

**INTEGRATED SAFEGUARDS DATA SHEET  
APPRAISAL STAGE**

**Report No.: ISDSA16615**

**Date ISDS Prepared/Updated:** 09-Aug-2016

**Date ISDS Approved/Disclosed:** 10-Aug-2016

**I. BASIC INFORMATION**

**1. Basic Project Data**

<b>Country:</b>	Nepal	<b>Project ID:</b>	P154548
<b>Project Name:</b>	Strengthening Systems for Social Protection and Civil Registration Project (P154548)		
<b>Task Team Leader(s):</b>	Yasuhiko Matsuda, Jasmine Rajbhandary		
<b>Estimated Appraisal Date:</b>	09-Aug-2016	<b>Estimated Board Date:</b>	13-Oct-2016
<b>Managing Unit:</b>	GSP06	<b>Lending Instrument:</b>	Investment Project Financing
<b>Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?</b>			No
<b>Financing (In USD Million)</b>			
Total Project Cost:	150.00	Total Bank Financing:	150.00
Financing Gap:	0.00		
<b>Financing Source</b>			<b>Amount</b>
International Development Association (IDA)			150.00
Total			150.00
<b>Environmental Category:</b>	C - Not Required		
<b>Is this a Repeater project?</b>	No		

**2. Project Development Objective(s)**

The Project Development Objective (PDO) is to improve the coverage of social security allowances and civil registration, and the delivery of social security allowances.

**3. Project Description**

The project supports Civil Registration and Social Security Strengthening Program of DOCR and consists of four components. Over a five-year period, the project is expected to support: (i) the establishment of a comprehensive national population register and expanded coverage of CR and SSA and (ii) improved delivery of SSA via transition to e-payments in selected districts and

improvements in related processes. These will be supplemented with institutional strengthening at both central and local levels.

### Component 1: Improving Coverage of Civil Registration and Social Security Allowances

Component 1 will support the expansion of coverage of CR and SSA by establishing a national population register of individuals and household/family folders. The register will be updated through regular CRs and targeted outreach and communications campaigns. The population register will be housed in DOCR existing management information system (MIS), which will be enhanced to accommodate the additional functionalities required (to be supported under Component 3). The goal is to establish a CRVS system that will allow all individuals/residents easy access to CR, enable regular monitoring of registrations, generate timely vital statistics from a central database and establish linkage with programs such as SSA.

The component consists of:

- (a) Sub-component 1.1: Data collection through a combination of a door-to-door household visits and ward-level registration camps in selected locations to establish a national population register with household/family folders; and
- (b) Sub-component 1.2: Information and outreach campaigns to support the data collection, promotion of regular registration of vital events and enrollment of the eligible into SSA.

The population register will serve as a basis for identifying the eligible population for SSA and those excluded from accessing CR services. The identification of the excluded individuals will enable tailored communications and outreach programs to encourage them to register vital events and/or enroll in applicable social security schemes. Local level registration camps will be organized once immediately after the data collection and annually thereafter during the project period to improve access to civil registration services. The World Health Organization (WHO) will provide technical assistance to DOCR in the area of civil registration. The expected outcome of the component is expanded coverage of CR and SSA through the following outputs:

- (a) The establishment of a population register with household/family folders where each individual member has a unique ID; and
- (b) Increased coverage of CR and SSA among the target population.

### Component 2: Modernizing Social Security Delivery Systems

The current system of SSA delivery suffers from ineffective control and accountability, low operational efficiency and poor services. Specific sources of the weaknesses include the absence of a reliable, modern IT system to record and manage beneficiary enrollments and payment transactions and the lack of sufficiently trained personnel to manage these processes at the local level. These weaknesses have resulted in leakages and delayed payments. Building on recent pilot projects, MOFALD plans to transition to e-payments for delivery of SSA. The component will support roll-out of e-payments to improve operational efficiency and accountability of the SSA program in 25 of Nepal's 75 districts (sub-component 2.1). It will also support strengthening of other facets of the SSA benefit delivery largely through increased and improved citizen engagement and use of IT in all 75 districts (sub-component 2.2). The United Nations Capital Development Fund (UNCDF) will provide technical assistance to DOCR for this component.

The component consists of:

- (a) Sub-component 2.1: Phased roll-out of electronic payments via contracted payment service providers (PSPs) using a results-based financing approach with disbursement-linked indicators (DLIs) in 25 selected districts; and
- (b) Sub-component 2.2: Improving accountability and citizen engagement in the social security delivery process particularly enrollment and payment verification and monitoring and grievance redress and applicable improvements in manual payment delivery in all 75 districts, following the traditional investment lending modality.

The specific outputs of the component are:

- (a) Functioning e-payment system with the actual deployment of e-payments in 25 districts; and
- (b) Improvements in SSA benefit delivery, monitoring and grievance redress mechanisms.

### Component 3: Institutional Strengthening

To achieve the project objectives of increased coverage of social security beneficiaries and CR and improved delivery of social security allowances, the institutional framework regulating these two functions as well as the organizational capacity of implementing bodies need to be enhanced. Component 3 is designed to support a range of cross-cutting activities for sustainable institutionalization of the improvements supported under components 1 and 2 by building the government's organizational and institutional capacities for managing CR and SSA functions at both the central and local levels. The activities supported under this component will be divided into following sub-components.

- (a) Sub-component 3.1 to support strengthening of DOCR as the central oversight agency of CR and SSA by defining improved business processes for CR and SSA, developing the organizational capacity of DOCR, and enhancing DOCR's existing management information system to align its functionalities to the requirements of the new IT-based CR and SSA business processes.
- (b) Sub-component 3.2 to support set-up of service units to provide IT-based back-end support and associated staff training at the local level.

Expected outputs of the sub-component are:

- (a) Operation Manuals for MIS-based CR and SSA services
- (b) Fully equipped and functional DOCR with proper organizational structure and capacity
- (c) Enhanced MIS platform
- (d) Functional and fully-equipped 'service units'; and
- (e) 'Service unit' personnel and relevant staff at the local level trained on improved business processes and the use of MIS to manage the CR and SSA database.

### Component 4: Project Management, Monitoring and Evaluation (M&E)

The component will support project implementation and M&E by establishing and maintaining an effective project management unit (PMU), district-level project implementation units (DL-PIUs), building capacity of project management staff, and financing specific project evaluation studies (e.g., spot checks, base/mid/end-line surveys).

## **4. Project location and salient physical characteristics relevant to the safeguard analysis (if known)**

## **5. Environmental and Social Safeguards Specialists**

Annu Rajbhandari (GEN06)  
 Bandita Sijapati (GSURR)  
 Drona Raj Ghimire (GEN06)  
 Jun Zeng (GSU06)

<b>6. Safeguard Policies</b>	<b>Triggered?</b>	<b>Explanation (Optional)</b>
Environmental Assessment OP/BP 4.01	No	<p>Considering that the project will support and invest in hardware and software aspects of delivery of social security allowances to strengthen the efficiency of the DOCR and Local Bodies and not support civil works including any type of rehabilitation and maintenance, the project has been categorized as C. There will be minimum or no adverse impacts from the implementation of the project. Hence, no safeguard document on environment needs to be complied with or prepared.</p> <p>However, it is recommended that the project, as a proactive measure, will strive to adopt environment good practices such as waste management, purchase of energy efficient goods and recyclable and reusable hardware goods etc. to reduce the environmental impacts of government operations and promote environmental stewardship by integrating environmental performance considerations in the procurement process.</p>
Natural Habitats OP/BP 4.04	No	No natural habitats will be impacted.
Forests OP/BP 4.36	No	Forest will not be impacted.
Pest Management OP 4.09	No	The project will not finance the purchase of pesticides nor promote the use of pesticides.
Physical Cultural Resources OP/BP 4.11	No	There is no foreseeable impact on Physical Cultural Resources.
Indigenous Peoples OP/BP 4.10	Yes	<p>This policy has been triggered mainly to ensure outreach, inclusion, effective targeting, and monitoring of hitherto marginalized groups, including IPs, during the implementation of various sub-components designed to strengthen social protection programs and civil registration. A Vulnerable Community Development Plan detailing the steps that will be taken to mitigate against any risks of exclusion, provide opportunities for greater citizen engagement, and ensure enhanced project benefits to vulnerable groups, including IPs, has been prepared. The VCDP is consistent with the Bank policy on indigenous peoples and the specific guidelines for Indigenous Peoples Plan (IPP).</p>
Involuntary Resettlement	No	This policy is not triggered since it does not include any

OP/BP 4.12		type of civil works, and it is clear that there is no land requirements.
Safety of Dams OP/BP 4.37	No	The project will not finance dams.
Projects on International Waterways OP/BP 7.50	No	The project is not situated in international waterways.
Projects in Disputed Areas OP/BP 7.60	No	No disputed areas are involved.

## II. Key Safeguard Policy Issues and Their Management

### A. Summary of Key Safeguard Issues

<p><b>1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:</b></p> <p>The project will only support the establishment of a national population register, improved delivery of social security allowances, and institutional strengthening at the central and local levels. There are no potential large scale, significant and/or irreversible impacts. On the contrary, the focus improving civil registration and delivery of social security allowances will mean that the positive impacts on human populations, including indigenous people and other vulnerable groups, will be significant.</p>
<p><b>2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:</b></p> <p>Not applicable</p>
<p><b>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</b></p> <p>Not applicable</p>
<p><b>4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.</b></p> <p>DOCR has prepared a Vulnerable Community Development Plan (VCDP) to ensure that the Project is implemented in a manner that addresses issues related to access, equity, quality and sustainability of social protection schemes for the vulnerable groups; that vulnerable groups are engaged in a process of free, and informed consultation to identify their views and ascertain their broad community support for the project; and to ensure that the vulnerable groups are not adversely affected by the project interventions. The VCDP details the agreed principles, guidelines and procedures to be integrated into project implementation that would ensure compliance with the applicable Nepali laws relating to indigenous peoples and other marginalized groups, and the relevant World Bank safeguard policies and objectives relating to Indigenous Peoples. The VCDP includes plans for consultation and participation; monitoring; institutional arrangements for implementation; and capacity building.</p>
<p><b>5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.</b></p> <p>Key stakeholders include the general population benefiting from civil registrations, recipients of social security allowances, the DoCR, local government institutions (Village Development Committees, District Development Committees and Municipalities), commercialbanks, civil society organizations, and community groups. The VCDP includes plans for consultation and participation; monitoring; institutional arrangements for implementation and capacity building.</p>

**B. Disclosure Requirements**

<b>Indigenous Peoples Development Plan/Framework</b>	
Date of receipt by the Bank	05-Aug-2016
Date of submission to InfoShop	08-Aug-2016
"In country" Disclosure	
Nepal	29-Jul-2016
<i>Comments:</i> The VCDP was disclosed in-country on July 29, 2016.	
<b>If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.</b>	
<b>If in-country disclosure of any of the above documents is not expected, please explain why:</b>	

**C. Compliance Monitoring Indicators at the Corporate Level**

<b>OP/BP 4.10 - Indigenous Peoples</b>	
Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit or Practice Manager?	Yes [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input checked="" type="checkbox"/> ]
<b>The World Bank Policy on Disclosure of Information</b>	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
<b>All Safeguard Policies</b>	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Have costs related to safeguard policy measures been included in the project cost?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]

**III. APPROVALS**

Task Team Leader(s):	Name: Yasuhiko Matsuda,Jasmine Rajbhandary	
<b><i>Approved By</i></b>		
Practice Manager/ Manager:	Name: Pablo Gottret (PMGR)	Date: 10-Aug-2016