

**PROJECT INFORMATION DOCUMENT (PID)
ADDITIONAL FINANCING**

Report No.: PIDA20641

Project Name	Second Add. Fin. to Rural Community-Driven Development Project (P151443)
Parent Project Name	Rural Community-Driven Development Project (P090712)
Region	AFRICA
Country	Guinea-Bissau
Sector(s)	General education sector (30%), Other social services (25%), General agriculture, fishing and forestry sector (30%), Water supply (1 5%)
Theme(s)	Social Safety Nets/Social Assistance & Social Care Services (60%), Other human development (40%)
Lending Instrument	Investment Project Financing
Project ID	P151443
Parent Project ID	P090712
Borrower(s)	
Implementing Agency	Project Coordination Unit
Environmental Category	B-Partial Assessment
Date PID Prepared/Updated	14-Apr-2016
Date PID Approved/Disclosed	14-Apr-2016
Estimated Date of Appraisal Completion	16-Oct-2015
Estimated Date of Board Approval	13-May-2016
Appraisal Review Decision (from Decision Note)	

I. Project Context

Country Context

Guinea-Bissau is a small country on the West African coast located between Senegal and Guinea-Conakry, with an estimated 1.8 million inhabitants. It is among the poorest and most fragile countries in the world. In 2014, the country's gross national income per capita was estimated at US \$550. Guinea-Bissau ranked 177 out of 187 countries on the Human Development Index in 2014 and almost 70 percent of the population was poor in 2010. The economy is heavily reliant on a single crop, as cashews account for 90 percent of exports and 45 percent of gross domestic product.

Political instability has plagued the country since independence. Although the country is endowed with good soil, high rainfall, and significant mineral resources, the country's history reveals a deep and long-lasting political instability. Since independence in 1974, all presidents but one have been

toppled and Guinea-Bissau has the second highest number of attempted or successful military coups in the world. Current President José Mário Vaz, who was elected in 2014, together with Prime Minister Pereira, put together a strong poverty reduction strategy that received significant donor support in early 2015.

The successful resolution of the August 2015 crisis and the recommitment to the previous government's inclusive growth strategy, 'Terra Ranca,' suggests that Guinea-Bissau is facing a turnaround situation. During the recent crisis, a majority of key actors supported political stability; decisions of the Constitutional Court were both sought and respected; a nascent civil society presence, both on the streets and on social media, pressed for constitutionality and peace; and the military chose to not intervene and remain neutral. There was also strong external support, from the Economic Community of West African States, African Union regional leaders, and the United Nations, which contributed to ensuring that the crisis was resolved without violence and in adherence to the constitution. The international community welcomed the resolution of this crisis, which represents a clear opportunity to move toward peace, stability, and prosperity. The new administration is also committed to building on the gains of President Vaz' previous government and have recommitted to the 'Terra Ranca,' prepared under the last prime minister.

Sectoral and institutional Context

Access to basic social and economic services is low in Guinea-Bissau. Public spending related to education, health, water, or roads health is almost exclusively spent on salaries with little or no resources devoted to the rehabilitation of existing infrastructure or the construction of new ones. Community-based infrastructures are financed by donors and nongovernmental organizations.

Some progress has been made toward the definition of a national social protection strategy. The Second National Poverty Reduction Strategy (Segundo Documento de Estratégia Nacional de Redução da Pobreza - DENARP II) highlights the importance of social protection programs under its pillar on human capital development. The Strategic Plan Guinea Bissau 2025 'Sol Na Iardi' also includes social protection objectives under the axis of human development. However, there is currently no national social protection strategy to guide social policy and the development of social programs while the existing Social Safety Nets (SSNs) programs have very limited coverage. The only social assistance program implemented by the government is a small unconditional Cash Transfer Program to the handicapped.

II. Proposed Development Objectives

A. Current Project Development Objectives – Parent

The Project Development Objective is to increase access to priority basic social and economic infrastructures and services in participating communities in at least two regions of Guinea-Bissau.

III. Project Description

Component Name

Component 1: Capacity-Building for Community Development

Comments (optional)

The second Additional Financing would scale up the preparation of Community Development Plans

(CDPs) to new communities. CDPs are documents created through a highly participatory process where communities define their own development priorities and select and prioritize a number of micro-projects. Communities are supported in this process by the Project Coordination Unit (PCU) Development Agents. The Additional Financing would target to support drafting of at least 40 additional CDPs.

Component Name

Component 2: Community-Based Micro-Projects

Comments (optional)

Expansion of this component would finance 105 additional community-based micro-projects that have been prioritized by communities in their CDPs (increasing the total target to 355 micro-projects). The Additional Financing would, therefore, allow the PCU to scale up the construction and rehabilitation of community-based micro-projects by approximately 30 percent.

Component Name

Component 3: Project Coordination and Monitoring & Evaluation

Comments (optional)

This component would continue to provide support in the form of technical advisory services and other material assistance for the PCU to facilitate Project management, monitoring and evaluation, and project audits.

Component Name

Component 4: Delivery of Education and Health Services

Comments (optional)

The second Additional Financing would not finance this activity.

Component Name

Component 5: Prevention of the Ebola Epidemic

Comments (optional)

The second Additional Financing would not finance this activity.

Component Name

Component 6: Pilot Cash Transfer Program

Comments (optional)

The second Additional Financing would pilot a Cash Transfer Program to targeted vulnerable households.

IV. Financing (in USD Million)

Total Project Cost:	13.50	Total Bank Financing:	10.00
Financing Gap:	0.00		
For Loans/Credits/Others			Amount
BORROWER/RECIPIENT			0.00
IDA Grant			10.00
Africa Catalytic Growth Fund (ACGF)			3.50
Total			13.50

V. Implementation

The proposed second Additional Financing would take advantage of this window of opportunity: it would deliver much-needed, rapid assistance of social and economic infrastructures and services in targeted communities and pilot a Cash Transfer Program to targeted vulnerable households. It will do so by building on the successful implementation of the parent project by the Project Coordination Unit. The proposed pilot Cash Transfer Program would also seek to strengthen and develop synergies with the unconditional Cash Transfer Program to approximately 800 handicapped people, currently implemented by the Ministry of Women, Family and Social Cohesion.

VI. Safeguard Policies (including public consultation)

Safeguard Policies Triggered by the Project	Yes	No
Environmental Assessment OP/BP 4.01	x	
Natural Habitats OP/BP 4.04	x	
Forests OP/BP 4.36		x
Pest Management OP 4.09	x	
Physical Cultural Resources OP/BP 4.11	x	
Indigenous Peoples OP/BP 4.10		x
Involuntary Resettlement OP/BP 4.12	x	
Safety of Dams OP/BP 4.37		x
Projects on International Waterways OP/BP 7.50		x
Projects in Disputed Areas OP/BP 7.60		x

Comments (optional)

VII. Contact point

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Implementing Agencies

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