

PROJECT INFORMATION DOCUMENT (PID) CONCEPT STAGE

Report No.: PIDC15955

Project Name	Zambia Rural Women Empowerment Project (P151451)
Region	AFRICA
Country	Zambia
Sector(s)	Public administration- Other social services (100%)
Theme(s)	Social safety nets (35%), Other social protection and risk management (35%), Gender (30%)
Lending Instrument	Investment Project Financing
Project ID	P151451
Borrower(s)	Government of Republic of Zambia
Implementing Agency	Ministry of Community Development Mother and Child Health, Ministry of Gender and Child Health
Environmental Category	B-Partial Assessment
Date PID Prepared/ Updated	28-Oct-2014
Date PID Approved/ Disclosed	24-Nov-2014
Estimated Date of Appraisal Completion	31-Mar-2015
Estimated Date of Board Approval	29-May-2015
Concept Review Decision	Track II - The review did authorize the preparation to continue

I. Introduction and Context

Country Context

Despite consistent growth rates during the last decade, poverty remains high, particularly in rural areas. Zambia has registered a growth rate of about 6 percent for more than a decade and is now classified as a lower middle income country with per capita income of US\$1,480 in 2013. However, the poverty level remains high at around 60 percent (in 2010) and 42 percent of the population live in extreme poverty. Poverty in Zambia is overwhelmingly a rural phenomenon. In 2010, the moderate poverty rate in rural areas was 74 percent, more than double the urban poverty rate of 35 percent and the extreme poverty rate (58 percent) is four times higher than in urban areas (13 percent). With roughly two-thirds of the population in rural areas, the countryside is home to 80 percent of Zambia's poor. Rural poverty is also far more severe: almost 90 percent of Zambians living below the extreme poverty line are concentrated in rural areas, and the poverty gap index is far higher for the rural population than for their urban counterparts (20 percent and 3.7 percent,

respectively). The majority of people in rural areas have not benefitted from the growth, which has been driven by capital intensive industries in urban areas mainly mining, construction and transport. Productivity of the small scale farmer, lack of skills and poor connectivity to market has also hampered growth in the rural sector.

Lack of money, lack of food and increased food prices were the three most common shocks reported in 2010. In the 2010 Living Conditions Monitoring Survey, almost one quarter of respondents, in both rural and urban households, faced a lack/decrease of money during the previous year. In rural households, 23 percent of households also reported experiencing a lack of food over the previous year, as compared to 18 percent of urban households. By contrast, 27 percent of urban households reported increased food prices as a shock as compared to 15 percent in rural households, likely related to the reliance on subsistence agriculture by the latter. Other major shocks reported by rural households included flood (9 percent), change in agricultural input prices (7 percent), drought (7 percent), livestock disease (6 percent) and crop disease or pests (5 percent). Approximately six percent of rural households nearly the same percentage.

Girls and women are particularly vulnerable and gender inequality is high. According to the LCMS 2010, a male headed household has a mean monthly income of US\$223, compared to a female-headed household with US\$162, only 77 percent of the Zambia national average. In rural areas, the estimated overall poverty rates are 77.5 and 79.8 percent for male and female headed households respectively. Also, the majority of the population in rural areas lived in extreme poverty, especially in female headed households (60.4 percent for female headed household compared to 57.1 percent for male headed households). In addition to poverty levels, women are faced with a number of other challenges that make them more vulnerable than men. Girls and young women are particularly vulnerable due to multiple age and sex-specific social barriers and gender inequalities. Zambia ranks 101 of 148 countries on the Gender Development Index, which disaggregates the Human Development Index by gender, and 133 out of 152 countries on the Gender Inequality Index, which considers reproductive health (maternal mortality and adolescent birth rates), empowerment (legislative representation and secondary/tertiary schooling) and economic activity (labor force participation).

Educational attainment among women is very low, particularly in rural areas. Only 15 percent of women in rural areas (aged 15-49) have some secondary education, and only 1.5 percent has completed secondary school (compared to 25.4 and 4.7 percent respectively for men in rural areas in the same age group). In addition, 47.3 percent of women in rural areas are illiterate compared to 16.4 in urban areas and compared to 23.4 percent of men in rural areas. One third of girls aged 10-14 in rural areas are already off course with their schooling, meaning that they have either never been in school, are not currently in school, or are in school, but more than two years behind grade-for-age. In rural areas, enrollment rates for girls aged 10-14 are similar to boys (12 and 11 percent respectively), but in the age group 15-19, 51 percent of girls are not attending school, compared to 22 percent for boys. One likely explanation for this difference of educational attainment between women and men is that a significant number of female students drop out of school due to pregnancy.

Early pregnancy is a widespread problem in rural areas and there are strong correlations between limited schooling (and other education-based indicators such as literacy) and early marriage. Zambia is one of the top 20 countries with the highest prevalence of early pregnancy, but girls who are in school during adolescence face lower risks of early pregnancy. The age at first birth, overall fertility, and level of unmet need for contraception also correlate significantly in most settings with

women's level of education. One-third of girls give birth before 18 years of age and 4 percent before age 15, with associated increased risks of pre- and post-natal complications, poor birth outcomes, morbidity, and mortality in infants and young mothers, as well as adverse economic and social effects. Even if they are not in the expected grade for their age, girls who are in school during adolescence have lower rates of reported sexual activity than out-of-school peers. Early marriage is correlated with early pregnancy and low literacy levels. Once married adolescent girls have much less control over their own fertility decisions and typically drop out of school. According to a study by the Population Council, 53.3 percent of 20-24 year olds in rural area are married by age 18. In rural areas, among 15-24 year old females who are illiterate, over 75 percent were married by the age of 15, compared to 31 percent for those not married.

A large proportion of women in rural areas are employed in the informal agricultural sector and a large share is unpaid family workers. Forty five percent of employed women in rural areas are unpaid family workers (compared to 16.1 of men), suggesting that women find it harder to access paid employment than men. Most of the remainder of employed women are self-employed (48 percent) and the most recent poverty assessment suggests that those working in household enterprises earned the lowest income. The LCMS 2010 indicates that over 90 percent of women in rural areas are involved in informal agricultural employment and not being able to afford agricultural inputs is reported by rural women as the most important reasons for (self-assessed) poverty.

Sectoral and Institutional Context

The Government of Zambia is committed to social protection through the Sixth National Development Plan (SNDP) and the National Social Protection Policy (NSSP). The SNDP 2011-2015 highlights the need to effectively coordinate and provide social protection through empowering low capacity households, providing social assistance to incapacitated households, and supporting various vulnerable groups. The SNDP also highlights that the Government will continue to advance the mainstreaming of gender in the development process and the empowerment of women. A comprehensive National Social Protection Policy (NSPP) was approved by Cabinet in June 2014. The main objective of the NSPP is "to contribute to the well-being of all Zambians by ensuring that vulnerable people have sufficient income security to meet basic needs and protection from worst impacts of risks and shocks." It has identified five pillars: (i) social assistance, (ii) social security, (iii) livelihoods, (iv) protection, and (v) disability.

The Government is implementing a variety of different social protection programs, but low spending and limited coordination mean that coverage of the poorest is low. According to a review of the safety net programs in 2013, spending on safety net programs for the poor represents only about 0.2 percent of GDP, well below the regional average (ranging from about 0.5 percent to 3.5 percent). Two departments in the MCDMCH focus on the implementation of the largest number of social protection programs. The Department of Social Welfare is leading interventions for the labor-constrained households, including the Social Cash Transfer Scheme (SCTS), which provides regular cash transfers to extremely poor families without labor, and the Public Welfare Assistance Scheme (PWAS), which provides one-off assistance to extremely poor households to cope with emergency situations. The Department of Community Development focuses on interventions that support extremely poor households that are not labor constrained, including the Food Security Pack (FSP) to provide seeds and fertilizers and the Community Self-help Public Works to support communities to improve their basic infrastructure. The Ministry of Agriculture and Cooperatives (MACO) implements the Farmers' Input Support Program (FISP), which offers access to

agricultural extension services and inputs for improved farming practices and is the country's largest social transfer program (both in terms of budget allocation and number of beneficiaries). These various programs, however, are fragmented and Ministries do not share information on beneficiaries. In total, the 2013 review of safety net program study estimates that existing coverage is only 1 or 2 percent of the extreme poor.

The Government's focus on social protection includes a various programs, implemented by both Government and NGO partners, designed to promote productive and livelihood outcomes, particularly among women, but these are faced with various operational challenges. There are two main Women Economic Empowerment Funds, providing grants or micro-credits to groups of women or directly to women. One is implemented by the MCDMCH and the other by the Ministry of Gender and Child Development (MGCD). The Government, however, has identified that the effectiveness of these funds is hampered by a number of issues, including lack of training on how to effectively use the funds; inadequate startup grant; difficulties in targeting the most deserving beneficiaries; misuse of funds; and lack of coordinated monitoring and evaluation of the funds. In addition, the MCDMCH in partnership with the Social Protection Platform and Care Zambia is piloting an initiative to test the impact of providing additional livelihood support (savings and business planning skills) to SCTS beneficiaries. There are also a number of NGO-led initiatives supporting life skills and voluntary savings schemes, including the recently approved Zambia Female Youths Livelihoods and Nutrition Enhancement Program (FLNP) that will be implemented by Concern Worldwide in partnership with a number of key Ministries. The FLNP provides life skills training to Girls Clubs and support to develop livelihoods and improve nutrition. The Adolescent Girls Empowerment Program (AGEP) being implemented by the Population Council supports Voluntary Saving Schemes (VSS) through safe spaces for adolescent girls.

Relationship to CAS

The proposed Project is aligned with the Country Partnership Strategy (CPS) 2013-2016 Objective 1: Reducing poverty and the vulnerability of the poor. The CPS specifically outlines Bank support to programs designed to protect vulnerable families and promote productive opportunities within them. It also places specific emphasis on women's livelihoods. Outcome 1.2: Improved access to resources for strengthening household resilience and health in targeted areas includes deepening the Bank's engagement in social protection, particularly sustainable safety net programs with an emphasis on income generation for the poor.

The CPS and proposed Project respond directly to Government's development priorities and its recognition of the interrelation between human development and economic productivity to improve the standards of living and well-being of the Zambian people. The Vision 2030 outlines efforts to attain middle income status and recognizes that reducing national poverty and income inequality levels will be critical in the attainment of this goal. In contribution to these broad objectives, the SNDP outlines that the Government's social protection system aims to empower low capacity households and provide social assistance to incapacitated households. Specifically, "the strategic focus of the sector will be to promote human development and dignity through provision of skills, financial assistance, agriculture inputs and access to services to low capacity and incapacitated household and other vulnerable persons." These national documents reflect an understanding of the correlation between economic and social outcomes and the need for supporting programs for poor and vulnerable households that seek to overcome these constraints in a comprehensive and coordinated manner.

II. Proposed Development Objective(s)

Proposed Development Objective(s) (From PCN)

The proposed Project Development Objective (PDO) is to increase income levels of extremely poor households benefitting from the project.

Key Results (From PCN)

The PDO will be measured through the following key performance indicators (KPIs).

- i. Number of beneficiary households
- ii. Number of beneficiary households receiving cash grants
- iii. Percent of households with one or more women engaged in income-generating activities

III. Preliminary Description

Concept Description

The Project proposes an integrated approach to support extremely poor women and adolescent girls as key agents to undertake actions to reduce vulnerabilities and increase opportunities for the entire family. The Project is based on a theory of change that hypothesizes that when women and adolescent girls are empowered by acquiring social and economic skills and productive assets they can draw on these to improve their family consumption, build savings, and invest in their children's (especially daughters') education and well-being. Investments to expand livelihood opportunities for women also hold the potential to reduce economic pressures that may lead to early marriage of poor adolescent girls in that woman's household. Given the country context, as outlined above, the Project will be selective in targeting extremely poor women and adolescent girls in rural areas where poverty and vulnerability are most acute.

The proposed design reflects Government's social protection vision for extremely poor households that emphasizes predictable cash transfers for labor-constrained households and economic empowerment support for the extremely poor with the potential to engage in income generating activities. Under Component 1, the Project would support expansion of the existing SCTS, under which targeted households are identified as in need of long-term, sustained support because of extreme poverty coupled with labor-constraints (as defined in paragraph 15). The predictable cash transfers aim to reduce poverty and the intergenerational transmission of poverty through consumption smoothing and human capital development. Under Component 2, the Project would also support the extremely poor, but with a focus on women with the potential to engage in productive livelihoods. The Government envisions that such an intervention would foster economic and social empowerment and have long-lasting impacts on well-being and standards of living. As noted above, although many such projects are under implementation, coverage remains limited, delivery is affected by limited implementation capacity and there is little coordination or complementarity to promote synergies among these interventions. Under Component 3, the Project would support strengthening institutional capacity in terms of policy dialogue, coordination, management systems and monitoring and evaluation to effectively undertake social protection and women's empowerment activities.

The Project would target women and adolescent girls in extremely poor households in rural areas. The Project would identify these beneficiaries by building on the targeting mechanism developed for the ongoing Social Cash Transfer Scheme (SCTS). The SCTS uses a three-stage targeting mechanism combining geographical targeting, community-based targeting, and verification through a proxy means test. Through these processes, the SCTS identifies extremely poor, labor-constrained

households; it defines labor-constrained households as those in which there is no able-bodied person of working age due to chronic illness, disability or a labor dependency ratio greater than three. The Project would target these households as well as women in households identified by SCTS as extremely poor but not eligible for the cash transfer benefit because of their households' labor endowment.

The following provides a more detailed summary of the three proposed Project components.

(1) Component 1 – Support to Scale-up the Social Cash Transfer Scheme. This component will support expanding access of extremely poor households to the SCTS. This program has demonstrated strong impact for reducing extreme poverty gap and improving food security; increasing crop and livestock production; increasing the productive capacity of households both by supporting the expansion of existing activity and by enabling their diversification into new activity; improved feeding of children and reduced wasting among children 6-24 months; reduced morbidity among children ages 0 to 60 months; and improved weight among all children ages 0 to 60 months, as demonstrated by rigorous impact evaluation (see economic analysis section).

The beneficiaries of the SCTS are extremely poor households that are considered to be labor constrained, because there is not able-bodied person of working age due to physical disability, chronic illness or high labor dependency ratio. The identification and enrollment of beneficiaries is done using a three-stage targeting approach: (1) geographical targeting to select communities in all districts based upon poverty maps, (2) community based targeting wherein a welfare assistance committee identifies all households with a labor dependency rate of three and more members and the program enumerators visit household and collect information about their living conditions, and (3) statistical model which uses the information collected to calculate a proxy means test based poverty score. The third stage is critical because the households who score below the eligibility cut-of score are validated by the entire community with the objective of excluding those who are considered as non-extremely poor or not being resident of the areas for more than six months. Beneficiaries receive every two month Kw140, equivalent to US\$24. Payments are done by pay agents (teachers, health workers) with oversight from the district welfare committees.

The Project would support the Government's commitment to scaling up the STCS. By the end of 2014 it is expected that the SCTS will have a caseload of 189,000 households in 50 districts (out of 106) and it is estimated to reach about 500,000 households by the end of 2016, covering all the districts. Component 1 could finance: (i) a share (% TBD) of the total costs associated with transfers to additional households enrolled in the SCTS; and (ii) capacity building and operational expenses related to program expansion nationwide. The co-financing share will be calibrated in such a way to ensure the Government can continue to finance the program on a sustainable basis. Currently, the total annual cost of the cash transfers is about US\$30 million and is expected to increase to about US\$75 million when the program operates at full scale. The capacity building would focus on: strengthening targeting and enrollment of new beneficiaries; improving the payment system to ensure that cash transfers to households are made using electronic payment systems to promote security of payments and financial inclusion; and strengthening systems for complaints and grievances and combating error and fraud, among others.

The scope of Component 1 will be reassessed pending further dialogue with the Government to determine what should be financed.

(2) Component 2 – Women’s Livelihood Support. This component would aim to empower women by improving their opportunities for income generating activities through a package of training and financial support. The target population will be extremely poor women in rural areas. This component would build on the SCTS targeting mechanism. The current SCTS benefits households that are identified as extremely poor and labor-constrained, defined due the lack of an able-bodied working age person resulting from chronic illness, physical disability or a labor dependency ratio greater than three. Component 2 would target two groups of women. First, it would target women eligible for the SCTS (extremely poor, labor-constrained households) who are determined to have the potential for engaging in incoming generating activities. This eligibility would include those women whose households are classified as labor-constrained because of their labor dependency ratio. Second, it would target those women identified by SCTS as extremely poor but not eligible for the cash transfer benefit because of their households’ labor status.

This component would seek to improve and harmonize a specific sub-set of existing Government programs that support livelihood productivity and empowerment. As outlined above, the Government has prioritized livelihood promotion as a main pillar under its NSPP and currently operates a number of interventions that aim to support this goal. Project preparation will include an institutional review of the existing empowerment programs to assess the current activities and capacity of these programs, their potential for scalability and areas of necessary reform to improve effectiveness. This research would therefore inform the identification of the specific intervention that this component would focus on reforming.

Reform of the Government’s existing interventions would include design of a support package, including economic and social empowerment training and complementary financial grants, tailored to the constraints faced by extremely poor, rural women. International best practices highlight the importance of both entrepreneurial skills and social skills (also called life skills or soft skills) as critical binding constraints to economic productivity, even more than technical, sector-specific skills (see economic analysis section). Moreover, as noted above, rural women in Zambia report an inability to purchase farm inputs as the most pressing constraint to their productivity. This evidence suggests the need for a combined package of training and financial support.

The specific focus for the proposed training would benefit from further research through a gender analysis study that will be undertaken during Project preparation. It is essential that the curriculum reflect the needs of the Zambian women and adolescents that it seeks to empower and address the constraints that limit their potential to enter into or increase the productivity of income generating activities. The research will also aim to understand cultural and traditional gender roles in Zambia to inform the curriculum development, as well as broader Project design. However, based on existing curricula from Zambia and internationally, potential skills could include: self-esteem, goal setting, family relationships and decision making, money management, accumulating savings, business planning and management, entrepreneurship, among others. In addition, this component could support interventions to promote savings, such as the formation of saving groups, building on the promising experience of some ongoing pilots.

This sub-component would finance (i) technical assistance (TA) for the development of the training modules and their delivery and (ii) capacity building for the Government civil servants involved in its implementation. The provision of TA would require contracting of a NGO with proven capacity and previous experience working in the areas of women’s empowerment, livelihood productivity and income generating activities, among others. Under Government management, the contract

would include responsibility for development of the training modules, training of trainers for Government staff to be responsible for its delivery, development of technical specification for information system for registration and attendance tracking, regular monitoring of the delivery of the training, and periodic review of the training, both in terms of substance and implementation. The capacity building for Government, in addition to the NGO-provided TA, would include external training for Project staff, staff mobility for conducting the livelihood training activities, and livelihood training material production.

This component also would provide financial support to the targeted women. To prioritize the empowerment of women to make their own decisions about the allocation of these resources, the Project would envisage an individual-based, cash grant without conditionalities on the specific allocation of the monies. Potential investment in productive activities could include farming, agricultural processing, animal husbandry, marketing and trading of goods and voluntary savings clubs, among others. However, given the type of women targeted under this component, it is not expected that the grant would support the expansion of any such livelihood activities beyond the scale of household enterprises. The Project would facilitate the provision of these funds through Government structures, particularly those assessed for their potential scalability through robust technical assistance and capacity building support. The specific mechanism for transfer of the productive grants to targeted women would be determined based on the gender analysis study and institutional review planned during preparation.

Component 2 would also explore the possibility of piloting activities specific tailored for adolescent girls. Such an intervention would be informed by the gender assessment study, as outlined above, and the ongoing programmatic analytical work on adolescent girls in Zambia and Malawi. While the gender assessment study may provide insight into the perceptions of rural women regarding constraints to empowering adolescent girls in their households, the analytic work seeks a more detailed understanding on girls' school enrollment, school to work transitions and child marriage, teenage pregnancy and risky sexual behaviors. This type of comprehensive research would be required to develop an innovative pilot to effectively support adolescent girls in Zambia.

(3) Component 3 – Institutional Support for Policy, Coordination, Systems Building, Monitoring and Evaluation. This component would provide institutional support to Government to improve capacity for policy management, coordination on women's and social protection programming, systems building for effective and efficient program management, and monitoring and evaluation. In particular, financing will be provided for planning, implementation, and technical oversight of the project; financial and procurement management, enhancement of the Single Registry of Beneficiaries that is being currently built to improve targeting and promote linkages across programs, development and implementation of a monitoring and evaluation system including spot checks, process assessments, beneficiary satisfaction surveys, impact evaluation; piloting innovative options for improved livelihood initiatives; training of staff in the implementing agency(ies) including exchanges of experience with other countries; and equipment.

This component would emphasize the adoption of ICT innovations to help improve the scalability, effectiveness and efficiency of the activities under the Project's first two components. ICT could contribute directly to the empowerment activities as well as be a tool for project implementation and monitoring. For example, the Project could finance provision of mobile phones to beneficiaries, if deemed useful for reinforcing training messages, conveying market information (such as pricing of crops and other goods), and potentially facilitating savings. The Project would also explore the

possibility and practical application of video based peer-to-peer learning techniques to help provide messages on a variety of topics such as nutrition, health, agriculture practices, etc. On the operational side, the Project could support development of web-based management information system and mobile applications for registration, tracking attendance, and follow-up.

IV. Safeguard Policies that might apply

Safeguard Policies Triggered by the Project	Yes	No	TBD
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	

V. Financing (in USD Million)

Total Project Cost:	50.00	Total Bank Financing:	50.00
Financing Gap:	0.00		
Financing Source			Amount
BORROWER/RECIPIENT			0.00
International Development Association (IDA)			50.00
Total			50.00

VI. Contact point

World Bank

Contact: Cornelia M. Tesliuc
 Title: Sr Social Protection Specialist
 Tel: 5327+6507 /
 Email: ctesliuc@worldbank.org

Borrower/Client/Recipient

Name: Government of Republic of Zambia
 Contact:
 Title:
 Tel:
 Email:

Implementing Agencies

Name: Ministry of Community Development Mother and Child Health

Contact:

Title:

Tel:

Email:

Name: Ministry of Gender and Child Health

Contact: Victor Mbumwae

Title: Director, Planning

Tel:

Email: vmbumwae@gmail.com

VII. For more information contact:

The InfoShop

The World Bank

1818 H Street, NW

Washington, D.C. 20433

Telephone: (202) 458-4500

Fax: (202) 522-1500

Web: <http://www.worldbank.org/infoshop>