond their direct impacts, in the area of health services. The interaction is at multiple levels:

- (1) The health care providers contribute to the promotion activities of the Social Transfer Program (by defining the content of the promotion related to health care, by supervising the implementation of the modules by contracted NGOs). The providers can take advantage of the promotion activities, during which all beneficiaries are gathered, to screen particular households or individuals for further services or follow-up activities (immunization, family planning, etc.).
- (2) The Results-Based-Financing (RBF) Strategy in the health sector, currently under preparation with support from the Bank and UNICEF, could include an indicator of service to the poorest in its results framework. This would



give extra incentives to the providers for serving the poorest, recognizing that they are often more costly to reach. The indicator could be measured using the MIS of the Social Transfer Program.

- (3) Where services are present (effective), the Social Transfer Program would change its conditionality, from the simple participation in promotion activities to the actual use of services. The indicators for the conditionality would follow exactly the indicators selected for the RBF agreement, thereby providing a demand-side incentive to match the supply side incentives of the RBF.
- (4) Information from the Social Registry on the poor's access to health services could be used to inform health investment plans, by identifying areas where gaps are largest in terms of actual use of services by the poorest.
- (5) The Social Transfer Program will support extreme poor household consumption, some of which will be dedicated to health services, thus increasing overall demand.
- (6) Finally, the registry could be used by specific health programs, such as the national obstetrical voucher program, to increase take-up among the poorest households identified through the Social Registry.

## V. KEY RISKS

### A. Overall Risk Rating and Explanation of Key Risks

50. The overall risk for the proposed Project is **Substantial**, because of the complexity of the core elements of the Project (SR and STP) and the limited capacity in the sector in Mauritania. Other risks are either moderate or low, as summarized in the Systematic Operations Risk- Rating Tool (SORT) table below. Mitigation measures have been designed to address the remaining risks.

**Table 3: SORT risk ratings**

Risk categories	Rating (H, S, M or L)
1. Political and Governance	Moderate
2. Macroeconomic	Moderate
3. Sector Strategies and Policies	Moderate
4. Technical Design of Project or Program	Substantial
5. Institutional Capacity for Implementation and Sustainability	Substantial
6. Fiduciary	Substantial
7. Environmental and Social	Low
8. Stakeholders	Low
<b>Overall</b>	<b>Substantial</b>

51. In macroeconomic terms, the risk is considered Moderate. Indeed, this Project supports the design of two key transformative instruments, but only finances a relatively small portion of their implementation. The Project's long-term impact, therefore, is dependent on the Government's ability to fund the bulk of the SR and STP. This ability could be challenged in the coming years by climate shocks that regularly affect Mauritania and by fluctuations in international prices. These could result in potential restrictions in Government budget. On the other hand, the growth outlook remains optimistic, as described at the beginning of this document, with expected growth of an average 6.4 percent in the medium term, because of the anticipated expansion in mining output. Furthermore, the STP supported by this Project is expected to reduce the need for large-scale emergency programs and allow for the reduction in universal subsidies, and the SR is expected to result in increased efficiency in public spending,

thereby freeing government resources. Overall, it will be critical to formalize the SR and STP in the budget documents, as well as in their legal foundations.

52. In terms of technical design, the proposed SR and STP are relatively complex in nature. This complexity is required to ensure transparent selection mechanisms and reliable verification and payment mechanisms. Extensive international experience has guided the design of the program and registry, and will continue to be used to guide the implementation of the proposed Project.

53. In terms of institutional capacity, the institutional setup and lead agency for the implementation of the social safety net program are relatively new, which represents a substantial risk to the Project. To provide support to these institutions as they consolidate their capacity, the project preparation team and other development partners have been providing intensive technical support to the Government during the preparation phase of the proposed Project. Furthermore, the proposed Project focuses heavily on capacity building activities, to ensure capacity is strengthened as implementation accelerates. The use of Government systems and procedures, rather than the creation of a separate implementation unit, also aims at building capacity. The proposed Project also focuses on building systems and tools, which will allow government agencies to continue implementing systems and programs after the Project closes

54. In terms of fiduciary risks, the procurement assessment of the Tadamoun Agency concluded that the agency lacked experience with the Bank's procurement rules and financial procedures. The mitigation measures include the recruitment of a procurement specialist and a financial management specialist, the updating of the agency's Administrative, Procurement and Accounting Manual in accordance with Bank procedures, the upgrading of the accounting software, and the appointment of an internal auditor. With these mitigation measures, the overall residual risk rating for financial management is Moderate. Based on the procurement capacity assessment and experience on the ground, the overall project risk for procurement is rated Substantial, after completion of proposed mitigations measures.

## **VI. APPRAISAL SUMMARY**

### **A. Economic Analysis**

55. The proposed Project will have both indirect and direct impacts on welfare and poverty. Component 1, through its focus on systems building and facilitating tools, is expected to have broad reaching, if indirect, impacts. Component 2, which focuses on a concrete support mechanism for chronic poor households, is expected to have strong direct impacts, as well as spillover effects. Impacts are described in detail in Annex 5, and summarized briefly here.

56. Activities supported by Component 1 (Social Registry and system tools) are expected to result in:

- a. Increased precision of the targeting of current and future social programs, by using the registry as a database of potential beneficiaries. This will improve targeting efficiency, while allowing for savings in targeting costs. At the extreme,

replacing universal subsidies with targeted transfers would reduce more than 10-fold the cost of transferring one dollar to the poorest.

- b. Increased access to services, as households registered in the SR are requested to apply for a national identity number, which itself allows socially isolated or excluded groups to gain access to other services and increase their participation in society.
- c. Increased coordination, which can help reduce undesirable duplication of benefits (e.g., people receiving benefits from more than one donor or program when people should not) and identify gaps in coverage.
- d. Increased ability to respond efficiently to crises. An improved early-warning system and associated contingency plan would improve the Government's capacity and efficiency to respond to shocks, thereby reducing the use of depletive coping mechanisms by the vulnerable in times of crises.

57. The STP is expected to have direct impacts on consumption and the human capital of extremely poor households. Supporting the consumption of households helps avoid negative coping strategies, and ensure investments in human capital are not disrupted by consumption fluctuations. The growing experience with cash transfer programs which are geared towards improving consumption and human capital and resilience over the medium-term has highlighted the range of impacts they can have on numerous dimensions of well-being. They include:

- a. *Impact on consumption and poverty.* With perfect targeting, the incidence of extreme poverty among households would be expected to decline by 22 percent, from 21.1 percent to 16.5 percent<sup>1</sup>, and beneficiary households' income to increase by 13 percent over the period. Their extreme poverty gap would shrink by a third, and extreme poverty would decline by 42 percent. Assuming some degree of leakage (that only 60 percent of the beneficiaries are in the lowest quintile), extreme poverty would drop to 18.3 percent, and the average income of the extreme poor would increase by 7.7 percent (figures of 17.7 percent and 10.3 percent respectively if we assume 80 percent of beneficiaries in lowest quintile).
- b. *Impacts on food security.* The STP is also expected to positively impact food security in Mauritania. At 2013 prices, US\$200 transfer would allow households to purchase an additional 414 kilograms (kg) of wheat, or 300kg of local rice, at market prices. If households were to use the network of subsidized food shops (Boutiques *Emel*), their purchasing power would increase by 857kg of wheat or 462kg of local rice (Evaluation of Mauritania's *Emel* Program, World Bank 2014).
- c. *Impacts on households' coping strategies.* By providing a regular, minimum, income during difficult times (lean season) or crisis (drought), a cash transfer also protects the consumption and income generation strategies of households and helps them avoid

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<sup>11</sup>Extreme poverty incidence was estimated at 21.1 percent among households and 25.9 percent among individuals, using the household survey undertaken by the national statistical office in 2008.

- resorting to negative coping strategies (removing children from school, distress sales of livestock when prices are low, etc.).
- d. *Impacts on investment in human capital.* International experience has demonstrated that transfers can have significant impacts on human capital development over the medium and long term. Studies show that cash transfer programs can play an important role in improving the distribution of growth outcomes across the population, and improving social indicators, provided these are made over several years. Furthermore, the proposed social promotion activities are expected to create positive changes in attitudes, which are expected to extend beyond beneficiary households as activities will be open to all and spillovers can be expected.
  - e. *Impacts on productive investments.* Cash transfers can also lead to significant increases in productive investment. In Zambia, they led to increased investments in agricultural inputs, particularly for smaller households, as well as a shift to higher-value agricultural production (from cassava to maize or rice) and more selling at market (from 23 to 35 percent) and ownership of non-agricultural enterprise (from 22 to 39 percent). Cash transfers also led to increased livestock ownership in Zambia, Kenya and Malawi.
  - f. *Impact on local economies.* Evidence is also accumulating on the positive spillovers of cash transfers on local economic activity. Cash transfers provide an immediate impact by raising the purchasing power of beneficiary households. As beneficiary households spend cash, impacts immediately spread outside beneficiary households to others inside and outside their communities. In Ghana, for example, beneficiaries of the Learning for Equality, Access and Peace (LEAP) program spend about 80 percent of the transfers inside the local economy, which in turn launches a new round of income increases in the community. In turn, periodic markets and purchases outside the village will shift income effects to other communities. Cash transfers can therefore have large income multiplier effects, provided markets are functioning fluidly. If, on the other hand, production constraints limit supply response, it is conceivable that transfers may lead to higher prices and a lower multiplier effect.

58. Public sector intervention in the sector of social safety nets in Mauritania is justified on two main grounds. First, the poverty and inequality situation remains a concern in Mauritania, and justifies public intervention for equity purposes and in order to ensure a minimum living condition for all households, in line with basic human rights. Indeed, poverty remains high and has stagnated over recent years. Inequality remains moderate and has not worsened recently, but geographic disparities remain elevated and have failed to shrink. Second, the current package of interventions (essentially structured around the *Emel Program*) is focused on emergency response and food distribution, which is very costly and with no overall impact on poverty or vulnerability among the population. This provides strong justification for an intervention that will help increase the efficiency of public spending and improve coordination and targeting of programs.

59. The Project focuses on areas in which the World Bank has a strong comparative advantage. The World Bank has built an unparalleled knowledge base on the development of conditional cash transfer programs, national registries and on the design of successful safety nets systems. Furthermore, the World Bank is currently providing technical assistance to many countries in the region on the establishment of their own national cash transfer programs and social safety net systems, and the team plans to exploit these potential regional synergies. Indeed, the World Bank has established a Community of Practice to foster greater exchanges across neighboring countries in West Africa.

## **B. Technical**

60. The Project design is based on international best practices in conditional cash transfers and registries, and on Mauritanian and regional experience with transfer programs. Beneficiaries will be selected among the poorest with a targeting mechanism based on geographic targeting, community targeting and verification of vulnerability with a proxy-means test. On the basis of the experience acquired in Mauritania (in particular the experience with the cash transfer pilots), this approach should maximize the accuracy of targeting, and therefore efficiently distribute resources to the poorest households. Furthermore, the setting up of a unique registry for all social safety net programs will result in improved targeting for multiple interventions.

61. The measures put in place to accompany households will be designed and implemented in collaboration with the sectoral actors, with a view to develop interventions that effectively promote behavioral changes in the areas of nutrition, health, and education. This will also ensure consistency with sectoral activities and adaptation to the local context, as discussed in Annex 2.

62. The implementation of the Social Registry and Social Transfer Program and associated instruments, and more generally, the development of standardized instruments that all programs can use, will help address some of the issues identified in the recent review of social safety nets through improved targeting, increased coordination, and more efficient payment systems.

## **C. Financial Management**

63. A Financial Management (FM) assessment was conducted on the FM arrangements for the Tadamoun Agency which will have the fiduciary responsibility for the Project's implementation.

64. The objective of the assessment was to determine whether the Tadamoun Agency has acceptable financial management arrangements in place that satisfy the Bank's Operation Policy/Bank Procedure (OP/BP) 10.00. These arrangements would ensure that the implementing entity: (a) use project funds only for the intended purposes in an efficient and economical way; (b) prepare accurate and reliable accounts as well as timely periodic financial reports; (c) safeguard assets of the project; and (d) have acceptable auditing arrangements. The financial management assessment was carried out in accordance with the Financial Management Manual issued by the Financial Management Sector Board of March 1, 2015.

65. The Tadamoun Agency's existing financial management system can adequately handle the FM tasks of this project: The FM capacity building under the ongoing "Sustainable Livelihoods for Returnees and Host Communities in the Senegal River Valley" funded by the World Bank will be consolidated and used to manage the activities of the project. However, the FM system has the following capacity constraints: (a) weak internal control environment that needs to be strengthened, (b) lack of sufficient FM staff: the FM staff in place is not sufficient to handle the project's FM activities in addition to existing activities; and (c) existing accounting software is not adequate for a segregate bookkeeping for the project.

66. As a result of the financial management capacity constraints, the Tadamoun Agency needs to update its Administrative, Procurement and Accounting Manual in order to take into account the specific activities related to the project before effectiveness. The following actions should be taken after effectiveness: (a) appoint an accountant to reinforce the FM team; (b) upgrade the existing accounting software in order to allow a segregated bookkeeping for the project; (c) appoint an internal auditor in order to strengthen the internal control environment.

67. The conclusion of the assessment is that the financial management arrangements will meet the Bank's minimum requirements under OP/BP10.00 once the mitigation measures are implemented. The overall residual risk rating will be Moderate. Details on the Financial Management arrangements for this project are included under Annex 3.

#### **D. Procurement**

68. The procurement assessment concluded that procurement under the Project will mostly include small-value procurement. Most procurement activities planned under the project are related to consultancy services, office equipment, vehicles and equipment. The Tadamoun Agency capacity in Project implementation under World Bank procurement's Guidelines and Consultant Guidelines is Low. The mitigation measures to improve these weakness and reduce implementation risk, which have been agreed with the Tadamoun Agency, are (a) hiring a Procurement Specialist or a Technical Procurement Assistance (firm) to support its Procurement Service to carry out all procurement activities planned under the Project; (b) Updating the Administrative, Procurement and Accounting Manual (to ensure its compliance with World Bank guidelines; and (c) training the Procurement Officer and technical staffs involved in project implementation in World Bank procedures and guidelines.

#### **E. Social (including Safeguards)**

69. The Project is expected to have a positive social impact by providing economic support to the poorest households and communities, as described in the economic analysis above.

#### **F. Environment (including Safeguards)**

70. The project has been categorized as category C and does not trigger any safeguards.

## **G. World Bank Grievance Redress**

71. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org).

**Annex 1: Results Framework and Monitoring**  
**Mauritania Social Safety Net System (P150430)**

**Results Framework**

**Project Development Objectives**

PDO Statement

The objectives of the proposed Project are to support the establishment of key building blocks of the national social safety net system and to provide targeted cash transfers to extreme poor households.

**These results are at** | Project Level

**Project Development Objective Indicators**

Indicator Name	Baseline	Cumulative Target Values						
		YR1	YR2	YR3	YR4	YR5	YR6	End Target
Number of households registered in the Social Registry with support from the Project	0.00	4,500	22,500	50,000	85,000	100,000	100000.00	100000.00
Number of Social Transfer Program beneficiaries supported by the Project (households)	0.00	3000.00	15000.00	20000.00	25000.00	25000.00	25000.00	25000.00
Targeting accuracy	TDB	TBD	TBD	TBD	TBD	TBD	TBD	TDB



## Intermediate Results Indicators

Indicator Name	Baseline	Cumulative Target Values						
		YR1	YR2	YR3	YR4	YR5	YR6	End Target
Households with complete information in Social Registry	0.00	60.00	65.00	70.00	75.00	75.00	75.00	75.00
Social Registry grievance mechanism implemented	0	Protocols defined	Instruments Prepared	Timely resolution of 20% cases	Timely resolution of 25% cases	Timely resolution of 30% cases	Timely resolution of 40% cases	Timely resolution of 40% cases
Beneficiaries of Safety Nets programs (Core)	0.00	19800.00	99000.00	396000.00	594000.00	660000.00	660000.00	660000.00
Beneficiaries of Safety Nets programs - Female (Percent) (Core)	0.00	75.00	80.00	80.00	80.00	80.00	80.00	80.00
Share of households benefitting from promotion activities on (a) human capital and (b) resilience	NA	(a) 50 (b) 0	(a) 60 (b) 10	(a) 70 (b) 50	(a) 75 (b) 70	(a) 80 (b) 75	(a) 80 (b) 75	(a) 80 (b) 75
Share of beneficiaries receiving payments on time	NA	Calculate Base	Base +5 p.p.	Base +10p.p.	Base +15p.p.	Base +20p.p.	Base +20p.p.	Base +20p.p.
Beneficiaries who know their rights and responsibilities	0.00	0.00	60.00	0.00	70.00	0.00	80.00	80.00
Social Transfer Program grievance mechanism implemented	0	Protocols defined	Instruments Prepared and actors trained	Timely Resolution of 20% cases	Timely Resolution of 25% cases	Timely Resolution of 30% cases	Timely Resolution of 40% cases	Timely Resolution of 40% cases

### Indicator Description

#### Project Development Objective Indicators

Indicator Name	Description (indicator definition etc.)	Frequency	Data Source / Methodology	Responsibility for Data Collection
Number of households registered in the Social Registry with support from the Project	Households registered in the social registry with support from the Project	Semester	Social Registry MIS	MAED
Number of Social Transfer Program beneficiaries supported by the Project (households)	Describes the number of households directly receiving cash transfers financed by the Project	Yearly	Social Transfer Program MIS	Tadamoun
Targeting accuracy	Targeting accuracy will be assessed with a variety of mechanisms, including, potentially: (1) the inclusion of a Social Registry or Program variable in the next household survey, (2) a comparison of the registered/beneficiary households with the profile of the extreme poor in the national survey, (3) the application of the PMT to households that are not included in the Social Registry/Program during random spot-checks, or (4) the analysis of the grievances received on the Social Registry and Social Transfer Program	Yearly	Various	MAED

## Intermediate Results Indicators

Indicator Name	Description (indicator definition etc.)	Frequency	Data Source / Methodology	Responsibility for Data Collection
Households with complete information in Social Registry	The data Collected on each household in the Social Registry include a broad range of information, and only some of these are used for the application of the Proxy-Mean Test. Therefore, some households can be registered in the Social Registry but have incomplete information on some of the less critical data	Semester	Social Registry MIS	MAED
Social Registry grievance mechanism implemented	The Grievance mechanism is first defined, prepared and tested. Then the grievance responds to %of queries in a timely manner	Yearly	Social registry MIS	MAED
Beneficiaries of Safety Nets programs	This indicator measures the number of individual beneficiaries covered by safety nets programs supported by the Bank. Safety nets programs intend to provide social assistance (kind or cash) to poor and vulnerable individuals or families, including those to help cope with consequences of economic or other shock.	Yearly	Social Transfer Program	Tadamoun
Beneficiaries of Safety Nets programs - Female	This indicator measures female participation in SSN programs. It has the same definition as the "Beneficiaries of Safety Nets programs" but applies only to female. This indicator will yield a measure of coverage of SSN projects disaggregated by gender (in absolute numbers)	Yearly	Social Transfer Program MIS	Tadamoun
Share of households benefitting from promotion activities on (a) human	Measure the share of beneficiary households benefitting from promotion activities	Semester	Social Transfer Program	Tadamoun

capital and (b) resilience				
Share of beneficiaries receiving payments on time	No description provided.	Yearly	Social Transfer Program MIS	Tadamoun
Beneficiaries who know their rights & responsibilities	No description provided.	Every 2 years	Social Transfer program MIS	Tadamoun
Social Transfer Program grievance mechanism implemented	The grievance mechanism is first defined, prepared and tested. Then the grievance mechanism responds to % of queries in a timely manner	Yearly	Social Transfer Program Annual Report	Tadamoun

## **Annex 2: Detailed Project Description**

### **Mauritania: Social Safety Net System Project**

1. ***A transformative agenda.*** The proposed Project supports the Government’s decision to radically transform its social protection strategy, complementing its food-based emergency programs with a web of effective long-term targeted programs that complement each other to protect the poor and vulnerable and invest in their human capital and income-generation capacity in a continuous and predictable way. The proposed Project focuses on supporting two key instruments that are critical for this transformation:

- a. The first of these is a Social Registry (SR), which would provide any social program with a mechanism to target the poor and vulnerable in an efficient and transparent way. Building such a registry is complex and costly, but, when used effectively by all targeted programs, it becomes a shared public good which allows the overall system to improve its targeting (and hence its impact) at a lower cost. It also provides a basis for the coordination in the provision of services to poor and vulnerable households, and for better planning of investments where needs or gaps are greater. With the SR, the proposed Project will support a transformative public good, expected to be used by all targeted programs to increase their efficiency and their impact and fundamentally change the way services are delivered.
- b. The second key element for the proposed transformation is the nation-wide core Social Transfer Programs (STP), which targets all extremely poor households in the territory and provides them with basic support in the medium-term, to promote investments in the human capital of the children and women in the household. Building a program on a national scale is a new endeavor in Mauritania, and will help address the issues of fragmentation of numerous small-scale programs experienced so far. By providing reliable support to the poorest in the medium-term, it also provides a basis for other programs to build on regular transfers and support the poorest improve their situation in terms of education, health, nutrition, productive assets, etc.

2. ***National coverage, progressive implementation.*** To play their roles, the SR and STP will need to have full, national, coverage. However, both are complex in nature and will need to be rolled out progressively. This will allow the testing and fine-tuning of instruments after the first phase, before a progressive scale-up over the entire territory. The proposed Project will focus on providing support for the development of the instruments, tools, methodology and material. Initially, the SR and STP will be rolled out in a coordinated way, so that the SR will serve to identify extreme-poor households eligible for the STP (as well as a broader set of households that could benefit from other targeted programs).

3. ***Significant leveraging of resources.*** The proposed Project is expected to leverage significant resources, both from the Government and from other development partners. The Project itself benefits from the Adaptive Social Protection (ASP) Multi-Donor Trust Fund (MDTF) to support its innovative approaches to resilience building (US\$4.0 million). In addition to the funds it has directly allocated to the proposed Project (US\$10.0 million in counterpart funds), the Government has committed to financing the scaling up of the SR and STP to reach

their target population. Furthermore, key government institutions and development partners have committed to using the SR to target the beneficiaries of the programs they support. This is expected to result in significant efficiency gains for social programs and hence increased impact of government resources. The ability of Government to effectively target its most vulnerable households can also be an important factor in policy discussions around the potential reforms of universal subsidies. Indeed, many universal subsidies were put in place to protect the poor in the absence of a mechanism to reach the poorest only, even though they are known to effectively mostly benefit the richest segments of the population. With the new instrument available, these universal approaches are no longer justified and poorly targeted subsidies can be phased out, using the targeted transfer program to compensate the poorest from the potential loss.

4. ***Multi-sectoral effort and impact.*** The SR and STP are instruments that both rely on the coordination of efforts from multiple sectors and simultaneously benefit these same sectors. Indeed, the transfer program relies on the contribution of social actors (health, nutrition, education, livelihood, etc.) to design its promotion activities and to ensure the supply of basic services is in place to reach its most vulnerable beneficiaries. On the other hand, the SR provides a tool for all sectors to improve their programs (by informing program design or guiding investment plans to meet supply gaps), and the STP provides them with a means to get in contact with the poorest households, often the hardest to reach. Finally, the shared targeted tool of the SR is expected to help programs coordinate their interventions, seeking synergies and avoiding duplication.

5. The proposed Project is organized around three components: Component 1 supports core instruments for the sector, including the SR; Component 2 supports the national STP; and Component 3 supports Project management.

**Component 1: Support to National Social Safety Net System (US\$5.0m equivalent: US\$2.0m IDA Grant, US\$1.5m counterpart funding, US\$1.5m ASP grant)**

6. The first component will support the central Government's capacity for the establishment and coordination of the national social safety net system. The component will support two core elements: (a) the implementation of the national Social Registry, which will provide a platform for the targeting of all social interventions, and (b) undertaking of a series of in-depth analysis to inform program design and the implementation of improved early-warning systems that can effectively trigger social protection responses to crises or disasters.

The component will be led by the Ministry of Economic Affairs and Development (*MAED*). The *MAED* will work closely with the Ministry of Social Affairs, of the Child and of the Family (*Ministère des affaires Sociales de l'Enfance et de la Famille, MASEF*), who share the role of leaders of the Steering Committee of the national social protection strategy and associated Technical Committee. Selected activities will also involve other actors who are central to the implementation of the strategy – including the National Statistical Office, the Food Security Agency, the Ministry of Education, the Ministry of Health, the Ministry of Agriculture, the Agency responsible for the Civil Registry, and development partners.

***Subcomponent 1.1: Implementation of the National Social Registry (US\$3.0m: US\$1.5m IDA Grant, US\$1.0m counterpart funding, and US\$0.5m ASP grant).***

7. ***The SR allows for efficient and transparent targeting.*** The construction of a SR that includes all vulnerable households in the country is critical to allow social programs to effectively identify their potential beneficiaries and locate them in an efficient way. Indeed, a central social registry represents a public good, which all can use, thereby reducing the overall cost of targeting. Furthermore, a central social registry with a clear and transparent methodology and rules promotes transparency in the selection of beneficiaries. Such transparency is especially critical in the Mauritanian context where significant divisions persist between lines that are both tribal/ethnic and socio-economic (pastoral, pastoral-nomadic, rural-agricultural, urban, etc.). The anchoring of the SR in the *MAED*, and its joint supervision by the *MAED* and the Ministry of Social Affairs is critical to ensure its autonomy from any major program and hence its ability to serve all targeted interventions equally.

8. ***Extreme poor and vulnerable households will be registered.*** This SR will be initially developed to identify households targeted by the National Social Transfer Program supported by Component 2. However, it is developed with a view to serve as a registry of a broader set of households, including a second “layer” of households which includes potential beneficiaries of safety net programs in times of crises – households who are not among the extreme poor, but who are nonetheless vulnerable to shock – so that they can be easily covered by emergency/temporary programs in times of crises. This “second layer” of households could, for instance, benefit from a temporary extension of the number of beneficiaries of the social safety net program, or from public works, or from nutrition programs during the lean season, etc. If determined to be feasible, this could also include additional arrangements for vulnerable nomadic/pastoral population to promote their rapid enrolment in times of crises.

9. ***All programs that aim at targeting their benefits to the poor and vulnerable will have access to the SR.*** The SR is built to serve a broad set of targeted programs. In particular, the SR is expected to help basic service providers (child and maternal preventive health, education, water, etc.) identify supply gaps to target their investments and identify individuals or households in need of greater attention. The questionnaire used to collect information on the households identified by communities was designed to collect information on a broad range of key variables, which could be used by various social programs to target their beneficiaries. The SR will also provide a rich basis for the analysis of the socio-demographic composition of the poorest and most vulnerable, their living conditions, and their access to services, which can inform the design of poverty policies and programs and guide investments aimed at ensuring access to basic services to the poorest. While this falls beyond the scope of this Project, the project team will monitor the number of programs, which use the SR to identify their beneficiaries, in addition to the STP supported by Component 2.

10. ***The SR will also help identify individuals who lack national identity numbers.*** Over the past decade, Mauritania has been building its civil registry, which provides all citizens with a unique identity number and all adults with biometric identity cards. The civil registry is estimated to have reached almost 90 percent of the country’s population (there are currently

around 3 million individuals in the registry for an estimated population of about 3.4 million according to the 2013 census). While a significant portion of the individuals to be enrolled in the SR are likely to have already obtained their national identity number or cards, some are likely to still lack identity numbers, especially among children. And this can limit their broader participation in society. The SR will support information campaigns among SR households to inform them of the procedures to request a number and/or card.

11. *The SR combines community targeting and proxy-means test verification.* The methodology of the SR was approved by the Government Steering Committee in 2014, after its test in nine localities chosen to be illustrative of Mauritania’s social and ethnic diversity (4 urban neighborhoods and 5 rural communities). It is described in Box 2. In addition, a series of grievance mechanisms will be implemented to allow individuals to request additional information or challenge decisions.

**Box 2: Methodology for the Social Registry**

The methodology is based around a four-step process

**(a) Definition of quotas for each locality:** Since the initial objective is to identify the poorest households nationally, quotas are attributed to each locality based on the prevalence of extreme poverty. These quotas are estimated by combining data from the population census (2013) and household survey (EPCV 2014) to compute small-area extreme poverty estimates.

**(b) Elaboration of list of poorest households by communities:** Communities identify the poorest households in their territories, using the quotas from (a) and a series of criteria that are good proxies for the national definition of extreme poverty. The composition of committees, as well as the instructions they receive, will be designed with a view to minimize exclusion errors (of the most fragile and isolated households, including extremely poor households who live with better off ones)

**(c) Application of a questionnaire to households:** The National Statistical office applies a short questionnaire to all households in the list elaborated by communities. The data is uploaded in the Social Registry information system.

**(d) Identification of eligible households for programs:** For each program, the Social Registry applies criteria and filters to extract lists of eligible households, depending on each program’s target population. For the Social Transfer Program supported by Component 1, a proxy-means test is applied to confirm the extreme poverty status of households.

12. *The SR will be implemented in phases,* with the aim of covering the entire territory over a few years. The SR will be rolled out in several phases, which will allow for operational and capacity limitations, and allow to gradually learn and benefit as experience grows. This will also allow to launch operations rapidly, and refine and add instruments as these are developed. The timing of the rolling out of the SR will be coordinated with the implementation of the STP. Both will start with the regions with the highest number of extremely poor households, progressively entering in regions with decreasing numbers of extremely poor households. The Wilayas (regions) of Gorgol, Brakhna and Guidimakha will be the first ones to enter, as they form what is commonly known as the “triangle of poverty”.



13. Specifically, the proposed Project would support:
- a. *Design and implementation of social registry tools and mechanisms* – Management Information System (MIS), quotas, proxy-means test, grievance mechanisms, communication material, etc. – and the acquisition of key equipment, software and hardware.
  - b. The implementation of the SR in selected areas (registering including about 100,000 to 150,000 households), including the organization of the community committees, the implementation of the questionnaires and their processing, the management of grievances, as well as the preparation of lists of eligible households for targeted programs.
  - c. Information campaigns among registered households to inform them of the procedures to request a national identity number and/or card.
  - d. Evaluation activities to assess the implementation of the SR, evaluate its targeting efficiency, and potentially propose adjustments or reforms as needed.

***Subcomponent 1.2: Support to the implementation of the National Social Protection Strategy (US\$1.0m: US\$0.5 IDA Grant and US\$0.5m ASP grant)***

14. Subcomponent 1.2 will contribute to the strengthening of the capacity of the central actors responsible for spearheading the national social protection system and implementing the national strategy. It will support activities aimed at informing the design of interventions or analyzing their impacts, and strengthening the early-warning system and emergency contingency plan.

15. ***This Subcomponent will support a series of analytical services*** to help the various actors involved in the implementation of the national strategy plan their investments and design their programs in the most effective way. These could include the analysis of options for targeting of potential beneficiaries for selected programs, the analysis of gaps in the supply of basic services on the basis of the SR and maps of services, the analysis of patterns of vulnerability to better design responses, the analysis of the distributional impact of subsidies to inform their potential reform, and the analysis of barriers faced by the poor when accessing basic goods (formation and transmission of food prices, etc.).

16. ***This sub-component will also support the implementation of an expanded early-warning system, which can trigger social protection contingency plans.*** This expanded early-warning mechanism builds on existing mechanisms that monitor crops, droughts, nutritional status, prices and food security risks (among these, the early warning system managed by the National Food Security Observatory focuses mostly on food security, and plays a critical role in the management of emergency food distribution). It effectively broadens existing systems by capturing a broader range of indicators that effectively reflect the multiple risks faced by the population, both in rural and in urban contexts. With this, it can become the mechanism that triggers the social safety net responses to crises or emergencies, as a complement to responses

from other sectors (construction, military, health, food, etc.). The mechanism would include: the indicators, thresholds, scale of response as well as their duration and subsequent scale-down. It will also propose targeting criteria for the emergency response. The design of this broader early warning system will be supported by other technical assistance activities, and the proposed Project would focus on its implementation within the institutions responsible for early warning.

**Component 2: Support to Social Transfer Program (US\$23.0m equivalent: US\$12.0m IDA Grant, US\$8.0m counterpart funding and US\$3.0m ASP Grant)**

17. *The second component will support the design and implementation of the national Social Transfer Program.* The STP combines regular transfers (supported by Sub-Component 2.2) with promotion activities designed to promote resilience through increased investment in households' human capital and income generating options (sub-component 2.3). The motivation for combining regular transfers and promotion activities lies in the fact that poverty taxes the mind and impedes the capacity to concentrate and focus on the future. Indeed, research shows that poverty has a strong negative effect on both cognitive capacity (the capacity to process information and make decisions) and executive control (the capacity for impulse control). Hence, the relief provided by regular cash transfers provides a unique opportunity for poor households to invest and adopt new practices. Furthermore, experience suggests that cash alone is not sufficient to shift practices, but that combining regular transfers with promotion activities that aim at encouraging investments in human capital for greater productivity and at deploying strategies to diversify income sources and to promote adaptation to shocks can indeed be transformative. The Government's strategy also includes a third pillar dedicated to reinforcing provision of basic social services. This activity is outside of the scope of the project but will be supported indirectly through the information collected through the SR.

18. *Program objectives and beneficiaries.* The objectives of the STP are to support the consumption of the poorest households and promote investments in the health and education. The STP targets the poorest households in Mauritania. The 2008 household survey suggests there are approximately 700,000 extreme poor in the country, living in approximately 100,000 households, which has been adopted as the target for the program.<sup>2</sup> The beneficiaries of the program are the households, who benefit from an increase in consumption and resilience, with a particular focus on children and women in terms of improvements in their human capital. The beneficiaries will be selected from the SR described earlier. For the transfers, each household will name a recipient (and a substitute) to receive the transfers. This recipient is the person in charge of daily health and education of the children in the household, namely the mother of the children. In absence of the mother, the recipient will be the main caretaker of the children. Mauritania shows low rates of polygamy (6 percent of households), and these households will be initially considered as one household, with only one transfer paid to the recipient proposed by the household. The team will closely monitor any concern that may arise from this.

19. *Program duration.* The program is set up as a permanent program, catering to extremely poor households. However, for each household, the cycle of program participation is five years, which reflects the long-term vision of the program and its focus on chronic poverty. After five

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<sup>2</sup> This number will be revised in light of the 2014 household survey (*Enquête Permanente sur les Conditions de Vie des ménages*, EPCV), due for publication mid-2015.

years, beneficiary households will undertake a re-certification process to assess their eligibility to continued participation, or their graduation out of the program. Recertification will be based on new rounds of registration in the SR. This new passage will serve both to recertify households and to identify new eligible households.

20. **Implementation arrangements.** The program will be implemented by the Tadamoun Agency, under the guidance of the Steering and Technical Committees responsible for the national social protection strategy. A central program team will organize and supervise implementation with regional teams responsible for implementation in the field. The Tadamoun Agency will reinforce existing regional offices (present in 5 regions) and establish new offices as the program is rolled out. Payment activities (component 2.2) will be contracted to financial providers and social promotion activities (component 2.3) will be contracted to Non-Governmental Organizations (NGOs). Relevant government entities (*MASEF*, Ministry of Health, Ministry of Education) are engaged at the national level (at the strategic level through the national *NSPS* steering committee and at the technical level through the national technical committee), the regional level (through the regional coordination tables) and at local levels where present. De-concentrated and administrative structures will also support the program's implementation locally.

21. **Implementation plan.** While the overall program will be national in scope, implementation will follow a phased approach, according to a transparent and rule-based calendar. As for the SR, the objective is to roll out the program in phases to take limitations into account and allow for the gradual fine-tuning of instruments. For example, payment mechanisms may evolve as time goes by, from payments in cash to electronic or mobile payments. As with the SR, implementation will start in the areas with the largest number of extreme poor households.

***Subcomponent 2.1: Development of program tools and processes, monitoring and evaluation and operational costs (US\$4.0m: US\$2.5 IDA Grant, US\$1.0m counterpart funding and US\$0.5m ASP Grant)***

22. The STP requires a series of tools and processes to effectively identify and enroll its beneficiaries, provide the promotion activities and ensure regular payment of transfers in an efficient and transparent manner. While some of these will be built as the program evolves, a series of core elements are required at the outset. These include, among others:

- a. A MIS that includes modules for the registration of beneficiaries, the payment of transfers, the verification of households with respect to their conditionality, the management of grievances and redress, the management and monitoring of daily program activities, and the production of regular reports on program implementation. The MIS will be built with a view to ensure its inter-operability with the MIS of the Social Registry. The MIS will also include a simple interface that will allow flows of information between the MIS and the information system of the payment agencies.
- b. Grievance mechanisms component will finance the development and management

of a grievance system to respond to complaints and ensure a high level of social accountability. As grievances can include a broad range of items (from information requests, questions of inclusion or exclusion, requests for correction of incorrect data, complaints on stakeholders, etc.), different mechanisms will be put in place to handle the various types grievances (forms at local level, national hotline for telephone or text messages, postal address), and protocols will be put in place to address them.

- c. A Social Transfer Program Manual which specifies the roles of all actors, as well as the formats, communication tools, and all support required for implementation.
  - d. The equipment necessary for the activities related to the planning, organization, management and supervision of the program, including Information Technology (IT) material. The Government is currently considering alternative options for the technical architecture of its MIS (either with both database and software hosted in clouds, with both in local servers, or with a combination of the two). The decision will determine whether the costs relate to hardware or to the rental of cloud space.
23. The project will support a series of operational expenditures related to the core management of the program. These include (a) program staff (non-civil servant) and operational costs at the regional levels. Program staff will include the central technical team (a Program Coordinator, a Social Promotion Specialist, a Payment Specialist, a Monitoring and Evaluation (M&E) Specialist, and a MIS expert) as well as regional teams where the program is implemented. (b) equipment and operating costs as well as the payment of associated financial fees for the Tadamoun Agency directly linked to the daily management of the program (utilities and supplies, communications, vehicle operation, maintenance and insurance, equipment maintenance costs, travel costs, etc.); (c) regular internal audits and annual external audits (as per Bank legal requirements audits of financial and procurement aspects); and (d) staff training (at both central and regional levels).
24. Monitoring and evaluation plans typically combine a variety of instruments, which provide program management with the mechanisms to manage the program on a daily basis, be alerted or issues with its implementation in real time, regularly take stock of issues and options for improvements, and measure its impacts. For the Social Transfer Program, these include:
- a. Regular monitoring based on the MIS as well as supervision in the field.
  - b. Process evaluations that review the implementation of the program and identify bottlenecks. They will be carried out on a yearly basis for all the components of the Social Transfer Program (client relation, transfers, promotion activities, etc.). A first evaluation would take place after six months of program implementation.
  - c. Spot checks of the implementation of the program (quality of implementation, respect of procedures, etc.) in randomly selected localities.
  - d. Beneficiary surveys that gather beneficiary understanding, perception and

experience with the program.

- e. It could also include an evaluation of the impacts of the program (or some of its components) to provide Government and development partners with evidence on the impact obtained on the welfare of households and inform discussions on the modification, expansion of the STP. The evaluation would have a baseline and two rounds of data collection in year 3 and 5 of implementation.
25. Overall, the Sub-Component will finance:
- a. Program tools: MIS, grievance mechanism, STP Manual
  - b. Operational costs, including program staff and operating costs at central and regional levels; equipment and operating costs for the program
  - c. Staff training costs tied to the program
  - d. Regular audit costs
  - e. Monitoring and evaluation and impact evaluation costs

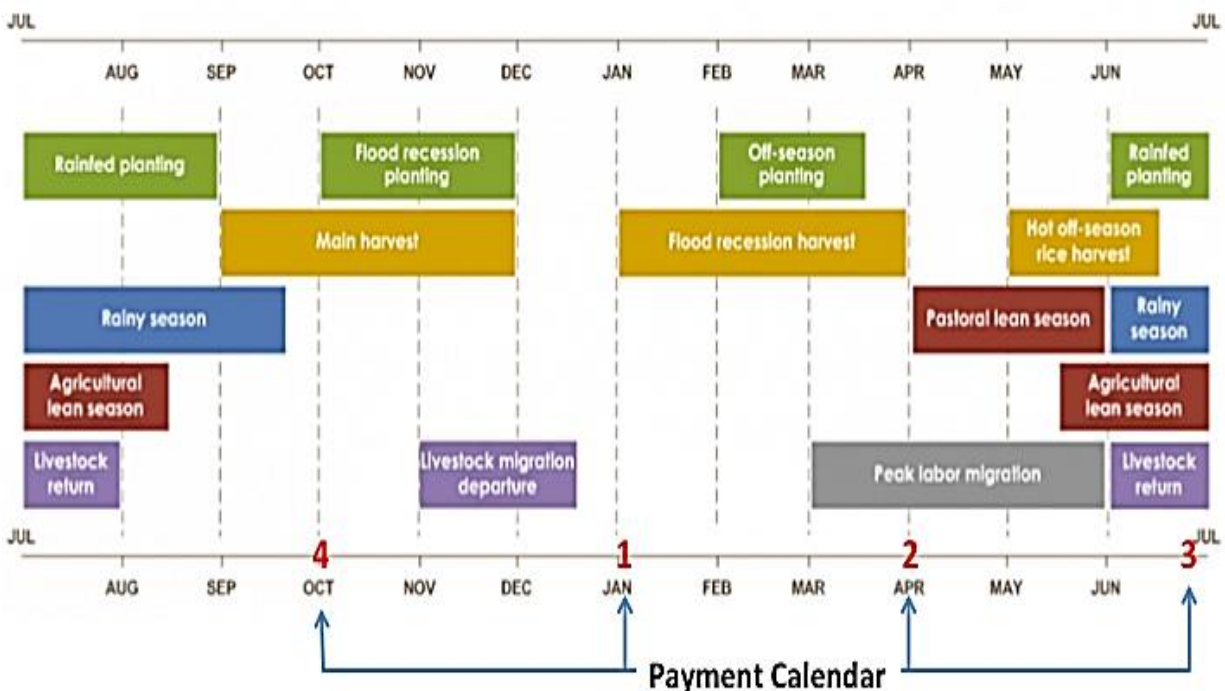
***Subcomponent 2.2: Payment of transfers to beneficiaries (US\$15.0m equivalent: US\$8.0m IDA Grant, US\$6.0m counterpart funding and US\$1.0m ASP Grant)***

26. ***Payment amount and schedule.*** The level of transfer will be Mauritanian Oughiya (MRO) 60,000; US\$200 equivalent, per household per year. This corresponds to about 16 percent of extremely poor households' consumption and 38 percent of the gap between average expenditure and extreme poverty. It is in line with the transfer amounts observed in comparable West African contexts (10-15 percent of extreme-poor household consumption).<sup>3</sup> For operational reasons, the payments to beneficiaries will initially be made quarterly. Once systems are well established and reliable, alternative payment schedules may be tested (monthly payments). The payment schedule takes into account periods of high risk (dry season), and periods of significant expenditures (beginning of school year in October). A summary of the seasonal calendar and proposed payment schedule is presented in figure 2, below.

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<sup>3</sup> See economic analysis section for detailed discussion of payment amount.

**Figure 2: Seasonal and payment calendar**



Source: FEWSNET, Mauritania data

27. **Payment mechanism.** A market study is currently underway to identify the best payment options available for Mauritania’s operational environment. So far, experiences of delivering transfers in remote regions have relied mainly on NGOs distributing cash directly to the population. Traditional payment operators such as banks, the post office and Micro finance institutions have a limited geographical coverage and reach and tend to be concentrated around the capital, and financial inclusion is very low across the board (5 percent of the population possess a bank account). Mobile phone companies have started to offer electronic wallet and cash transfer services, and while their coverage is limited, they could expand rapidly as seen in the other countries of the region. The payment mechanism that will be chosen, through a competitive bidding process, will demonstrate a range of key capabilities including: ability to pay; accessibility (a safe payment network and good connectivity); transparency; proven reliability; acceptable transaction costs; efficiency; capacity of planning and monitoring and evaluation. It is possible that several payment providers may be combined in order to ensure adequate accessibility.

28. **Condition and verification.** The STP aims at increasing consumption while promoting investment in the health and education of children and the resilience of households. However, in light of the limited supply of core basic services, the payment of transfers will be initially conditional on households’ participation in the social promotion activities of the program described in subcomponent 2.3. Over time, where the provision of basic services is sufficient, the program will explore the option of making payments conditional on the actual use of such services (a condition which could be verified using the *carte de santé* or primary school records for instance). In the meantime, participation in promotion activities will be recorded in the MIS and used to verify compliance. All beneficiary households will be expected to participate in the

main promotion activities, with absences collected and transmitted to the central program for notification. Once registered in the central program MIS, a notification of absence will be transmitted to the local program official and community focal point, and a warning ('yellow card') will be made to the beneficiary together with encouragement to participate in the future, but with no immediate material consequences. Two consecutive absences would result in the withholding of the following payment ('red card'). Yellow and red cards may be annulled by the local program representative if credible justification is presented (serious sickness, accident, etc.).

29. Specifically, subcomponent 2.2 will support the payment of transfers to 25,000 households of the national STP. This corresponds to approximately 25 percent of extreme-poor households in Mauritania. The 25,000 households will enter progressively in the program, as described in the results framework presented in Annex 1. The STP itself, with all sources of financing, aims to reach all of Mauritania's households living in extreme poverty, approximately 100,000 households or 620,000-700,000 individuals, by 2020. More details are provided in the economic analysis section. Subcomponent 2.2 will also support the payment of fees for the financial service provider(s) who will pay the transfers to beneficiary households.

***Subcomponent 2.3: Promotion of investment in human capital and resilience (US\$4.0m equivalent: US\$1.5 IDA Grant, US\$1.0m counterpart funding and US\$1.5m ASP grant)***

30. ***Curriculum of promotion activities.*** The core curriculum for the promotion activities will consist of six modules: (a) Social Transfer Program objectives, activities and conditions, (b) health, (c) nutrition, (d) Early-Childhood Development (ECD), (e) Education and (f) resilience. The curriculum was defined on the basis of the overall program objective of supporting investment in human capital investment, with a specific focus on the health and education of children, and promoting resilience. The content of the curriculum is being defined following (a) priorities identified through national data and indicators, b) appropriateness and cost-effectiveness in relation to the delivery method, and (c) innovation and potential impact and spillovers. For example, Mauritania shows particularly low levels of certain parenting practices, such as father's involvement in children's development. The ECD module will therefore seek to promote adoption of good parenting practices, which will be an innovation in the Mauritania context. Similarly, the resilience and environmental education module will be an innovation with potentially large benefits. Furthermore, because of low levels of knowledge on both ECD and resilience across the board in many communities, it is expected that these modules may show positive spillovers beyond immediate beneficiary households.

**Table 4: Proposed core curriculum**

	<b>Module</b>	<b>Content</b>
<b>1</b>	Program objectives	Program objectives, program activities, conditions, household responsibilities and civil engagement, national identification number (NIN),
<b>2</b>	Health	Safe motherhood and newborn health, Illnesses & Diarrhea, Malaria, Hygiene, Immunization, HIV, Female genital mutilation (FGM)
<b>3</b>	Nutrition	Breastfeeding, nutrition and growth
<b>4</b>	ECD	Early childhood development, early learning, school preparedness
<b>5</b>	Education	Importance of education
<b>6</b>	Resilience	Climate change adaptation strategies, emergency response to shocks and income

31. Each module will be implemented through a set of activities (defined in a promotional manual) and materials (posters, images and material supports). Materials build on national guidelines and international experience. Their development is undertaken in close coordination with the relevant national stakeholders (ministry of health, ministry of social affairs, ministry of education) and within the framework of the national coordination structure, the National Commission for Information, Education and Communication (CNIEC). Health and nutrition materials also build on UNICEF guidelines (“Facts for life” handbook) and ECD materials will be developed in coordination with the Bank’s education sector teams.

32. Resilience materials will be developed in close coordination with regional work on adaptive safety nets in Sahel countries, in the context of the Adaptive Social Protection program. In particular, it will seek to promote an integrated approach to reduce vulnerability, based on the understanding of the interlinked nature of the shocks and stresses that poor people face today – and the potential synergies to be gained from bringing together social protection, disaster risk reduction and climate change adaptation. Adaptive social protection recognizes that social protection should account both for current and projected future vulnerability through building adaptive capacity so that people and communities are better equipped to respond to exposure to climate change shocks and hazards when they occur.

33. All materials will be tailored to the specificities of the Mauritania context. Though it suffers from problems with regards child health, nutrition and education similar to others in the sub-region, Mauritania also shows unique religious, tribal and ethnic characteristics that must be taken into account when undertaking activities that may affect practices and social norms. For example, delicate issues among certain communities, such as father’s presence and involvement, will require careful design and testing among stakeholders and communities prior to rollout. In such cases, validation and endorsement by religious authorities may prove particularly important.

34. Furthermore, the materials and methodology will be adapted to ensure their relevance and appropriateness for particularly marginal groups. Indeed, social exclusion is a particularly salient phenomenon in Mauritania, and may affect capacity to learn and thereby limit the impact of promotion activities. The STP beneficiaries will likely include single mothers, or socially marginalized groups such as ex-slave communities, who suffer in different ways from the consequences of social exclusion. These specific factors will be taken into account in designing appropriate delivery mechanisms.

35. The modules will integrate innovative delivery platforms as relevant. This may include visual aids and interactive content to facilitate learning, such as images, standardized audio and video modules as well as interactive content. These supports will draw on the latest methodologies for child and adult learning and cognitive stimulation, as well as on insights developed in the fields of social psychology and behavioral economics, building on the World Development Report 2015 (Mind, Culture and Society).

36. ***Beneficiaries of promotion activities.*** The household is the primary target of promotional activities. This reflects the program’s overall focus on the household, and the contribution all



household members can play in adopting positive behaviors. While mothers may engage the most with the issues covered in promotion activities, all household members play an important role in defining correct attitudes and behaviors. Fathers, as heads of households, grandmothers, aunts and sisters as repositories of knowledge and experience all contribute to the definition of what is considered correct, and as such must be included in the adoption of positive behaviors. Therefore, the STP will engage all members of the household with tailored activities, to ensure key messages are received and understood by all household members. Specifically, the quarterly promotional activities will include household sessions open to participation of all household members, as well as specific mothers' sessions and fathers' sessions. Youth and children themselves may also be engaged through age-appropriate activities.

37. In addition, because of very low levels of knowledge on the practices encouraged through promotion activities among communities as a whole, and the important potential benefit of positive spillovers, activities will also be undertaken for the benefit of communities as a whole. These activities will cover the same modules as the activities for beneficiary households, but with voluntary participation.

38. Finally, because community leaders, such as elders, health and education workers and religious representatives, contribute to the definition of social norms and behaviors, they will also be invited to participate in specifically tailored activities, and receive pedagogical materials to encourage dialogue on the issues within the community.

39. ***Implementation of promotion activities.*** Promotion activities will be implemented once every three months, matching the transfer payment cycle. Activities will be organized and implemented by teams of field operators ("*animateurs*"), selected on the basis of skill and knowledge of local conditions, and supervised by the Tadamoun Agency regional teams. Furthermore, some beneficiary households who play a particular leadership role in the community may be involved to support organization and encourage attendance. Attendance for beneficiary households is mandatory.

40. The quarterly activity will focus on a learning session for beneficiary households. The learning sessions will offer practical guidance on the adoption of positive behaviors. Community leaders seeking to engage with the issues will receive posters, images and pedagogical tools to continue promoting positive behavioral change within the community. Community religious leaders for example will be engaged through specific materials developed with the central religious authorities. Education and health workers may receive materials similarly tailored to their audience (children and mothers for example) for use and/or posting in the classroom or in the health post. Over time, as the program gains experience and capacity, additional activities and interventions may be tested, with a view to improving the adoption of positive behaviors.

41. Specifically, the proposed Project will support a series of activities, including:

- a. In terms of material development, the proposed Project will finance mostly the development of modules on the STP, health, and nutrition. The development of modules for early childhood development and resilience may also benefit from activities supported by the additional technical assistance activities (Early

Learning Partnership and Sahel Adaptive Social Protection Multi-Donor Trust Funds, respectively). In this context, the proposed Project might support events for south-south exchange of experience, through participation in communities of practice or study tours.

- b. For the provision of the promotion services to the beneficiaries and their communities, the proposed Project will support the contracting of qualified NGOs, as well as the production of support material they would use to provide the services. The STP itself will not distribute goods to beneficiary households, but may coordinate with stakeholders to give small materials designed to encourage and facilitate adoption of good practices among beneficiary households (such as soap, mosquito nets, etc.).
- c. The proposed Project will also support activities for the programming, supervision, monitoring and evaluation of the activities by the Tadamoun Agency central and regional teams.

**Component 3: Project Management (US\$2.0m equivalent: US\$1.0m IDA Grant, US\$1.0m counterpart funding)**

42. This component will support activities related to the management of the proposed Project. It will ensure that the project operational team within the Tadamoun Agency is operational and that it successfully and efficiently implements the project in conformity with the Financing Agreement, project document and the implementation manuals (Administrative, Procurement and Accounting Manual, Social Registry Manual, and Social Transfer Program Manual).

43. Specifically, this component will finance:

- a. *Core administrative project staff*. A Project operational coordinator and fiduciary specialists (procurement and financial management) who will be located in the Tadamoun Agency and support all Project activities (the technical staff for the SR and the STP are supported under Components 1 and 2 respectively);
- b. Equipment and operating costs directly linked to the daily management of the Project (utilities and supplies, communications, vehicle operation, maintenance and insurance, equipment maintenance costs, etc.);
- c. Regular internal and external audits (focusing on financial and procurement aspects);
- d. Training for the Project operational support team; and
- e. Costs associated with Project reporting, including a mid-term review involving stakeholders and civil society.

### **Annex 3: Implementation Arrangements Mauritania: Social Safety Net System Project**

#### **Project Institutional and Implementation Arrangements**

1. The overall implementation arrangements for the proposed Project include: (a) the Committee for Piloting the National Social Protection Strategy and its Technical Committee are responsible for providing strategic guidance for the Project implementation; (b) the Project Steering and Monitoring Committee is responsible for the steering, validation, and monitoring of Project activities, (c) the Social Protection Unit located within the Ministry of Economic Affairs and Development is responsible for the technical coordination of the Project, and (d) the Tadamoun Agency is responsible for the implementation of the Project, under the coordination of the Operational Coordinator.

2. **Strategic guidance.** The Committee for Piloting the National Social Protection Strategy (*Comité de Pilotage de la Stratégie Nationale de Protection Sociale, CP-SNPS*) was established by decree on January 8, 2014. It is co-presided by the Principal Secretaries (*Secrétaires Généraux*) of the Ministry of Social Affairs, of the Child and of the Family (*Ministère des Affaires Sociales, de l'Enfance et de la Famille, MASEF*) and of the Ministry of Economic Affairs and Development (MAED), who have the joint stewardship of the sector. The committee is a multi-sectoral committee that includes, among others, representatives from MAED, MASEF, the Ministry of Finance (*Ministère des Finances, MF*); the Health Ministry (*Ministère de la Santé, MS*); the Ministry of Basic Education (*Ministère de l'Enseignement Fondamental, MEF*); the Ministry for Employment, Professional Training, and Information and Communication Technologies (*Ministère de l'Emploi, de la Formation Professionnelle et des Technologies de l'Information et de la Communication, MEFPTIC*); the Ministry of Civil Service, Labor and the Modernization of Public Administration (*Ministère de la Fonction Publique, du Travail et de la Modernisation de l'Administration, MFPTMA*); the Ministry of Justice (*Ministère de la Justice, MJ*); the Food Security Agency (*Commissariat à la Sécurité Alimentaire, CSA*); the Tadamoun Agency; the Civil Society; and the technical and financial partners. The CP-SNPS is a high level committee in charge of approving technical documents and tools for social safety nets; mobilizing resources for the implementation of the SNPS; ensuring the coordination and the collaborative implementation of all actors involved in the implementation of social safety nets; and supporting sectoral actors in their contributions to social protection. It will provide strategic guidance for the Project.

3. The CP-SNPS has established a Technical Committee for the National Social Protection Strategy (*Comité Technique de la Stratégie de Protection Sociale, CT-SNPS*) by decree on January 8, 2014, as a small group of technical experts which acts as the technical arm responsible to provide technical guidance to the CP-SNPS. Its tasks include the preparation of road maps with policy options, reforms, and activities for the implementation of the SNPS; the elaboration of technical tools for the SNPS implementation; the design of financing mechanisms for the sector; the coordination of activities; the supervision of evaluation studies; and the coordination of the sector's actors. The CT-SNPS will assist the CP-SNPS in providing guidance for the Project.

4. **Steering and monitoring.** A Project Steering and Monitoring Committee will be established, under the presidency of the General Secretary of the Ministry of Economic Affairs and Development. Among others, it will validate the SR and STP Manuals, formulate and validate annual work plans, and closely monitor the implementation of the Project. It will regularly report to the Committee for the Piloting of the *SNPS* on progress in implementation and will seek its guidance on core strategic decisions.

5. **Technical coordination.** The Social Protection Unit (*Cellule de Protection Sociale, CPS*), established by *MAED* and *MASEF* and anchored in the *MAED*, is responsible for the sector's coordination. The Unit and its National Project Coordinator will be responsible for the technical coordination of the proposed Project and for regular reporting on implementation.

6. **Implementation of the Project.** The National Agency in charge of Fighting against the Consequences of Slavery, Promoting Insertion, and Fighting against Poverty (*Agence Nationale de Lutte contre les Séquelles de l'Esclavage, l'Insertion et la Lutte contre la Pauvreté, ANLSESILP*), also known as the Tadamoun Agency (Solidarity in Arabic), will have the overall responsibility for the Project's implementation. The Tadamoun Agency was created in 2013 but inherited the staff and programs of the National Agency to Support and Re-integrate Refugees (*Agence Nationale d'Appui et d'Insertion des Réfugiés, ANAIR*). Its objectives are to: (a) eradicate the after-effects of slavery, (b) integrate repatriated refugees, and (c) implement programs targeting the eradication of extreme poverty. The Tadamoun Agency will be responsible for the implementation of the Project, and will house a dedicated Project Operational Coordinator and fiduciary specialists (procurement and accounting) to support all Project activities. The Tadamoun Agency will manage the Project bank account and all related fiduciary aspects.

7. Technically, the activities of Component 1 will be led by the *MAED* and involve the National Statistical Office (*Office National de la Statistique, ONS*) responsible for the elaboration of quotas for the SR, the implementation of the questionnaires, as well as more general guidance on poverty-related analysis, as well as the Civil Registry Institution (National agency of the Population Registry and Titling, *Agence Nationale du Registre des populations et des Titres Sécurisés*.) in its role of allocation of identification documents. The activities of Component 2 that support the national Social Transfer Program will be implemented by the Tadamoun Agency, in close coordination with sectoral actors responsible for the definition of the package of promotion services and the supervision of its implementation by external agencies (Non-Governmental Organizations, NGOs). In particular, these include *MASEF*, the Ministry of Health, the Ministry of education, and the Ministry of Agriculture. Finally, the financial institutions responsible for the payment of transfers to beneficiary households will play an important role.

8. At the local level, the Project will benefit from support from the administrative structure (Wilayas, Moughataas, *Arrondissements*, and *Communes*) and existing representatives from sectoral ministries. It will rely on existing coordination mechanisms (*Comités Régionaux de Développement and Comités Communaux de Développement*). It will also rely on civil society institutions, religious groups, community organizations, and local representatives.

9. An Administrative, Procurement and Accounting Manual, covering all aspects of Project implementation will be prepared. It will rely on government procedures and staff, and will not create a separate implementation unit. Rather, it will support the Government agencies involved in the implementation of the proposed Project to strengthen their implementation capacity, as well as fiduciary functions, and to adjust its Administrative, Procurement and Accounting Manual to ensure Bank procedures are respected. Similarly, the proposed Project will follow the procedures established by the Ministry of Finance for financial arrangements and flows.

## **Financial Management, Disbursements and Procurement**

### *Financial Management*

10. **Budgeting arrangements.** The Tadamoun Agency will prepare an annual budget based on an agreed annual work program and annual procurement plan. The budget will be adopted by the Program Steering Committee before the beginning of the year and its execution will be monitored on a quarterly basis. The budgeting process and monitoring will be clearly defined in the Administrative, Procurement and Accounting Manual. Annual draft budgets will be submitted to the Bank's non-objection before adoption and implementation no later than November 15 every year.

11. **Accounting arrangements.** The current accounting standards in use in Mauritania for ongoing Bank-financed projects will be applicable. Project accounts will be maintained on an accrual basis, supported with appropriate records and procedures to track commitments and to safeguard assets. Annual financial statements will be prepared by the Tadamoun Agency.

12. **Internal Control and Internal Auditing arrangements.** The Administrative, Procurement and Accounting Manual will provide a clear description of the approval and authorization processes in respect of the rule of segregation of duties. The Bank will pay attention to the adequacy of internal control during its supervision missions.

### *Flow of funds and disbursement arrangements*

13. **Disbursement arrangements.** The following disbursement methods may be used under the project: reimbursement, advance, direct payment and special commitment as specified in the Disbursement Letter and in accordance with the World Bank Disbursement Guidelines for Projects, dated May 1, 2006, Disbursements would be transactions-based whereby withdrawal applications will be supported with Statement of Expenditures (SOE).

14. All replenishments or reimbursement applications will be fully documented. Documentation will be retained at the Tadamoun Agency for review by Bank staffs and external auditors. The Disbursement Letter provides details of the disbursement methods, required documentation, DA ceiling and minimum application size. These have been discussed and agreed upon during negotiations of the Financing Agreement. On project closure, a period of four (4) months (grace period) after the closing date will be allowed to complete processing of disbursement for eligible expenditures incurred up to and until the closing date of the grant.

15. **Banking Arrangements.** Two separate Designated Accounts (DA) for the project will be opened in the Central Bank, on terms and conditions acceptable to the Bank, and two Project Accounts (PA) will be opened in a commercial Bank in Nouakchott, one to receive IDA grant funds and one to receive the Multi Donor Trust Fund (MDTF) funds. The DAs will be used for all eligible payments financed by the grants as indicated in the specific terms and conditions of the Financing Agreements.

16. The Tadamoun Agency will submit initially a withdrawal application to IDA in an amount not to exceed the ceilings of the DAs which have been set at US\$1,000,000 for the DA for IDA grant funds, and at US\$500,000 for the DA for the MDTF funds, equivalent to a 4-month forecast of eligible expenditures. The IDA will process the withdrawal applications and deposit funds into the Designated Accounts. The DAs and the PAs will be used to pay for eligible expenditures except for those exceeding 20 percent of the DA ceilings. Such payments should be made through the direct payment method or through a special commitment letter issued by IDA. The DAs should be replenished on a monthly basis.

17. **Financial Reporting arrangements.** The Tadamoun Agency will prepare quarterly Interim Financial Report (IFRs) for the project in form and content satisfactory to the Bank. These IFRs will be submitted to the Bank within 45 days after the end of the quarter to which they relate. The Tadamoun Agency has prepared and has agreed with the Bank on the format of the IFRs. The Tadamoun Agency will also prepare Project' Financial Statements in compliance with International Accounting Standards (IAS) and World Bank requirements. These Financial Statements<sup>4</sup> will comprise of:

- a) A balance sheet;
- b) A Statement of Sources and Uses of Funds;
- c) A statement of Commitments;
- d) The Accounting Policies adopted with appropriate notes and disclosures;
- e) A Management Assertion that Program funds have been expended for the intended purposes as specified in the relevant Grant agreement.

18. **Auditing arrangements.** The Financing Agreement will require the submission of Audited Financial Statements for the project to IDA within six months after the end of each fiscal year end. The audit report should reflect all the activities of the project. An external auditor with qualification and experience satisfactory to the World Bank will be appointed to conduct annual audits of the Project Financial Statement (PFS). Appropriate terms of reference for the external auditor will be provided to the project team.

**Table 5: Auditing arrangements**

Audit Report					Entity	Due Date
Annual	audited	financial	statements	and	Tadamoun Agency	June 30 N+1

<sup>4</sup> It should be noted that the project financial statements should be all inclusive and cover all sources and uses of funds and not only those provided through IDA funding. It thus reflects all program activities, financing, and expenditures, including funds from other development partners.

Management Letter	(Project)	
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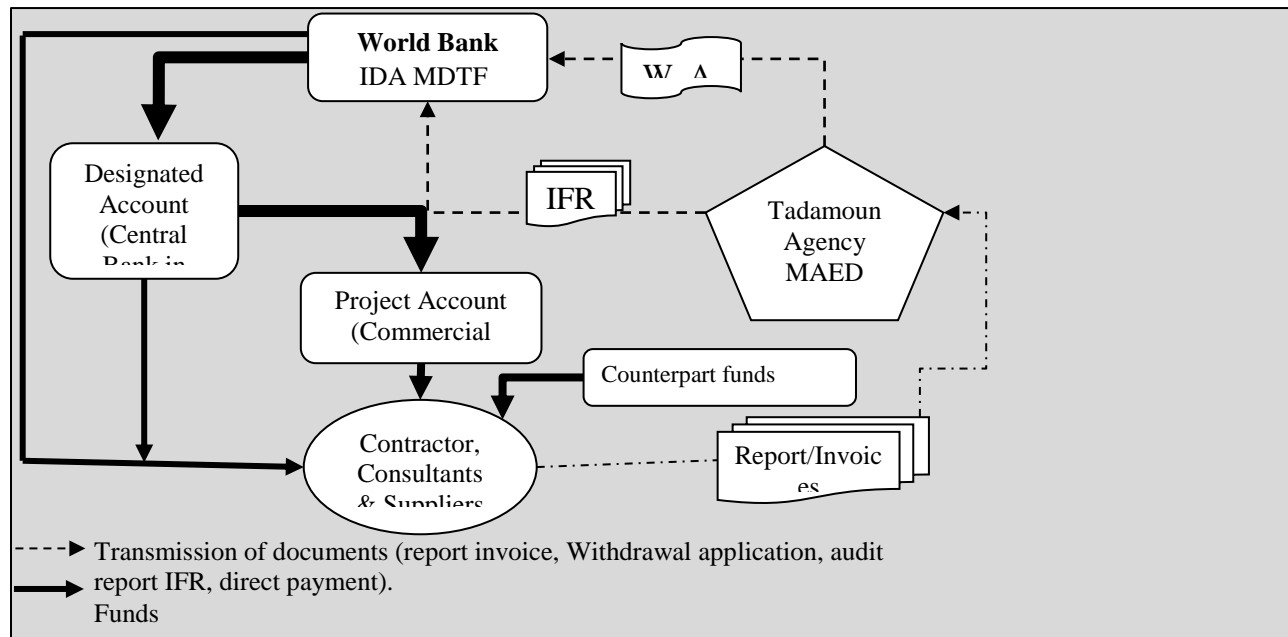
19. **Action Plan.** The following actions need to be taken in order to enhance the financial management arrangements for the Project.

**Table 6: Action plan**

N°	Action	Due Date	Responsible Entity
1.	Prepare and agree with the Bank on the format of the IFRs by negotiations	Done	Tadamoun Agency
2.	Update the Administrative, Procurement and Accounting Manual	By effectiveness	Tadamoun Agency
3.	Update the existing Accounting Information System	two months after effectiveness	Tadamoun Agency
4.	Recruit an accountant with competence and experience satisfactory to the Bank	Before disbursement	Tadamoun Agency
5.	Recruitment of internal auditor with competence and experience satisfactory to the Bank	Before disbursement	Tadamoun Agency
6.	Selection an external auditor with competence and experience satisfactory to the Bank	Four months after effectiveness	Tadamoun Agency

20. **Financial Covenants.** The Borrower shall establish and maintain a financial management system including records, accounts and preparation of related financial statements in accordance with accounting standards acceptable to the Bank. The Financial Statements will be audited in accordance with international auditing standards. The Audited Financial Statements for each period shall be furnished to the Association not later than six (6) months after the end of the project fiscal year. The Borrower shall prepare and furnish to the Association not later than 45 days after the end of each calendar quarter, interim un-audited financial reports for the Project, in form and substance satisfactory to the Association. The Borrower will be compliant with all the rules and procedures required for withdrawals from the Designated Accounts of the project.

**Flow of Funds and Information**





## ***Procurement***

### **Processes and Procedures**

21. Procurement under the Project will be carried out in accordance with the World Bank's (i) "Guidelines: Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits & Grants by World Bank Borrowers" dated January 2011, revised in July 2014 (ii) "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits & Grants by World Bank Borrowers" dated January 2011, revised in July 2014 and (iii) "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006, as revised in January 2011, as well as the provisions stipulated in the Financing Agreement.
22. The general description of various items under different expenditure categories is presented below under *Procurement Arrangements*. For each contract, the different procurement methods or consultant selection methods, the need for prequalification, estimated costs, prior review requirements, and time frame are agreed between the Borrower and the Bank in the Procurement Plan. The Procurement Plan will be updated at least annually, or as required, to reflect the actual project implementation needs and improvements in institutional capacity.
23. In addition to prior review of contracts by the Bank as indicated in the Procurement Plan, the procurement capacity assessment recommends at least one supervision mission each year to carry out post-review of procurement actions and technical review. Post reviews focus on technical, financial and procurement reports carried out by World Bank and/or consultants selected and hired under the Project. The percentage of the procurements subject to post-reviews and technical reviews will be decided on case-by-case by the World Bank mission.
24. ***Advertising procedures.*** In order to get the broadest attention from eligible bidders and consultants, a General Procurement Notice (GPN) will be prepared by the implementing entity and published in the United Nations Development Business online (UNDB online), on the World Bank's external website and in at least one newspaper of national circulation in the Borrower's country, or in the official gazette, or a widely used website or electronic portal with free national and international access. The Borrower will keep record of the responses received from potential bidders/consultants interested in the contracts and send them the Specific Procurement Notices.
25. Specific Procurement Notices for all goods and non-consulting services to be procured under International Competitive Bidding (ICB) and Expressions of Interest for all consulting services with a cost equal to or above US\$300,000 will be published in the UNDB online, on the Bank's external website, and in at least one newspaper of national circulation in the Borrower's country, or in the official gazette, or a widely used website or electronic portal with free national and international access. Specific Procurement Notices (SPN) for goods and non-consulting services will be procured using National Competitive Bidding (NCB). Expressions of Interest for all consulting services with a cost less than US\$300,000 will be published in at least one newspaper of national circulation in the Borrower's country.

26. ***National Competitive Bidding.*** The procurement procedure to be followed for NCB shall be the open competitive bidding procedure set forth in the Public Procurement Code 2010-044 of July 22, 2010, of Mauritania (the Code); provided, however, that such procedure shall be subject to the provisions of Section I, and Paragraphs 3.3 and 3.4 of the Procurement Guidelines, and the following additional provisions:

- a. Bidding documents acceptable to the Bank shall be used.
- b. Eligibility to participate in a procurement process and to be awarded a Bank-financed contract shall be as defined under Section I of the Procurement Guidelines; accordingly, no bidder or potential bidder shall be declared ineligible for contracts financed by the Association for reasons other than those provided in Section I of the Procurement Guidelines. Foreign bidders shall be allowed to participate in NCB procedures, and foreign bidders shall not be obligated to partner with local bidders in order to participate in a procurement process.
- c. Bidding shall not be restricted to pre-registered firms, and foreign bidders shall not be required to be registered with local authorities as a prerequisite for submitting bids.
- d. No margins of preference of any sort (e.g., on the basis of bidder nationality, origin of goods, services or labor, and/or preferential programs) shall be applied in the bid evaluation.
- e. Joint venture or consortium partners shall be jointly and severally liable for their obligations. Bidders shall be given at least thirty (30) days from the date of publication of the invitation to bid or the date of availability of the bidding documents, whichever is later, to prepare and submit bids. Bids shall be submitted in a single envelope.
- f. An extension of bid validity, if justified by exceptional circumstances, may be requested in writing from all bidders before the original bid validity expiration date, provided that such extension shall cover only the minimum period required to complete the evaluation and award a contract, but not to exceed thirty (30) days. No further extensions shall be requested without the prior written concurrence of the Bank.
- g. All bids (or the sole bid if only one bid is received) shall not be rejected, the procurement process shall not be cancelled, and new bids shall not be solicited without the Bank's prior written concurrence.
- h. Qualification criteria shall be applied on a pass or fail basis.
- i. Bidders shall be given at least twenty-eight (28) days from the receipt of notification of award to submit performance securities.
- j. In accordance with the Procurement Guidelines, each bidding document and contract shall include provisions stating the Bank's policy to sanction firms or individuals found to have engaged in fraud and corruption as set forth in the Procurement Guidelines.

- k. In accordance with the Procurement Guidelines, each bidding document and contract shall include provisions stating the Bank's policy with respect to inspection and audit of accounts, records and other documents relating to the submission of bids and contract performance.
- l. Evaluation committee should include two specialists in the matter at least and should never include any tender committee members.

27. ***Fraud and Corruption.*** All procurement entities as well as bidders and service providers (i.e., suppliers, service providers, and consultants) shall observe the highest standard of ethics during the procurement and execution of contracts financed under the Project in accordance with paragraphs 1.16 and 1.17 (Fraud and Corruption) of the Procurement Guidelines and paragraph 1.23 and 1.24 (Fraud and Corruption) of the Consultants Guidelines, and the “*Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants*”, dated October 15, 2006 and revised in January 2011, in addition to the relevant Articles of the national public procurement legislation.

### **Procurement Arrangements**

28. ***Procurement of Works.*** No civil works contracts are foreseen under the Project.

29. ***Procurement of Goods.*** Goods to be procured under the Project will include vehicles, computers and accessories, printers, photocopiers and other Information Technology (IT) equipment, software and licenses, furniture, school equipment's and stationary for training. Contracts with an amount equal or above US\$1,000,000 equivalent shall be procured through ICB. Goods orders shall be grouped into larger contracts wherever possible to achieve greater economies of scale. Contracts with an amount lower than US\$1,000,000, but equal to or above US\$50,000 may be procured through NCB. Contracts with an amount below US\$50,000 may be procured using shopping procedures in accordance with paragraph 3.5 of the Procurement Guidelines and based on a model request for quotations satisfactory to the Bank. Shopping consists of the comparison of at least three price quotations in response to a written request. Direct contracting may be used in exceptional circumstances only with the prior approval of the Bank regardless of the amount, in accordance with paragraph 3.7 and 3.8 of the Procurement Guidelines.

30. ***Procurement of non-consulting services.*** Procurement of non-consulting services, such as *services for organizing workshops, training, data collection, transport services and maintenance of office equipment*, will follow procurement procedures similar to those stipulated for the procurement of goods, depending on their nature. The applicable methods shall include ICB, NCB, Shopping and Direct Contracting.

31. ***Selection of Consultants.*** Services of both national and international consultants will be required under the Project, as related to the development and implementation of the Social Registry, the Social Transfer Program and the expanded early-warning system; analytical activities to inform the design of policies and programs; and financial auditing. Selection of

consultants will be carried out in compliance with the Consultant Guidelines. The provisions vary for consulting services provided by firms and individual consultants as follows:

- a. Firm. Selection of consulting firms will include launching a Request for Expressions of Interest, preparing short-lists and issuing a Request for Proposal using Banks' standard formats, when and as required by the Bank's Guidelines. The selection method shall be chosen among the following: Quality and Cost Based Selection (QCBS) whenever possible; Quality Based Selection (QBS); Selection under a Fixed Budget (FBS); Least Cost Selection (LCS); Single Source Selection (SSS) as appropriate; Consultant's Qualifications (CQS) for all consultancy services estimated to cost less than US\$300,000 equivalent. The shortlist of firms for assignments estimated to cost less than US\$100,000 equivalent per contract may be composed entirely of national firms in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines, provided that a sufficient number of qualified national firms are available and no foreign consultant desiring to participate is barred.
- b. Individual Consultants. Individual consultants will be selected by comparing qualifications of at least three candidates and hired in accordance with the provisions of Section V. of the Consultant Guidelines.

32. SSS may be used for consulting assignments that meet the requirements of paragraphs 3.8 - 3.11 of the Consultant Guidelines and will always require Bank's prior review regardless of the amount. Procedures of Selection of Individual Consultants (IC) will apply to assignments which meet the requirements of paragraphs 5.1 and 5.6 of the Consultant Guidelines.

33. All Terms of Reference (ToRs) for the selection of firms and individual consultants, regardless of the estimated value of the assignment, will be subject to Bank review and clearance.

34. The recruitment of civil servants as individual consultants or as part of the team of consulting firms will strictly abide by the provisions of paragraphs 1.9 to 1.13 of the Consultants Guidelines.

35. ***Workshops, Seminars and Conferences.*** Training activities would comprise workshops and training, based on individual needs, as well as group requirements, on-the-job training, and hiring consultants for developing training materials and conducting training. Selection of consultants for training services follows the requirements for selection of consultants above. All training and workshop activities (other than consulting services) would be carried out on the basis of approved Annual Work Plans / Training Plans that would identify the general framework of training activities for the year, including: (a) the type of training or workshop; (b) the personnel to be trained; (c) the institutions which would conduct the training and reason for selection of this particular institution; (d) the justification for the training, how it would lead to effective performance and implementation of the project and or sector; (e) the duration of the proposed training; and (f) the cost estimate of the training. Report by the trainee(s), including completion certificate/diploma upon completion of training, shall be provided to the Project Coordinator and will be kept as parts of the records, and will be shared with the Bank if required.

36. **Operating Costs.** Operating Costs are incremental expenses arising under the Project and based on Annual Work Plans and Budgets approved by the Bank pursuant to the Financing Agreements. They are incurred based on eligible expenses as defined in the Financing Agreement and cannot include salaries of the Borrower's civil and public servants. The procedures for managing these expenditures will be governed by the Recipient's own administrative procedures, acceptable to the Bank.

37. **Procurement Documents.** Procurement of works and goods under ICB and recruitment of consultants will be carried out using the latest Bank's Standard Bidding Documents (SBD) and, respectively, Standard Request for Proposal (RFP). For NCB, the Borrower shall submit a sample format of bidding documents to the Bank for prior review. Bidding documents shall incorporate the exceptions listed under paragraph 6 above and shall be used throughout the Project once the format has been agreed. The Forms of Evaluation Reports developed by the Bank will be used. SBD for NCB will be updated to include clauses related to Fraud and Corruption, Conflict of Interest, Eligibility and Bank's inspection and auditing rights requirements consistently with the Bank's Procurement Guidelines dated January 2011.

#### **Assessment of Procurement Capacity of the Implementing Agency and Risks**

38. Procurement activities will be managed by the Implementing Agency (Tadamoun Agency), which will have overall responsibility in carrying the following activities: (a) managing the overall procurement activities, and ensuring compliance with the procurement process described in the relevant manuals; (b) preparing and updating the procurement plan; (c) preparing bidding documents, draft RFPs, evaluation reports, and contracts in compliance with World Bank procedures; and (d) seeking and obtaining approval of national entities and of IDA on procurement documents as required.

39. **Legal backing to Procurement.** The Mauritanian Procurement Code is regulated by Decree no 2010-044 of July 22, 2010 and its regulation (several decrees and Prime Minister and Economic Affairs Minister's bylaws). This code was reviewed with IDA assistance. In general, the country's procurement procedures do not conflict with the Bank Guidelines. No special permits or licenses need to be specified in the credit documents, since Mauritania procurement practices allow IDA procedures to take precedence over any contrary local regulation or practice. A Country Procurement Assessment Review (CPAR) carried out in Mauritania in June 2002 flagged the main issues: the lack of capacity among the Borrower staff, absence of standard bidding documents at the national level, insufficient capacity of local contractors for contracts subject to ICB, and corruption practice. Recommendations were made to address these issues and the current procurement code, implemented since February 2012, is the result of these recommendations. In addition, the Public Sector Capacity Building Project (PSCBP) is providing funding to support the procurement system recently put in place. The PSCBP hired a consultant to identify a capacity building plan to strengthen all new stakeholders. This plan is already approved and its implementation will start shortly. It includes: (a) a detailed review of all standard bidding documents drafts, (b) a training of staff involved in procurement process at tender boards and control board level, and (c) supply of equipment for procurement entities.

- a. *Implementation Arrangements.* The fiduciary responsibility under the Project, including procurement and financial management, is entrusted to Tadamoun Agency. It is not planned to set up a separate project implementation entity for this Project. Given the small number of activities to be procured and implemented under the Project, Tadamoun Agency, through its Procurement Officer and its technical team will implement the Project. Tadamoun Agency is an independent Government entity (EPA) and will handle all contracts below MRO 50 Million (US\$165,000). The «*Commission de Passation des Marchés des Secteurs de Souveraineté (CPMSS)*» will handle all contracts above MRO 50 Million (US\$165,000). The *CPMSS* was created February 2012 within the framework of the new procurement arrangement after enforcement of the new law. It is composed from 9 members selected competitively. After 22 months, it seems that *CPMSS* is well organized but needs support to strengthen its members' capacities, procure a sufficient number of vehicles, motorcycles, office's equipment and IT's equipment (computers, copiers, scanners, shelf, etc.), and technical support for procurement monitoring and contracts management. The *CPMSS* will benefit from the ongoing Public Sector Capacity Building Project capacity building support but needs special attention for Bank procurement procedures.
- b. *Organization and Function.* Tadamoun Agency has a Procurement Service, attached to Financial Direction, consisting of one procurement officer. The Financial Direction with support of Procurement Service and other technical directions manages the procurements below the thresholds of the *CPMSS* (Equivalent to US\$165.000), manages bidding and selection processes, including preparing bidding documents or Requests for Proposals, advertisements for bids or sending RFP, receiving bids or proposals, opening bids or proposals, evaluation of bids awarding contracts.
- c. *Staffing.* The Tadamoun Agency has a Procurement Service consisting of one procurement officer who has knowledge and good experience in public procurement for goods, works and services. But he does not have experience and or knowledge of World Bank procurement procedures. The Japan Social Development Fund (JSDF) project anchored in Tadamoun Agency is very recent and entirely implemented by a separated Project Implementation Unit. However the Procurement Specialist recruited for that project could give some support to assist the Agency in procurement activities until the recruitment of a specific Procurement specialist or a Technical Assistant.
- d. *Procurement planning.* The capacity in procurement planning of the Tadamoun Agency seems relatively low and it has not yet elaborated a procurement plan.
- e. *Procurement process.* Until now, Mauritania does not have SBDs, but their development by the Public Procurement Regulation Authority (*Autorite de Regulation des Marches Publiques, ARMP*) is underway. Thus Procurement transactions will be carried out using the Bank's Standard Bidding Documents.
- f. *Record Keeping.* Record keeping of Tadamoun Agency is assessed as moderately satisfactory. For each contract, there is a separate file for procurement and contract management. Each procurement file describes the entire history of the procurement from

invitation for bids up to the contract award, and each contract’s file includes complete documentation of management and payments. All procurement files are kept in metallic locked cabinets in the offices of the procurement staff. The procurement information can be easily located and is set in safe cabinet with access limited to authorized staff. The access can be authorized only by the procurement officer or Financial Director. The particular documents, such as the bid security, financial proposals, and originals of bids, are kept in a safe cabinet with accessible limited only to the head procurement officer.

- g. *Experience in the use of Bank Procurement Procedures:* Tadamoun Agency has no experience in World Bank’s project implementation and the procurement staff has no knowledge or experience with World Bank project implementation.

40. **Conclusion of the Assessment.** The assessment concludes that the procurements under the Project will include small value procurements. Most procurement activities planned under the project are related to consultancy services, office equipment, vehicles and related equipment. The Tadamoun Agency’s capacity in Project implementation under World Bank procurement’s Guidelines and Consultant Guidelines is very low. The mitigation measures to improve these weaknesses and reduce implementation risk which have been agreed with the Tadamoun Agency are (a) Hiring a Procurement Specialist and/or a Technical Procurement Assistant (firm) to support the Tadamoun Agency Procurement Service to carry out all procurement activities planned under the Project; (b) Updating the Administrative, Procurement and Accounting Manual (underway) to ensure its compliance with World Bank guidelines; and (c) training the Procurement Officer and technical staff involved in project implementation in World Bank procedures and guidelines.

41. Based on the procurement capacity assessment and experience on the ground, the overall project risk for procurement is rated **High**. This is expected to be reduced to Substantial after completion of proposed mitigations measures.

42. **Supervision Plan.** It is recommended that official implementation supervision missions be carried out at least twice each year. The need for the post-review will be decided based on the number of contracts. In case of a small number of post-review contracts, these will be reviewed as part of the overall supervision missions.

43. **Identified risks and measures.** The procurement risks identified and the measures to be implemented are provided below:

**Table 7: Risks and Mitigations measures**

No	Key risks	Mitigation Actions	By When
1.	Lack of proficient skills /capacity and experience to carry out the consultants selection process, drafting ToRs and RFPs , undertake and manage the consultancy services contract	Hiring an experienced and qualified Procurement Specialist or TA (Firm) experienced and familiar with World Bank procurement procedures (to be recruited competitively, financed under the Project Preparation Advance).	Disbursement Condition

2.	Lack of information about WB procurement procedures	Tadamoun Agency procurement staff and all staff involved in procurement shall be trained on WB's procedures and attend the regular procurement clinics provided by the Bank's Country Office in Nouakchott and shall attend the regular progress review meetings with the World Bank procurement specialist based in Nouakchott	At signature of the grant and throughout project life
3.	Administrative, Procurement and Accounting Manual under preparation	Updated Administrative, Procurement and Accounting Manual	By effectiveness
4.	Fraud and Corruption	World Bank Fraud and Corruption provisions shall be included in all bidding, procurement and contract documents. World Bank Audit and inspection right, conflict of interest and eligibility requirements shall be inserted in all bidding, procurement and contract documents.	Throughout Project life

44. **Bank's review requirements.** The procurement decisions subject to Prior Review by the Bank, as stated in Appendix 1 to the Procurement and Consultant Guidelines, are detailed below:



**Table 8: Procurement and Consultant Guidelines**

Expenditure Category	Contract Value (Threshold)	Procurement Method	Contract Subject to Prior Review
	US\$		
1. Works	NA		
2. Goods	≥1,000,000	ICB	All contracts
	<1,000,000	NCB	All terms of reference > 500,000 are subject to prior review First contract regardless of the value
	<50,000	Shopping	First contract
	No threshold	Direct contracting	All contracts
3. Consultants	≥300,000	QCBS; QBS; LCS; FBS	All contracts
	<300,000	QCBS; QBS; LCS; FBS,	All contracts > 200,000 are subject to prior review First contract regardless of the value
Firms	< 100 000	CQ	First two contracts
Individuals	≥50,000	EOI	All contracts
	<50,000	Comparison of 3 CVs	First contract (for other missions) Prior review for Project implementation staff
Selection Firms & Individuals	No threshold	Single Source	All
<ul style="list-style-type: none"> <li>• All Term of reference regardless of the value of the contract are subject to prior review.</li> <li>• An expression of interest notice must be published obligatorily for recruitment firms and individual consultants above 50,000 dollars and key personnel of the Project; and highly recommended for the recruitment of individual consultants for missions under 50,000 dollars.</li> <li>• The technical specifications of equipment, supplies, and services should be subject to mandatory prior review by the Bank.</li> </ul>			

45. **Procurement Plan.** For each contract, the procurement plan will define the appropriate procurement methods or consultant selection methods, the need for pre-qualification, estimated costs, the prior review requirements, and the time frame. The procurement plan has been reviewed during project appraisal and has been confirmed during negotiations. The procurement plan will be updated at least annually, or as required, to reflect the actual project implementation needs and capacity improvements. All procurement activities will be carried out in accordance with approved original or updated procurement plans. All procurement plans should be published on Bank website according to the Guidelines. The approval of local committees tender (*Commissions Sectorielles de Passation de Marchés*) and the National Commission Control of Public Procurement (*Commission Nationale de Controle des Marchés Publics, CNCMP*) and local advertisement shall be not required for the procurement approved by the Bank.

**Procurement Plan approved during negotiations, covering the period: 06/30/2015 – 12/31/2016**

1	2	3	4	5	6	7
Ref. No.	Description du Contrat	Coût estimé (US\$)	Méthode de sélection	Revue par la BM	Date prévue d'ouverture des soumissions	Commentaires
<b>Fournitures, biens et services autres que les consultations</b>						
1	Fournitures informatiques (ordinateurs, imprimantes et logiciels)	300 000	AOI	Prior	15 mai 2015	
2	Voitures tout terrain (4x4) et Moto	320 000	AOI	Prior	15 juillet 2015	Nombre de lots à déterminer
3	Mobilier et équipements bureau (bureaux, mobilier, téléphones, climatiseurs)	60 000	AONS	Post	15 juillet 2015	AON Simplifié
4	Location de véhicule	100 000	AONS	Prior	1 <sup>er</sup> mai 2015	Contrat clientèle (prix prédéfini, quantités au fur et à mesure)
5	Prestataire de service pour entretien véhicules et moto	22 000	CF	Post	1 <sup>er</sup> octobre 2015	Contrat clientèle (prix prédéfini, quantités au fur et à mesure)
6	Impression matériel communication pour le Registre et le PTS et cartes des ménages	136 000	AON	Post	1er juillet 2015	Contrat clientèle (prix prédéfini, quantités au fur et à mesure)
7	Consommable bureautique & fournitures de bureaux	15 000	CF	Post	15 juillet 2015	Contrat clientèle (prix prédéfini, quantités au fur et à mesure)
8	Agent de paiement chargé des transferts	325 000	AON	Prior	15 juillet 2015	
	<b>TOTAL FOURNITURES, BIENS, SERVICES</b>	<b>1 278 000</b>				
<b>SERVICES DE CONSULTATION</b>						
	<b>PTS + REGISTRE</b>					
1	Audit (externe)	40 000	SMC	Prior	1 <sup>er</sup> Juillet 2015	
	<b>PROGRAMME TRANSFERTS SOCIAUX</b>					
2	Responsable promotion sociale	58 000	CI	Prior	1er mars 2015	
3	Responsable paiements	58 000	CI	Prior	1er mars 2015	
4	Responsable Suivi et évaluation	58 000	CI	Prior	1er mars 2015	
5	Responsable du système d'information	58 000	CI	Prior	1er mars 2015	
6	Spécialiste passation de marché	58 000	CI	Prior	15 mars 2015	
7	Comptable	36 000	CI	Prior	1er mars 2015	
8	Agent administratif	32 000	CI	Post	1er mars 2015	
	<b>PROGRAMME TRANSFERTS SOCIAUX</b>					

9	Auditeur interne	58 000	CI	Prior	1er avril 2015	
10	Secrétaire	15 000	CI	Post	1er avril 2015	
11	Chauffeur (4)	35 000	CI	Post	1er juin 2015	
12	Coordonnateur régionaux (3)	110 000	CI	Post	1er juin 2015	
13	Superviseurs (6)	90 000	CI	Post	1 <sup>er</sup> juin 2015	
14	Animateurs (20)	150 000	CI	Post	1er avril 2015	
15	Consultant chargé de développer le manuel et outils de promotion	60 000	CI	Prior	1 <sup>er</sup> aout 2015	
16	Consultant chargé de l'évaluation de processus	22 500	CI	Prior	1 <sup>er</sup> mars 2016	
	<b>REGISTRE SOCIAL</b>					
17	Expert technique	78 750	CI	Prior	15 mars 2015	
18	Expert informatique	57 750	CI	Prior	15 mars 2015	
19	Expert mobilisation sociale	57 750	CI	Prior	15 mars 2015	
20	Expert collecte de données	57 750	CI	Prior	15 mars 2015	
21	Expert suivi / eval	41 250	CI	Prior	1 <sup>er</sup> juin 2015	
22	2 agents administratifs	52 500	CI	Prior	15 mars 2015	
23	Animateurs sociaux (18)	130 000	CI	Post	1 <sup>er</sup> mai	
24	SIG	150 000	SFQC	Prior	15 juillet 2015	
25	Stratégie de communication	10 000	SFQC	Post	15 aout 2015	
26	Evaluation externe de processus	22 500	CI	Prior	1 <sup>er</sup> mars 2016	
27	Enquêteurs [50]	120 000	CI	Post	1 <sup>er</sup> juin 2015	Pourrait devenir ED ou cout opérationnel
28	Chauffeur (3)	25 000	CI	Post	1 <sup>er</sup> juin 2015	
	<b>TOTAL SERVICES DE CONSULTANTS</b>	<b>1 741 750</b>				
	<b>TOTAL GENERAL</b>	<b>3 019 750</b>				

46. ***Frequency of procurement reviews and supervision:*** Bank's prior and post reviews will be carried out on the basis of thresholds indicated in the following table. The IDA will conduct six-monthly supervision missions and annual Post Procurement Reviews (PPR); with the ratio of post review at least one to five contracts. The IDA may also conduct an Independent Procurement Review at any time until two years after the closing date of the project. Prior review by the *CNCMP* is not required for the contracts subject to the Association prior review as set in the Procurement Plan approved by the Association.

### ***Environmental and Social***

47. The proposed Project is not expected to have negative social or environmental impacts. It has been rated as category C for the environment safeguard. The positive social impacts are detailed in the section on economic analysis.

### ***Monitoring & Evaluation***

48. Monitoring and evaluation is a key element of the Project, because it provides the regular assessment of the Project's performance to the Government, the World Bank and other development partners. In this Project, one of the core elements of both Component 1 and Component 2 is to build the capacity within the Government of Mauritania to monitor its programs. In particular, the proposed Project supports the development of a MIS for both the SR and the STP that will allow the implementing institutions to manage and monitor the implementation of their programs.

49. Monitoring and evaluation will mostly rely on regular monitoring based on the MIS as well as supervision in the field. In addition, the proposed Project will support a series of specific activities, including process evaluations that review the implementation of the program and identify bottlenecks; and spot checks to assess the quality of implementation and respect of procedures in selected localities. In addition, an evaluation of the impact of the promotion component of the program is envisaged, depending on funding opportunities. Finally, the implementing agency will organize annual financial audits for the Project, annual reviews of progress, and a mid-term evaluation to guide the Project implementation. The mid-term review will involve Project's stakeholders and civil society in the review of performance, intermediary results, and outcomes.

**Annex 4: Implementation Support Plan  
Mauritania: Social Safety Net System Project**

**Strategy and Approach for Implementation Support**

1. Based on the outcome of the Financial Management (FM) risk assessment, the following implementation support plan is proposed. The objective of the implementation support plan is to ensure the Tadamoun Agency maintains a satisfactory financial management system throughout the project’s life.

**Implementation Support Plan**

2. The Implementation support plan is presented below:

**Table 9: Implementation support Plan**

<b>Activity</b>	<b>Frequency</b>
<b>Desk reviews</b>	
Interim financial reports review	Quarterly
Audit report review of the program	Annually
Review of other relevant information such as interim internal control systems reports.	Continuous as they become available
<b>On site visits</b>	
Review of overall operation of the FM system	Annual for Implementation Support Mission
Monitoring of actions taken on issues highlighted in audit reports, auditors’ management letters, internal audit and other reports	As needed
Transaction reviews (if needed)	As needed
<b>Capacity building support</b>	
FM training sessions	During implementation and as and when needed.

## Annex 5: Economic Analysis

### Mauritania: Social Safety Net System Project

#### Context

1. The objectives of the proposed Project are to provide targeted transfers to poor households and to support the establishment of core building blocks of the national social protection system. The project will achieve these objectives through (a) supporting development and implementation of Mauritania’s national Social Transfer Program, and (b) supporting the development and implementation of a National Social Registry. The Project stands to have an impact on poverty through the direct support provided to the poorest families, but also a broader impact through the targeting and coordination of other safety net programs.

2. The proposed Project design is based on the findings of the social safety net review in Mauritania (2014), which identified an excessive reliance on food-based emergency programs, and a dearth of long-term interventions designed to specifically address chronic poverty and build resilience against shocks (see table below). The assessment also underscored the need for stronger targeting within programs. An evaluation (2014) of Mauritania’s main safety net program, the network of subsidized food shops known as the Boutiques *Emel* (*Arabic for “Hope”*), found that while they are targeted to poor and vulnerable households, the chronic poor without the resources to buy the subsidized goods were de facto excluded from the program. In light of this, the proposed project focuses on two key public goods. First, establishing the tools to better target safety net programs, specifically through creating a SR following a national targeting methodology. Second, developing a mechanism to effectively support Mauritania’s chronic poor.

**Table 10: Emergency and food-based programs in Mauritania (% total SSN expenditures)**

	2008	2009	2010	2011	2012	2013*
Emergency programs	19	86	75	86	91	85
Food-based programs**	95	81	65	86	87	76

*Crisis response programs:* EMEL (emergency food distribution, Boutiques Emel, SAVS 2012), fuel subsidies, disaster relief program (CSA). *Permanent programs:* nutrition and school meals programs, CSA programs (food-for-work, micro-projects), MASEF social programs, HIMO program.

*Source:* Mauritania SSN Review (2014) \*estimates \*\* excluding fuel subsidies

3. The proposed Project is expected to support the inscription of about 100,000 households in the Social Registry (SR) and to directly support about 15,000 extreme-poor households over its implementation. However, through the development of the tools and procedures for both instruments, the proposed Project will leverage significant national resources (as well as potential additional resources from other partners). Overall, the proposed Project is expected to facilitate support to approximately 150,000 households in the SR, and 100,000 households in the Social Transfer Program (STP for a total cost of approximately US\$60.0 million over the initial 5-year period of this Project.

4. The proposed Project will have both indirect and direct impacts on welfare and poverty. Component 1, through its focus on systems building and facilitating tools, is expected to have

broad reaching, if indirect, impacts. Component 2, which focuses on a concrete support mechanism for chronic poor households, is expected to have strong direct impacts, as well as spillover effects. The main direct impact of component 2 is made possible through the beneficiary database created through component 1.

### Development impacts of the Social Registry

5. Component 1 will develop and implement the tools and mechanisms to identify poor and vulnerable households and establish a national database of extreme-poor and vulnerable households in Mauritania. While the quantifiable impact of such an activity is difficult to establish, the effect is important in terms of the potential for improved targeting, increased coordination and increase ability to respond to shocks.

6. **Targeting quality.** The SR will allow Mauritania to improve the quality of targeting of current and future social programs. The first impact of the activity will be to enable the STP (supported in component 2) to identify its beneficiaries. The SR database will also serve as a database of potential beneficiaries for other social assistance programs. The SR will support efficiency, as social programs apply their targeting criteria to the database to quickly and precisely identify their target population. The SR will therefore improve targeting efficiency, while allowing for savings in targeting costs, thereby contributing to increasing the impact of a given budget on poverty reduction. For example, fuel subsidies in Mauritania are estimated to be highly regressive, with only five percent of fuel subsidy programs benefitting the poorest quintile, while the most affluent quintile of the population received 40 percent of the total subsidy. In 2013, Mauritania’s fuel subsidies (diesel, butane and electricity) cost approximately US\$50 million equivalent, of which only US\$2.5 million would have directly reached the poorest quintile, and US\$8 million the bottom 40 percent. Through this channel, it costs the Government of Mauritania about US\$20 to transfer US\$1 to the poorest. An up-to-date SR, coupled with existing payment mechanisms, would significantly reduce the cost of transferring the same amount to the poorest (estimated between US\$1.5 with perfect targeting and US\$2.6 with an estimated 40 percent leakage).

**Table 11: Share of fuel subsidies to population quintiles (IMF, 2011)**

	Quintiles					Total
	1	2	3	4	5	
Diesel fuel	8.0	12.9	17.7	23.5	37.9	100
Direct effect	1.1	2.4	6.4	13.3	76.8	100
Indirect effect	9.6	15.3	20.3	25.8	29.1	100
Butane gas	2.3	9.0	17.8	28.8	42.1	100
Electricity	4.9	10.0	17.1	26.1	41.9	100
Direct effect	1.9	7.7	12.7	25.0	52.8	100
Indirect effect	5.8	10.8	18.3	26.3	38.8	100
Total fuel	5.4	10.6	17.3	25.6	41.1	100

Source: IMF (2011) “Reform of Fuel and Food Subsidies in Mauritania”

7. **Impact on access to services.** As households are registered in the SR, those who have members that lack an identity number or document will be noted. The SR agents will provide said households with the information necessary for their inscription in the Civil Registry (and receipt of identity card for the adults). While Mauritania has made very significant progress in registering its population in the Civil Registry over the past decade, some adults still lack

documentation. Furthermore, in 2011, an estimated 40 percent of births were not registered (MICS 2011), with the patterns being significantly worse in rural areas and among the poorest. By promoting access to identify, the Social Registry will open the door for socially isolated or excluded groups to gain access to other services and increase their participation in society.

8. ***Increased coordination.*** Coordinating and/or pooling beneficiary databases can bring several benefits. These benefits include (a) preventing or reducing undesirable duplication of benefits (e.g., people receiving benefits from more than one donor or program when people should not); (b) reducing duplication of administrative costs across programs by relying on a single database; and (c) monitoring the evolution of living conditions of potential beneficiaries over time. Furthermore, the coordination efforts supported by the proposed Project are expected to help the Government achieve a better knowledge of its target population for safety net programs, and help identify needs and gaps in service delivery. The data and evidence created by the SR should therefore contribute to more efficient overall allocation of resources, and support the transition from often small and fragmented programs, to a more comprehensive system based on analysis of overall needs. The SR database will create a link between social programs, allow information to be shared and interventions to be coordinated. A concrete case under discussion is the creation of an operational linkage between the national STP and the national obstetrical voucher program (*forfait obstétrical*), to subsidize take-up among the households identified through the SR.

9. ***Ability to respond efficiently to crises.*** Component 1 will also support the expansion of existing early-warning systems to include variables that are relevant for the triggering of social assistance programs in case of emergency or crisis. This system would also include a contingency plan, which would lay out ex ante (before shocks occur) the Government response. This is expected to improve the Government's capacity to respond to shocks, and the efficiency of the response, thereby reduce the use of depletive coping mechanisms by the vulnerable in times of crises. Part of contingency mechanism design includes the expansion of the SR beyond the chronic poor to include vulnerable populations, both in terms of monetary poverty (the transient poor who stand to lose the most in case of shock) and of geographic localization (zones and groups who are particularly vulnerable to shocks, such as pastoralist areas).

### **Development impacts of the Social Transfer Program**

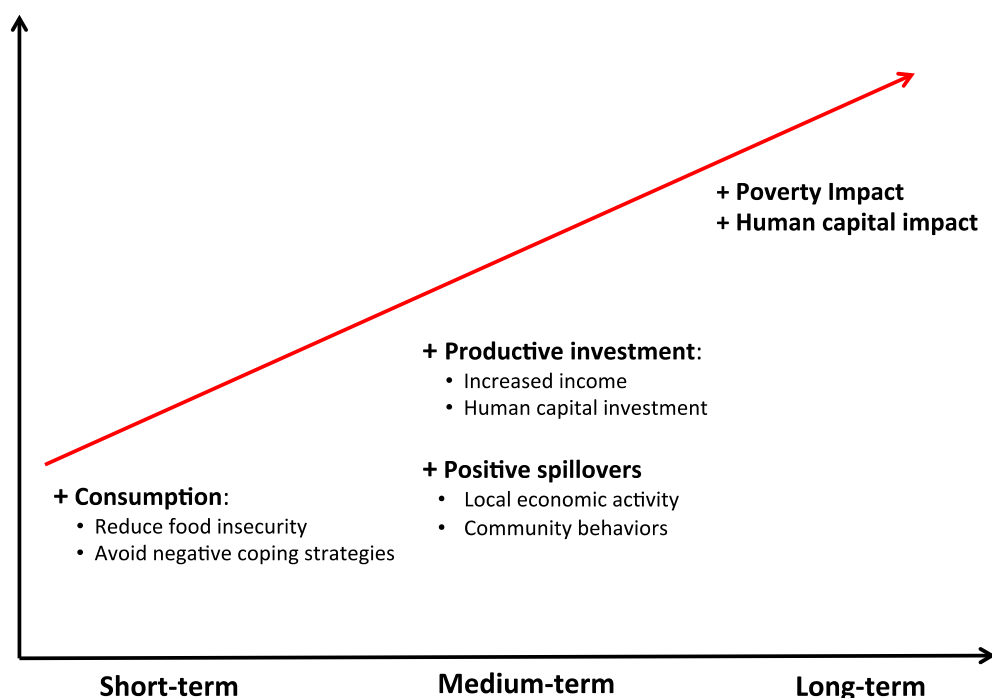
10. Component 2 is expected to have direct impacts on consumption and the human capital of extremely poor households. Supporting the consumption of households helps avoid negative coping strategies, and ensure investments in human capital are not disrupted by consumption fluctuations. The STP combines regular cash transfers with social promotion activities designed to promote knowledge of essential family practices and investment in households' human capital and resilience. Transfers and promotion are combined because poverty has a strong negative effect on both cognitive capacity (the capacity to process information and make decisions) and executive control (the capacity for impulse control) (Mullainathan, 2013), and thereby impedes the capacity to concentrate and focus on the future (Parasuraman, 1998). The relief provided by regular cash transfers therefore creates a unique opportunity to incentivize change, and for poor households to acquire new knowledge and adopt new practices. The behaviors on which the project will focus are essential to family health, nutrition, hygiene and early childhood



development, all of which dramatically improve households' long-term well-being and productive potential (Walker 2005).

11. The growing experience with cash transfer programs which are geared towards improving consumption and human capital and resilience over the medium-term, has highlighted the range of impacts they can have on numerous dimensions of well-being. Of course, the impacts will depend on the specific design of each program – amounts/frequency, supply of services or promotion activities, conditionalities – as well as on the initial conditions in terms of poverty and services. This note draws, to the extent possible, on experiences that are relevant for Mauritania and provide a benchmark for our estimates. The benefits of the program are summarized on Figure 3.

**Figure 3: Benefits of cash transfer programs**



12. **Impact on consumption and poverty.** The direct impacts of the program on poverty was simulated on the basis of the 2008 household survey (EPCV), assuming annual transfers of US\$200 per household. The simulations assume that the program targets 100,000 extreme poor households, that it is rolled out over the course of 5 years starting with the regions (Wilayas) with the largest numbers of extremely poor households, that it is perfectly targeted and that households comply with the conditionality of participation in the promotion activities. With these assumptions, as presented in Table 12 below, extreme poverty in Mauritania would be expected to decline by 22 percent, from 21.1 percent to 16.5 percent<sup>5</sup>. Beneficiary households' income would increase by an average of 13 percent over the period. Their extreme poverty gap would shrink by a third, and extreme poverty severity would decline by 42 percent.

<sup>5</sup> Extreme poverty incidence was estimated at 21.1 percent among households and 25.9 percent among individuals, using the household survey undertaken by the national statistical office in 2008.

**Table 12: Extreme poverty rate, assuming perfect targeting**

	<b>Baseline (2008)</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Extreme poverty rate among households	21.1%	20.6%	19.5%	18.0%	16.9%	16.9%
Extreme poverty gap of the extreme poor	29.8					19.9
Extreme poverty severity	13.2					7.7
Beneficiary households		10,000	28,000	60,000	87,000	100,000

13. These estimates clearly represent the higher bound of potential direct impacts. Simulations were also run, which assume that only 60 and 80 percent of the beneficiaries are in the lowest quintile. The remainder of the transfer was distributed throughout the population in a declining manner. With the 60 percent hypothesis, extreme poverty would drop to 18.3 percent, and the average income of the extreme poor would increase by 7.7 percent (figures of 17.7 percent and 10.3 respectively for the 80 percent hypothesis). While imperfect targeting limits the impact on extreme poverty, the resources transferred still contribute to overall poverty reduction (through transfers to the second quintile) and to reducing vulnerability (through transfers to households in the third quintile, above the poverty threshold). Overall, the national cash transfer program is estimated to have an of the order of 3-4 percent on extreme poverty and 1-2 percent on overall poverty headcount.

14. **Impact on food security.** The Social Transfer Program is also expected to positively impact food security in Mauritania. At 2013 prices, US\$200 transfer would allow households to purchase an additional 414 Kilograms (kg) of wheat, or 300kg of local rice, at market prices. If households were to use the network of subsidized food shops (*Boutiques Emel*), their purchasing power would increase by 857kg of wheat or 462kg of local rice (Evaluation of Mauritania's Emel Program, World Bank 2014). Internationally, the *Bolsa Família* program in Brazil resulted in reductions in food insecurity and increases in food consumption among participating poor families. Consumption increased as a share of total spending among beneficiary families, especially for expenditure on food, education, and children's clothing. For each *real* received as a transfer, 62 cents were spent on food, as opposed to 24 for non-beneficiaries. For 74 to 85 percent of families, in addition to food consumption, the quality and variety of food consumed, the number of daily meals, and the quantity of children's food increased. The beneficiary families' diets were 5.1 percent more diverse than that of non-beneficiaries<sup>6</sup>.

15. **Impact on households' coping strategies.** Furthermore, by providing a regular, minimum, income during difficult times (lean season) or crisis (drought), a cash transfer also protects the consumption and income generation strategies of households and help them avoid resorting to negative coping strategies (removing children from school, distress sales of livestock when prices are low, etc.). This effect was demonstrated during the coffee crisis in Nicaragua in 2000 (Maluccio 2005); the beneficiaries of the *Red de Protección Social* program saw their

<sup>6</sup> Ministério de Saúde. 2007. Avaliação do componente de saúde do Programa Bolsa Família (2008). Repercussões do Programa Bolsa Família na Segurança Alimentar e Nutricional. Rio de Janeiro.

incomes fall less than non-beneficiaries and faced less risk of having to pull their children out of school or stop going to health centers when sick.

16. **Impact on investment in human capital.** International experience has demonstrated that transfers can have significant impacts on human capital development over the medium and long term. Studies show that cash transfer programs can play an important role in improving the distribution of growth outcomes across the population, and improving social indicators, provided these are made over several years. Over time, cash transfers increase the quantity and quality of households' consumption; improve children's nutritional intake, education and health outcomes; and increase expenditure towards productive activities necessary to strengthen the resilience of the poorest.<sup>7</sup> Furthermore, the proposed social promotion activities are expected to create positive changes in attitudes, which are expected to extend beyond beneficiary households as activities will be open to all and spillovers can be expected. This could be important particularly in fields where knowledge is very low across the board, for example in practices tied to parenting practices surrounding Early Childhood Development (ECD). Non-cognitive skills (self-control, confidence and persistence – major factors in the lifetime success of children) are partly acquired through daily adult engagement with young children. And on average over 45 percent of children aged 3 to 5 are left with limited interactions with adults. The situation tends to be worse among households with lower parental education and in the poorest regions (in the Gorgol region, the country's poorest where the STP will initially enter, only about 15 percent of children benefit from a significant level of engagement from adults). Paternal involvement is also extremely low across the board, with only 28 percent of children engaging in activities with their fathers (MICS, 2011).

17. **Impact on health outcomes.** Recent experience in neighboring Senegal, showed the positive impact of cash transfers on the nutrition and health of children. The impact evaluation of the cash transfers provided through the Child Nutrition Project (*Projet Nutrition ciblée sur l'Enfant et Transferts Sociaux, NETS*), found that, at the household level, benefits were predominantly dedicated to food purchases, leading to increases in the number of meals reported and reductions in negative coping strategies.<sup>8</sup> Mothers showed increased awareness of reproductive health care, through trainings provided as part of the program. The intervention led to: (a) more diverse diets for children 0 to 23 months old, (b) the adoption of better eating habits for children under the age of 5, (c) the recommended number of meals for children 6 – 23 months old, (d) a reduction in infant morbidity, particularly diarrheal disease, and (e) improved vaccination coverage. The evaluation of the program of education subsidies for vulnerable HIV/AIDS-affected children shows positive impacts on school enrolment and on civil registration. Evaluations of sanitation campaigns in India and health, nutrition and education programs in China (Luo et al, 2012) and Nepal (Borghetti et al, 2005) show low to moderate health behavior impacts over several years. The evaluation of Nicaragua's CCT (*Atencion a Crisis*) found behavioral changes going beyond what could be expected from a simple income increase, but stops short of attributing these effects to the behavior change activities themselves or to other factors, such as giving the transfers to women (Macours, 2012).

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<sup>7</sup> See Independent Evaluation Group (2011) and "State of Social Safety Nets, 2014" World Bank (2014). It is important to note that in no evaluated country did cash transfers ever lead to increased expenditures on alcohol or tobacco.

<sup>8</sup> Institut Fondamental d'Afrique Noire (IFAN). "Impact Evaluation of Cash Transfers in the NETS Program of Social Transfers Targeting Children" University of Dakar (2012).

18. **Impact on education outcomes.** Cash transfers also typically lead to increased school enrolment and attendance, though impacts tend to vary by program. In Africa, primary and secondary school enrollment increased in Kenya, Zambia, Malawi, Ghana and South Africa, and in some cases led to increases in the highest grade completed (Kenya), reductions in grade repetition (Ghana) and absences (South Africa). In Brazil, evaluations show that *Bolsa Familia* increased enrollment rates by 5-7 percentage points and had small effects on dropout rates and grade promotion in the short term, and that enrollment rates increased by 13 percent in the long run.<sup>9</sup> The impact on education outcomes has been strongest for the most vulnerable or traditionally neglected children, but impacts on actual learning outcomes have been lower than initially expected.

19. **Impact on productive investments.** Cash transfers can also lead to significant increases in productive investment. Cash transfer programs in Zambia led to increased investments in agricultural inputs, particularly for smaller households, as well as a shift to higher-value agricultural production (from cassava to maize or rice) and more selling at market (from 23 to 35 percent) and ownership of non-agricultural enterprise (from 22 to 39 percent). Cash transfers also led to increased livestock ownership in the Zambia, Kenya and Malawi programs. Cash transfers also promote more productive allocations of labor within households, leading to reductions in adult agricultural wage labor and increases in time spent on household production, such as family farms (in Zambia, Malawi, Kenya, and Ghana). Evaluations also show an increase in non-agricultural labor market participation (Zambia and South Africa). Cash transfers also allowed elderly and physically disabled to “rest” (Zimbabwe). However, results remain mixed on child labor, with programs leading to reductions of child labor in Kenya and South Africa, reductions in child wage labor but increases in on-farm activity in Malawi, and no impact in Ghana or Zambia.

20. **Impact on local economies.** Evidence is also accumulating on the positive spillovers of cash transfers on local economic activity.<sup>10</sup> Cash transfers provide an immediate impact by raising the purchasing power of beneficiary households. As beneficiary households spend cash, impacts immediately spread outside beneficiary households to others inside and outside their communities. In Ghana for example beneficiaries of the Learning for Equality, Access and Peace (LEAP) program spend about 80 percent of the transfers inside the local economy, which in turn launches a new round of income increases in the community. In turn, periodic markets and purchases outside the village will shift income effects to other communities. In the longer run, as programs are scaled up, transfers will have direct and indirect (or general equilibrium) effects throughout the region of implementation. Cash transfers can therefore have large income multiplier effects, provided markets are functioning fluidly. If, on the other hand, production constraints limit supply response, it is conceivable that transfers may lead to higher prices and a lower multiplier effect.

## Analysis of costs

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<sup>9</sup> Glewwe and Kassouf (2008, 2010)

<sup>10</sup> From Protection to Production Project (FAO, 2014) and the transfer project (FAO, 2013)

21. The estimated recurrent cost of the SR and STP – excluding the one-off development and equipment costs – amount to about US\$60 million for the first five years (after which they are expected to level off around US\$25million per year). This corresponds to a progressive inclusion of 150,000 households in the Social Registry and of 100,000 households in the STP over the 5-year period. During this phase, the Project will support approximately two-thirds of the recurrent costs of the SR, and a little over a third of the recurrent costs of the STP (the proposed Project also supports development and equipment costs, as well as selected analytical tasks).

22. The recurrent implementation costs for the SR and the Transfer Program are detailed in Table 13 below. They assume the cost of including a new household in the SR at US\$15, and operational costs to manage and maintain the Registry of about \$2 per household. For the STP, estimates assume annual transfers of US\$200 per household (assuming households receive on average half of the payments the year they enter), promotion activities costing around US\$25 per households, and administrative and financial costs of US\$25 per household (including the financial fees for the payment of transfers). They do not include fixed costs related to the initial setting up of systems and programs (equipment, software, goods and services required to conceptualize, design, and development all instruments).

**Table 13: Estimated recurrent costs of Social Registry and Social Transfer Program  
(excludes initial fixed costs related to the development of the systems and instruments)**

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
<b>SOCIAL REGISTRY</b>						
Number of households	4,500	22,500	90,000	135,000	150,000	150,000
Project	4,500	22,500	50,000	85,000	100,000	100,000
Other funding	0	0	40,000	50,000	50,000	50,000
Variable cost for new households (\$15)	67,500	270,000	1,012,500	675,000	225,000	2,250,000
Project	67,500	270,000	412,500	525,000	225,000	1,500,000
Other funding	0	0	600,000	150,000	0	750,000
Operational costs (\$2)	9,000	45,000	180,000	270,000	300,000	804,000
Project	9,000	45,000	100,000	170,000	200,000	524,000
Other funding	0	0	80,000	100,000	100,000	280,000
Total	76,500	315,000	1,192,500	945,000	525,000	3,054,000
Project	76,500	315,000	512,500	695,000	425,000	2,024,000
Other funding	0	0	680,000	250,000	100,000	1,030,000
<b>SOCIAL TRANSFER PROGRAM</b>						
Number of households	3,000	15,000	60,000	90,000	100,000	100,000
Project	3000	15,000	20,000	25,000	25,000	25,000
Other funding	0	0	40,000	65,000	75,000	75,000
Transfers (\$200)	300,000	1,800,000	7,500,000	15,000,000	19,000,000	43,600,000
Project	300,000	1,800,000	3,500,000	4,500,000	5,000,000	15,100,000
Other funding	0	0	4,000,000	10,500,000	14,000,000	28,500,000
Promotion (US\$25)	75,000	375,000	1,500,000	2,250,000	2,500,000	6,700,000

Project	75,000	375,000	500,000	625,000	625,000	2,200,000
Other funding	0	0	1,000,000	1,625,000	1,875,000	4,500,000
Operational costs	75,000	375,000	1,500,000	2,250,000	2,500,000	6,700,000
Project	75,000	375,000	500,000	625,000	625,000	2,200,000
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Total</b>
Other funding	0	0	1,000,000	1,625,000	1,875,000	4,500,000
Total	450,000	2,550,000	10,500,000	19,500,000	24,000,000	57,000,000
Project	450,000	2,550,000	4,500,000	5,750,000	6,250,000	19,500,000
Other funding	0	0	6,000,000	13,750,000	17,750,000	37,500,000
<b>TOTAL REGISTRY AND PROGRAM</b>	<b>526,500</b>	<b>2,865,000</b>	<b>11,692,500</b>	<b>20,445,000</b>	<b>24,525,000</b>	<b>60,054,000</b>
Project	526,500	2,865,000	5,012,500	6,445,000	6,675,000	21,524,000
Other funding	0	0	6,680,000	14,000,000	17,850,000	38,530,000

### **Rationale for public sector provision/financing, if applicable**

23. Public sector intervention in the sector of social safety nets in Mauritania is justified on two main grounds. First, the poverty and inequality situation remains a concern in Mauritania, and justifies public intervention for equity purposes and in order to ensure a minimum living condition for all households, in line with basic human rights. Indeed, poverty remains high and has stagnated over recent years. Inequality remains moderate and has not worsened recently, but geographic disparities remain elevated and have failed to shrink. Numerous households remain highly vulnerable to exogenous and idiosyncratic shocks. The poorest households have limited access to basic services, which could help them improve their living conditions and their ability to generate incomes. Informal support and insurance mechanisms are not sufficiently developed to protect the poorest and most vulnerable from the impact of shocks.

24. Second, the current package of interventions (essentially structured around the *Emel Program*) is focused on emergency response and food distribution, which is very costly and with no overall impact on poverty or vulnerability among the population. This provides strong justification for an intervention that will help increase the efficiency of public spending and improve coordination and targeting of programs. Overall, activities supported by this Project are critical to effectively reach the vulnerable and improve efficiency and effectiveness.

### **Value added of Bank's support**

25. The proposed Project focuses on technical areas in which the World Bank has a strong comparative advantage. The World Bank has built an unparalleled knowledge base over the past decade on the development of conditional cash transfer programs, national registries and on the design of successful safety nets systems.

26. Furthermore, the World Bank is currently providing technical assistance to many countries in the region on the establishment of their own national cash transfer programs and social safety net systems, and the team plans to exploit these potential regional synergies. Indeed,

the World Bank has established a Community of Practice to foster greater exchanges across neighboring countries.

## **Annex 6: Sahel Adaptive Social Protection activities**

### **Mauritania: Social Safety Net System Project**

1. The Sahel Adaptive Social Protection (ASP) Multi-Donor Trust Fund (MDTF) aims at identifying integrated adaptive approaches that help address the challenges of climate risk management, by protecting poor households from shocks before they occur or helping them cope with the impact of shocks once they occur (see Box 3 below). The Trust fund supports activities in six Sahel countries (Burkina Faso, Chad, Mali, Mauritania, Niger, and Senegal). This broader effort is coordinated across the region to ensure cross-learning and the joint development of methodologies or technical inputs where relevant.

#### **Box 3: Adaptive social protection Systems**

Adaptive social protection is an integrated approach to reduce the vulnerability of poor people in developing countries. It works on the understanding of the interlinked nature of the shocks and stresses that poor people face today – and the potential synergies to be gained from bringing together social protection, disaster risk reduction and climate change adaptation.

Adaptive social protection stems from the recognition that social protection should account not only for current vulnerability, but also projected future vulnerability. Broadening the concept of vulnerability is particularly urgent in contexts such as the Sahel, where climate change is exposing populations to shocks of increasing frequency and scale. Climate change adaptation and disaster risk management are both specifically targeted towards reducing future shocks and vulnerabilities, both through preparation and contingency planning, and through building adaptive capacity so that people and communities are better equipped to respond to exposure to climate change shocks and hazards when they occur.

Adaptive social protection can contribute to reinforcing resilience through the traditional social protection instruments (transfers, livelihoods support) and through integrating the approaches and instruments of climate change adaptation and disaster risk management. DFID's working definition of disaster resilience is "the ability of countries, communities and households to manage change, by maintaining or transforming living standards in the face of shocks or stresses – such as earthquakes, drought or violent conflict – without compromising their long-term prospects."

Initial research suggests such an approach to vulnerability and poverty reduction can:

- Transform and promote livelihoods.
- Target communities with tailored assistance.
- Incorporate a rights-based rationale for action.
- Introduce a longer-term perspective for SP and DRR interventions.
- Enhance co-working between the natural and social sciences when designing social protection, climate change adaptation and disaster risk reduction interventions.

Adaptive social protection systems would consist of a combination of policies and programs to help poor and vulnerable households reduce the impact of climate change and shocks, build household and community resilience, and foster access to income earning opportunities. In the case of the Sahel, such systems could include, among others:

- Safety nets programs that can be scaled up to respond to climate-related and other shocks;
- Complementary activities such as training on basic skills and livelihood diversification,



sanitary and health practices, nutrition awareness programs;

- Linkages to social protection-relevant early warning and climate information systems;
- Formal and informal risk financing mechanisms; and
- Targeting mechanisms that help identify those most vulnerable to natural hazards and climate change-related risks.

Source: World Bank, 2013, “Sahel Adaptive Social Protection Program: Summary Note” and Institute for Development Studies, 2012 “*adaptive social protection: making concepts a reality*”

2. The Adaptive Social Protection MDTF supports the efforts in Mauritania through two channels: First it provides US\$4.0 million to the Government of Mauritania as part of the Mauritania Safety Net System Project to support innovative features that will help strengthen the resilience of beneficiary households (by supporting, among others, the expansion of the Social Registry to vulnerable households beyond the extreme poor; by providing transfers to households; and by contributing to the development of material for the promotion activities that relate to resilience and adaptation and its delivery to beneficiaries). In addition to the indicators used to monitor overall Project implementation, selected indicators have been identified to monitor these activities and are presented in Annex 7. Progress on the implementation of the MDTF-financed activities will be reported on a regular basis in the Grant Reporting Monitoring system.

3. A second channel is the Mauritania Adaptive Social Protection Programmatic Non Lending Technical Assistance (ASP Programmatic NLTA), implemented by the Bank. The NLTA complements the Project by focusing on the development of innovative features focusing on resilience and adaptation, to strengthen the ability of households to adapt to climate risks. The objective of the ASP Programmatic NLTA is to contribute to the development of mechanisms to make Mauritania’s safety net system more adaptive and responsive to shocks. The NLTA will achieve this objective by (a) providing the Government with an increased knowledge of the patterns and drivers of vulnerability in Mauritania; (b) developing mechanisms for the early warning system to trigger social protection responses to emergencies; (c) developing operational mechanisms for the safety net program to respond to shocks; and (d) designing adaptive measures to build resilience among extreme poor households. The activities tied to the four pillars are presented below. For a more detailed description of activities, please refer to the ASP programmatic NLTA Project Concept Note.

### **Pillar 1: Analysis of patterns and drivers of vulnerability**

4. The design of adaptive responses requires an understanding of patterns of risks and drivers of vulnerability, as well as of the impacts of shocks on welfare. Such knowledge is still limited in Mauritania, and this pillar will focus on providing in-depth analysis, specifically targeted to reinforcing the ability of Mauritania’s policymakers in the sector of social protection to take informed decisions on issues tied to resilience to shocks and climate change adaptation.

5. Specific issues have already emerged during the efforts to design the registry and program, and will be addressed in the early phase of the NLTA. Others are expected to emerge over time, and will be considered in later phases. Themes include:

- a. Improving access to food for the most vulnerable
- b. Improving the targeting of responses to shocks using higher levels of disaggregation of poverty data.
- c. Understanding vulnerability patterns to better reach households in times of crises (\*tentative)
- d. Identifying household practices that contribute to increased vulnerability to shocks (\*tentative)
- e. Identifying options to promote employment and reduce vulnerability

6. Because of their nature, the analyses will be implemented in close collaboration with other sectoral Bank and government teams, including in the sectors of agriculture, health, poverty, gender, husbandry, water, and disaster-risk management. The program will also benefit from the expertise of the Bank's macroeconomic team to assess key issues in trade and markets that affect the poor and vulnerable. Some of the proposed activities will benefit from (and contribute to) efforts in other Sahel countries under the Sahel Adaptive Social Protection Initiative. In particular, activities 1 and 3 will be part of a broader effort to understand price formation and transmission in the sub-region (as many markets are sub-regional) and to define targeting mechanisms that can help identify the most vulnerable households (but not necessarily the poorest) which are most likely to be affected by crises or emergencies. And work under activity 2 will be undertaken jointly with the forthcoming Poverty and Jobs NLTA.

**Pillar 2: Adaptation of the early warning system to trigger social protection responses to crises**

7. Currently, there are multiple mechanisms in Mauritania that monitor crops, droughts, nutritional status, prices and food security risks. Among these, the early warning system managed by the National Food Security Observatory (*Observatoire National à la Sécurité Alimentaire*) focuses mostly on food security, and plays a critical role in the management of emergency food distribution. For the early-warning system to become the mechanism to trigger a broader set of responses, including social safety net responses, the early warning system needs to capture a broader range of indicators that effectively reflect the multiple risks faced by the population, both in rural and in urban contexts. Furthermore, the system needs to clearly lay out the mechanism that would trigger social protection responses in case of shocks, define the responses that would be triggered when different risks materialize, and identify options for the financing of these responses.

8. This Pillar will support technical assistance and knowledge services to improve the design of the early warning system and its associated instruments. They would then, in turn, be implemented under the Bank-supported Project.

- a. Broadening the scope of existing early warning system to include social protection-relevant factors.
- b. Design a mechanism to trigger adaptive social protection responses in emergency plans.
- c. Propose mechanisms to ensure adequate financing of the contingency-triggered activities.

9. This Pillar, especially the work outlined under the first element, will be undertaken in close collaboration with colleagues working on disaster-risk management (who will take the technical lead for the overall dialogue on the early-warning system), pastoralism (who will promote the inclusion of indicators that reflect risks to husbandry), and water management. The overall task will also closely be coordinated with similar initiatives in other countries of the Sahel, as part of the Adaptive Social Protection Program.

### **Pillar 3: Defining mechanisms for the Social Transfer Program to adapt to shocks**

10. This Pillar will focus on adapting the social registry and national social transfer program (supported by the World Bank project described in the present Project Appraisal Document) to not only support the chronic poor but also reach vulnerable populations during (and in anticipation of) a shock. This will require: (a) broadening the targeting mechanism to include vulnerable, but not chronic poor households, and (b) adapting the national social transfer program (to rapidly scale up or down, or temporarily simplify procedures, increase amounts, increase coverage, etc.). The implementation of the recommendations from activities 1, 2 and 3 would be supported by the related Bank-supported Project. Activities would likely include:

- a. Options to broaden the social registry to include vulnerable households.
- b. Options to broaden the social registry to include special groups.
- c. Design of a temporary/emergency component for the national social transfer program.

### **Pillar 4: Designing adaptive measures to promote resilience**

11. In addition to the development of mechanisms for the social registry and planned social transfer program to function effectively during emergencies, and to facilitate the inclusion of vulnerable households in times of shocks or crises (Pillar 3), this NLTA will support the design of new components of the social transfer program or other programs to strengthen the resilience of their chronically extremely poor beneficiaries and better prepare them for shocks. These measures would aim at to promote a more sustainable use of natural resources, livelihood diversification, or the development of climate-adaptive community assets. The measures would be implemented either through the National Social Transfer Program currently under preparation, or could eventually be implemented as part of other programs, as appropriate.

12. The detailed design of these activities will be defined during the rest of 2015, in collaboration with the teams working on the Sahel Adaptive Social Protection Initiative in the sub-region. Indeed, the learning agenda is largely a shared one, and activities will be jointly developed and supported. Activities will include:

- a. Design of adaptive measures to promote the resilience of extremely poor households and communities.
- b. Process evaluations.
- c. Impact evaluation baseline.

**Annex 7: Additional monitoring indicators  
Mauritania: Social Safety Net System Project**

Indicator Name	Core	Unit	Base-line	Cumulative Target Values							Frequency	Data source
				2015 (6 months)	2016	2017	2018	2019	2020 (6 months)	Final target		
<b>Component 1: Support to National Social Protection System</b>												
Total number of households registered in the social registry		Number	0	9,000	30,000	82,500	127,500	150,000	150,000	150,000	Semester	Registry MIS
Social Registry MIS developed (modules) and working (reports) <sup>11</sup>		Various	0	Modules 1, 2	Modules 3, 4	Reports	Reports	Reports	Reports	Reports	Yearly	Registry MIS
Number of programs using the Social Registry to identify their beneficiaries			0	1	1	2	3	4	5	5	Yearly	MIS
Coordination meetings for National Social Protection System (a) Steering Committee (b) Technical Committee		Number		(a) 2 (b) 4	(a) 2 (b) 4	(a) 2 (b) 4	(a) 2 (b) 4	(a) 2 (b) 4	(a) 2 (b) 4	(a) 2 (b) 4	Quarterly	Minutes
SP-relevant Adaptive Early Warning System and contingency mechanisms defined		Various	0	0	0	EWS is adapted	Contingency plan designed			Contingency plan designed	Yearly	Reports
<b>Component 2: Support to Social Transfer Program</b>												
Total number of Social Transfer Program beneficiaries (households)		Number	0	6,000	20,000	55,000	85,000	100,000	100,000	100,000	Yearly	Program MIS
Program MIS developed (modules) and working (producing reports) <sup>12</sup>		Various	n/a	Modules 1, 2, 3	Modules 4, 5	Reports	Reports	Reports	Reports	Reports	Yearly	Program MIS
Program quality and learning		Various	0	Operational management training	Process evaluation	Implement 50% of agreed	Process evaluation	Implement 50% of agreed	Implement 50% of agreed	Implement 50% of agreed	Yearly	Audits and reports

<sup>11</sup> Social Registry MIS modules: 1 (household database), 2 (PMT), 3 (household database updating), 4 (grievance management). Reports refer to the timely production of data for 4 quarterly reports, 1 annual report

<sup>12</sup> Project MIS modules: 1 (Beneficiary database), 2 (services provided), 3 (payment module), 4 (monitoring of conditionalities), 5 (grievance management). Reports include timely production of data for 4 quarterly reports, 1 annual report.

Indicator Name	Core	Unit	Base-line	Cumulative Target Values							Frequency	Data source
				2015 (6 months)	2016	2017	2018	2019	2020 (6 months)	Final target		
				for all teams		recommendations		recommendations	recommendations	recommendations		
Share of households having adopted good practice promoted by the program <sup>13</sup>		%	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	Yearly	Spot checks
Share of beneficiary households respecting conditionality		%	n/a	n/a	n/a	50	60	70	75	75	Annual	Program MIS
<b>Specific indicators for Adaptive Social Protection grant</b>												
Number of Program beneficiaries financed by ASP (individuals) <sup>14</sup>		Number		6,000	12,000	18,000	18,000	0	0	18,000	Yearly	Program MIS
Number of Program beneficiaries financed by ASP (households) <sup>15</sup>		Number	0	1,000	2,000	3,000	3,000	0	0	3,000	Yearly	Program MIS
Percentage female among Social Transfer Program recipients (the recipient is the individual receiving the funds on behalf of the household)	√	%	n/a	75	80	80	80	80	80	80	Yearly	Program MIS
People benefiting from productive measures or trained on basic skills supported by ASP		Number	0	0	15,000	30,000	45,000	60,000	60,000	60,000	Yearly	Program MIS
Capacity of countries' social protection systems to implement adaptive social protection programs (using a scale from 1-6)		Scale (1-6)	1	1	2	2	3	4	4	4	Yearly	Evaluation

<sup>13</sup> The baseline and targets will be established at the beginning of the implementation of the promotion activities.

<sup>14</sup> Indirect beneficiaries include all members of a beneficiary household that do not directly receive benefits.

<sup>15</sup> Direct beneficiaries include household members that directly receive benefits.

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