



Additional Financing Appraisal Environmental and  
Social Review Summary  
Appraisal Stage  
**(AF ESRS Appraisal Stage)**

Date Prepared/Updated: 05/04/2022 | Report No: ESRSAFA384



**BASIC INFORMATION**

**A. Basic Project Data**

Country	Region	Borrower(s)	Implementing Agency(ies)
Lebanon	MIDDLE EAST AND NORTH AFRICA	Lebanese Republic	Prime Minister's Office
Project ID	Project Name		
P178075	Lebanon Emergency Crisis and COVID-19 Response Social Safety Net Additional Financing		
Parent Project ID (if any)	Parent Project Name		
P173367	LEBANON EMERGENCY CRISIS AND COVID-19 RESPONSE SOCIAL SAFETY NET PROJECT		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Social Protection & Jobs	Investment Project Financing	4/26/2022	5/9/2022

Proposed Development Objective

The objective of the Project is to: (a) provide cash transfers and access to social services to extreme poor and vulnerable Lebanese populations affected by the economic and COVID-19 crises in Lebanon; and (b) in case of an Eligible Crisis or Emergency, provide immediate and effective response to such emergency or crisis.

Financing (in USD Million)	Amount
Current Financing	246.00
Proposed Additional Financing	4.00
<b>Total Proposed Financing</b>	<b>250.00</b>

**B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?**

Yes

**C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]**

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The US\$4 million AF Grant will be funded from the Lebanon Syria Crisis Trust Fund (LSCTF ) and will supplement existing financing of Component 1 under the parent project (Provision of Cash Transfer for Basic Income Support). Approximately 2,700 households (roughly 12,300 individuals) from the existing target (147,000) will benefit from the provision of CTs for basic income support, verified as falling under the extreme poverty threshold. The proposed AF will contribute to offsetting the resulting financing gap following the revision of the transfer value. No changes to the project's objective, design, or implementation arrangements is envisaged under the AF.

**D. Environmental and Social Overview**

D.1. Detailed project location(s) and salient physical characteristics relevant to the E&S assessment [geographic, environmental, social]

Similar to the parent project, this Emergency Additional Financing (AF) operation will be implemented nationwide, in urban as well as rural and remote areas. Under the AF, the PDO is not envisaged to change therefore the project locations remain similar to the parent project. The multiple crises in Lebanon continue to pose increasing challenges to the citizens of Lebanon and particularly the poor. The economic and financial crisis which started in 2019, increasing poverty and vulnerability, rising average annual inflation rates, and the COVID-19 pandemic have further heightened the vulnerability of the poor, whose living, working, and health conditions place them at greater risk compared to wealthier segments of the population.

The AF Grant (US\$4 million) is funded from the Lebanon Syria Crisis Trust Fund (LSCTF) and will be used to supplement existing financing under Component 1 of the parent project (Provision of Cash Transfer for Basic Income Support) and will have one component. Approximately 2,700 households (approximately 12,300 individuals) out of a targeted 147,000 households will benefit from the provision of CTs for basic income support, verified as falling under the extreme poverty threshold. Similar to the parent project therefore, the AF targets extremely poor households situated nationwide and who have applied on the DAEM platform (the first National Social Registry for Lebanon) who satisfy two conditions as per the targeting approach adopted in the parent project: (i) verified Proxy Mean Test (PMT) scores are below the eligibility cut-off corresponding to the extreme poverty line, and (b) they belong to defined socially vulnerable categories.

D. 2. Borrower’s Institutional Capacity

Similar to the parent project, the implementing agency for this AF is the Central Management Unit (CMU) situated within the Presidency of the Council of Ministers (PCM) who will be working in close coordination with the Ministry of Social Affairs (MoSA) and the Ministry of Education and Higher Education (MEHE). As per the parent project, the CMU does not have the human resources capacity to follow up on the social or environmental aspects associated with the project. As such, it was recommended under the parent project for the CMU to hire a social specialist. The CMU has newly hired a social specialist in March 2022 to monitor, document and ensure implementation of the E&S requirements as per the provisions of the cleared and disclosed ESCP under the parent project (dated December 2020). The parent project has recently started implementation of project activities. The E&S performance under the parent project has been thus far satisfactory where the PMU hired a social specialist and prepared and disclosed the LMP in July 2021 which was an effectiveness condition. The newly hired social specialist was also involved in the relevant updates needed to the SEP and ESCP under this AF. The social specialist will follow up on the E&S requirements under the ESSN parent project, the ESSN AF, and the Lebanon Emergency Board Coverage Cash Transfer Project (P177920). The Grievance Mechanism documentation and coordination with the MOSA and the preparation of the Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) Prevention and Response Plan will also be under the

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responsibility of the CMU social specialist who has recently attended a workshop on SEA/SH presented by the World Bank in April 2022. The World Bank E&S team will provide support as needed throughout the project lifecycle.

**II. SUMMARY OF ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS**

**A. Environmental and Social Risk Classification (ESRC)**

Substantial

**Environmental Risk Rating**

Low

Similar to the parent project, the environmental risk is assessed to be low since the project components are expected to have limited to no impact on the environment. The project will not carry out activities that will generate any adverse risks or impacts on the environment. This project will not directly support any civil works

**Social Risk Rating**

Substantial

Similar to the parent project, the social risk rating under the AF is substantial. While the ESSN program brings social benefits, it will also have "substantial" social risks mainly related to exclusion of some vulnerable and disadvantaged groups, such as: 1) the elderly because the PMT formula was unable to capture this group ; 2) small families because of the household characteristics used by the targeting program to calculate household poverty; 3) the near poor subgroups who may not qualify as part of the targeting program and may therefore not benefit from the program; 4) female headed poor households, especially if the man/father is deceased or incarcerated. The scoring system does not consider that the mother works and runs household errands, putting additional social pressure on her; 5) poor families with a deceased parent do not get any advantage in the current targeting program; and 6) Syrian refugees who will not be benefitting from components 1 or 2 of the project. Other risks include contextual risks including citizens mistrust of the government and social tensions between the Syrian refugees who benefit from a wide variety of international food, shelter and social programs while the Lebanese poor do not.

**B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered**

**B.1. General Assessment**

**ESS1 Assessment and Management of Environmental and Social Risks and Impacts**

**Overview of the relevance of the Standard for the Project:**

The project will not support any civil works involving the building/rehabilitation/ renovation of infrastructure. Therefore, there will not be adverse risks and impacts from works on the environment. The screening has concluded that the client does not need to prepare an environmental management plan to mitigate potential environmental impacts arising out of proposed project.

From a social perspective, the screening under the project project showed that there are significant social risks and impacts associated with the Emergency SSN Program and as such ESS1 applies. These social risks include: exclusion of some vulnerable and disadvantaged groups such as the elderly, small households, female-headed households, near poor, poor families with deceased parent and Syrian refugees who will not be benefitting from the cash transfer activities under components 1 and 2 of the project. In addition, there are contextual risks which include citizens mistrust of the government and social tensions between the vulnerable Lebanese and Syrian refugees, inadequate grievance mechanism to handle complaints and concerns, weak communication outreach and potential SEA/SH risks

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associated with project activities and specifically under component 1 activities which include cash transfer. Component 3 of the project aims to mitigate social tensions by supporting MoSA to expand the provision of social services to both host and displaced refugee communities, through Social Development Centers (SDCs) and contracted specialized organizations. SDCs are the entry point where vulnerable groups seek assistance and basic ‘prevention’ services (including day care centres, orientation, awareness raising, parenting or reproductive health lessons, afterschool learning support, community activities, skills trainings, psychosocial support, care giver support etc.) and where social workers assess their needs and refer them to specialized support services (e.g. safe spaces, shelters, psychosocial support, therapy case management for children at risk, eviction and documentation guidance, dispute resolution, facilitate pathways to certify skills, learning and other aids for persons with disability).

Under the parent project, the client has prepared and disclosed a social impact assessment (SIA) in April 2021 to outline social risks and impacts associated with the project and recommended mitigation measures accordingly. The SIA includes a social risk management plan that comprises the key social risks, impacts, mitigation measures and responsible institutions. The SIA findings have been considered in the project design whereby additional filters were added to the existing targeting program to capture some of the identified vulnerable groups. These will be monitored by the borrower throughout project implementation and documented and recommendations made as needed. The parent project has recently started implementation of project activities and the PMU social specialist was recently hired in March 2022. The SIA under the parent project is in the process of being implemented and progress will be documented in the Borrower's progress report. The social specialist will ensure that the SIA under the parent project is updated to include feedback from inclusive consultation sessions. The updated SIA will be submitted to the Bank for clearance and will thereafter be disclosed by the Borrower one month after the project effectiveness date as per the provisions of the updated ESCP under this AF.

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### **ESS10 Stakeholder Engagement and Information Disclosure**

A Stakeholder Engagement Plan (SEP) has been prepared and disclosed in December 2020 under the parent project where inclusive stakeholder engagement could not be conducted due to the urgency of the project and COVID-19 general mobility restrictions. The parent project recently started implementation of project activities and the social specialist has been recently hired as part of the Borrower's PMU as mentioned earlier. The SEP under the parent project is currently under the process of being implemented. The Borrower has updated the SEP under this AF and will further update the SEP following inclusive stakeholder consultations within a timeframe as outlined in the ESCP which was updated under this AF (one month after project effectiveness).

Under the parent project, the GOL has been involved in selected interactions with some of the Project's stakeholders, particularly those involved in Project preparation and management, through in-person meetings and via WebEx (the latter due to COVID-19 restrictions) to discuss matters related to Project design and preparation. Before that, several public hearing events and workshops targeting beneficiaries from the NPTP program were held across different geographic regions during the recertification of NPTP beneficiaries.



Vulnerable and disadvantaged groups have been identified and specifically targeted in the SEP. Dedicated approaches and increased level of resources have been planned to remove obstacles to their participation and foster a meaningful engagement of stakeholders, using specific consultation strategies amidst the COVID-19 pandemic.

Among the Project Affected Persons (PAPs), the SEP has identified (i) the direct beneficiaries who will benefit from the ESSN; (ii) social workers in charge of implementing social activities and communications around component 4 (the size of this stakeholder group is estimated at around 462 individuals); (iii) refugees, who will benefit from dedicated social services provided through Social Development Centers (the final number of refugees who will benefit from this program has not been determined); and (iv) 87,000 students between the ages of 13 and 18 years currently enrolled in school. There will also be engagement of NGOs for stakeholder engagement activities with refugees.

The SEP will allow the GOL to engage with stakeholders in an inclusive manner during the project cycle with (i) an early engagement during the pre-application phase; (ii) during provision of benefits and services; and (iii) in the post-application phase through household visits. It also allocates necessary resources including staff and budget for the management, implementation, and monitoring of the SEP during the duration of the Project.

Finally, the SEP will allow the set-up of dedicated GRMs at national and local levels to address a wider range of complaints and feedback. The project will contract a third-party GRM firm to manage and report on grievances.

## **B.2. Specific Risks and Impacts**

**A brief description of the potential environmental and social risks and impacts relevant to the Project.**

### **ESS2 Labor and Working Conditions**

The project will involve the use of a range of workers: i) Direct workers (project management unit – PMU) , ii) Contracted workers hired by the project to manage Grievance Redress Mechanisms (GRM) and the communications outreach; and, iii) NGOs that will be recruited under component 3 of the project.

Under the parent project, the Borrower has developed and disclosed Labor Management Procedures (LMP) in July 2021 to manage and mitigate risks associated with Labor and Working condition of project workers. Provisions for LMP are consistent with ESS2 and contain provisions on terms and conditions of employment, nondiscrimination and equal opportunity for employment, worker’s organizations, and restrictions on child and forced labor and prevention against sexual harassment in the workplace. Specific provisions have been added in the LMP on Occupational Health and Safety (OHS) risks due to COVID-19 related risks as needed. The LMP under the parent project is currently under implementation. Under the AF, the borrower will adopt and implement the LMP which was prepared, cleared and disclosed under the parent project throughout project implementation which applies to both the parent project and the AF.



**ESS3 Resource Efficiency and Pollution Prevention and Management**

The project will not support any works or activities that may result in impacts on resource efficiency and pollution, and therefore ESS3 is not currently relevant.

**ESS4 Community Health and Safety**

The client will develop and implement measures and actions to assess and manage the risks of gender-based violence (GBV) and sexual exploitation and abuse and sexual harassment (SEA/SH). A SEA/SH Prevention and Response Plan for the project will address such risks in a way that is commensurate to the risk level and will include primarily the need to have a code of conduct for all staff involved in the project, training/awareness-raising of SEA/SH, and a GRM channel for SEA/SH grievances. The SEA/SH plan was committed under the parent project. The borrower is in the process of finalizing the preparation of the SEA/SH Plan. The social specialist newly hired as part of the PMU will be responsible for the preparation of the SEA/SH Prevention and Response Plan and the implementation of the SEA/SH prevention and control measures.

**ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

This project does not require land acquisition, impact negatively on assets, or cause loss of assets. ESS5 is not currently relevant.

**ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**

As the project will not support any physical works, ESS6 is not currently relevant.

**ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities**

ESS7 is not currently relevant for this project because there are no indigenous peoples in Lebanon.

**ESS8 Cultural Heritage**

The project will not finance civil works and no interaction with tangible or intangible cultural heritage is expected. Therefore, ESS8 is not currently relevant.

**ESS9 Financial Intermediaries**

ESS9 is not currently relevant because there will not be any involvement of financial intermediaries.

**C. Legal Operational Policies that Apply**

**OP 7.50 Projects on International Waterways**

No



**OP 7.60 Projects in Disputed Areas**

No

**B.3. Reliance on Borrower’s policy, legal and institutional framework, relevant to the Project risks and impacts**

**Is this project being prepared for use of Borrower Framework?**

No

**Areas where “Use of Borrower Framework” is being considered:**

Borrower Framework is not being considered

**IV. CONTACT POINTS**

**World Bank**

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**Borrower/Client/Recipient**

Borrower: Lebanese Republic

**Implementing Agency(ies)**

Implementing Agency: Prime Minister's Office

**V. FOR MORE INFORMATION CONTACT**

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**VI. APPROVAL**

Task Team Leader(s):	Haneen Ismail Sayed
Practice Manager (ENR/Social)	Pia Peeters Cleared on 21-Apr-2022 at 18:48:36 GMT-04:00

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