



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

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**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		
P180077	Lebanon Emergency Social Safety Net Project Second 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	3/13/2023	5/18/2023

Proposed Development Objective

To protect the human capital of extreme poor and vulnerable Lebanese through (i) income support, (ii) social services, and (iii) improved service and benefits delivery

Financing (in USD Million)	Amount
Current Financing	250.00
Proposed Additional Financing	255.00
<b>Total Proposed Financing</b>	<b>505.00</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]**

Lebanon is currently in a high-risk situation as it faces a combination of a balance of payments crisis, coupled with a deep economic crisis, compounded by the COVID-19 outbreak. The impending economic crisis, if unmitigated, will



exacerbate poverty and inequality, and in turn economic suffering and social strife. According to World Bank staff's calculations, the current crisis is expected to result in high inflation and negative gross domestic product growth, which would result in more than doubling of extreme (food) poverty from 10 percent to 22.5 percent, and an increase in poverty from a current nowcast rate of 32.9 percent at present to 45 percent later in 2020.

The coverage of and spending levels on safety net programs in Lebanon were low pre-crisis and are certainly insufficient today to ensure poor households against the effects of the crisis. Today, Lebanon's main targeted Social Safety Net (SSN) system is small - reaching barely 4 percent of the poor - primarily due to budgetary constraints. The primary SSN program is the National Poverty Targeting Program (NPTP), which the Bank has been supporting through grants, and which targets only the extreme poor (those falling under the food poverty line). The government of Lebanon has recently started to scale up NPTP to reach 75K households. With the parent project, ESSN, GoL has reached 76K beneficiaries in the program. NPTP and ESSN in total managed to reach 151K households covering almost 15.1% of the extreme poor. The parent project intends to reach 150K and together with NPTP, the SSN programs in Lebanon intend to reach the full coverage of extreme poor (22,5%).

Like the parent project, ESSN AF2 aims to provide: (i) cash transfers to the extreme poor Lebanese households; (ii) top-up cash transfers for students from extreme poor Lebanese households at risk of dropping out of school; (iii) enhanced social services to the vulnerable Lebanese; (iv) enhanced social safety nets program delivery; and (v) CERC. Funding of the assistance for the extreme poor households is provided for one year.

#### **D. Environmental and Social Overview**

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

Like the parent project, this ESSN AF2 operation will be implemented nationwide, in urban as well as rural and remote areas and will continue to support the poorest and the most vulnerable Lebanese households by expanding the coverage from 147K to 150K beneficiary households. Under the AF2, the project design has remained unchanged while the PDO has been reformulated to: 1) reflect the expanded coverage; 2) include the additional focus on human capital and; 3) to emphasize the strengthening of the broader social protection system. The multiple crises in Lebanon continue to pose increasing challenges to the citizens of Lebanon and particularly the poor, with projections from the World Bank showing that over half the population may be below the poverty line. The objective of the parent project was to arrest the increase in poverty and preserve the human capital of the poor. The AF2 will continue to provide this support to poor and vulnerable households in Lebanon especially as the multiple crises in Lebanon are likely to become more severe.

#### **D. 2. Borrower's Institutional Capacity**

Similar to the parent project, the implementing agency for this AF2 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). The CMU 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 social specialist has been involved in the relevant updates needed to the SEP, SIA and ESCP under this AF2 and has been conducting ongoing consultations with the relevant stakeholders and beneficiaries of the project as per the SEP. The social specialist has



also received relevant trainings on ESF during the PIUs workshop held in Lebanon in November 2022 and the SEA/SH workshop held again in Lebanon in April 2022 and both conducted by the World Bank team. The social specialist is also following up and coordinating with SIREN, the contracted agency in charge of the project hotline and grievances. Thus, the capacity of the PCM CMU in implementation of the ESF requirements in line with the ESCP is adequate.

**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 any civil works or activities that will generate any adverse risks or impacts on the environment.

**Social Risk Rating**

Substantial

Similar to the parent project, the social risk rating under the AF2 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 near poor subgroups who may not qualify as part of the targeting program and may therefore not benefit from the program; 2) poor families with a deceased parent do not get any advantage in the current targeting program; and 3) Syrian refugees who will not be benefitting from components 1 or 2 of the project. Other social risks include potential SEA/SH risks under component 1 activities which include cash transfer, and the contextual risks such as 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. Under the AF1, additional social risks which were observed further to the registered grievances and the consultation sessions with beneficiaries and stakeholder included the following: 1) challenges and elevated social risks and tensions due to the challenges associated with the registration process and application forms; 2) issues related to the payments to the beneficiaries due to overcrowding of the OMTs at the end of the month and therefore delays in payments resulting in rising social tensions; 3) overall infrequent coordination and communication between relevant government agencies, international organizations and implementing entities to resolve in an organized and timely manner outstanding issues with the implementation of the project such as the proper functioning of the grievance mechanism and the application process and/or payments, thus further resulting in social tensions. All these additional social risks were addressed by the PCM CMU and considering the rising poverty in Lebanon compounded by the multiple crises in the country, these social risks will continue to be closely monitored and addressed by the PCM CMU under this AF2.

**Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) Risk Rating**

Moderate

The program implementation is also associated with the risk of sexual exploitation abuse and sexual harassment (SEA/SH) especially related to cash transfers to beneficiaries under component 1 of the project, where females may be at greater risk of SEA/SH. The results of the GBV screening tool indicated that various aspects of the program bring the GBV risk to a "moderate" risk rating. In line with the World Bank's Good Practice Note (GPN) and the cleared and disclosed ESCP, the implementing agency has prepared, cleared and disclosed the SEA/SH Action Plan in August 2022. The SEA/SH will be updated one month after effectiveness to reflect AF1 and AF2. The social specialist will ensure

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close monitoring and implementation of the action plan and will inform the WB task team in the event of any complaints associated with SEA/SH in compliance with the provisions of the ESCP.

## **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 social risk assessment under the project project showed that there are significant social risks and impacts associated with the Emergency SSN Program. These social risks which apply for the AF2 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 benefiting 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 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).

The SIA which was prepared, cleared and disclosed under the parent project and later updated under the AF1, has been further updated and consulted upon for the AF2 in February 2023 and will be cleared and disclosed prior to the appraisal stage.

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

Under the parent project, the implementing agency prepared a SEP which was cleared and disclosed in June 2020. The stakeholders identified included: (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); (iv) 87,000 students between the ages of 13 and 18 years currently enrolled in school; (v) vulnerable and disadvantaged groups like people who do not know how to read or write, female headed households, elderly and persons with disabilities; (vi) other interested parties like relevant local and/or international NGOs, the line ministries, academia and press. Under the AF1, the implementing agency updated, cleared and disclosed the SEP following inclusive consultation sessions with relevant stakeholders and beneficiaries. Feedback from these consultations conducted under AF1 helped to highlight and address key areas of concerns like the difficulties in registration, delays in payment as well as delays in addressing complaints/grievances. Under this AF2, the client has conducted additional in-person / one-on one consultation in February 2023 with 5 beneficiaries (3 female and 2 male) and with NGOs including Lebanese Union for Persons with Disabilities (LUPD), Arcenciel, Caritas, and ABAAD. During these consultations the implementing agency informed them about the proposed AF2, communicated the project grievance mechanism and uptake channels and invited them to raise any issues or concerns.

Amongst the feedback received, beneficiaries confirmed the importance of the proposed AF2 that would help the targeted 150,000 extreme poor and vulnerable Lebanese HHs for an additional year by providing cash transfers for basic income support. They also emphasized the importance of the proposed AF2 in further developing Lebanon's shock-responsive integrated Social Protection Information System (SPIS). Some suggestions included strengthening awareness raising efforts particularly in remote areas to better help HHs in filling application forms, improving the selection criteria to include HHs with severe disabilities, or HHs with elderly members. Beneficiaries also raised their concerns for the coming months with no provided or interrupted assistance highlighting that without financial help it would be extremely challenging to survive considering the multiple crises Lebanon is currently facing.

The grievance mechanism is being operated by the contracted firm SIREN, which is currently being hosted at the Central Inspection. The SIREN team currently have 30 operators (15 operators per shift) accepting about 2000-3000 calls/day and the nature of calls include namely blocked access due to name errors or incorrect telephone numbers, suspended cases, or grievance on why they were not selected. At the end of this month, SIREN will begin its transition to be hosted at the MoSA and will start active training of the social workers and employees who will be involved in the operation of the GM; this will last until end of June 2023 after which the MoSA is expected to fully take over.

The grievance uptake channels available for beneficiaries and the public include the following:

- A dedicated email address: [info@impact.gov.lb](mailto:info@impact.gov.lb) which is fully operational
- A toll free number: 1747
- MoSA's website: <http://www.socialaffairs.gov.lb>
- Feedback boxes located at SDCs and schools

SIREN is operational Monday-Friday from 8am to 5pm. Citizens may contact the call center on the hotline for one of the following reasons: (1) enquire about the ESSN program, (2) report a technical problem on the platform, and/or (3) file a complaint. In line with the latest developments, incoming complaints received by the call center revolved mostly around general information, household visits, payment process and the education (component 2). The GM workflow provides an effective way to track and resolve issues and complaints. Out of the 161566 tickets logged to date 123870 have been resolved while others are still being addressed. Resolution time is typically within 7-10 days unless they require further investigation in which case these are escalated. The complainants also have a right to appeal in the event that they are not satisfied with the resolution of the complaint. In the event of SEA/SH complaints, the grievance mechanism also has in place referral pathways to the GBV service providers who have also



been consulted and who are aware of the project. The operators have also received training on handling of SEA/SH complaints following principles of confidentiality and survivor centric approach, as well as the reporting requirements in line with the ESCP. The social specialist is responsible for coordinating with the team handling the grievances and for ensuring documentation of the complaints and feedback in a grievance log.

All details are described in the updated SEP for the AF2 which will be cleared and disclosed by appraisal.

## **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 the following types of workers: i) Direct workers (project management unit – PMU); ii) Contracted workers hired by the project to manage the Grievance Mechanism and the communications outreach; and, iii) NGOs that will be recruited under component 3 of the 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 has been updated to reflect the AF2 and will be cleared and disclosed prior to the appraisal stage.

### **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 has prepared, cleared and disclosed a SEA/SH Prevention and Response Plan for the project which addresses the moderate risk rating for SEA/SH for the project and which includes primarily the need to have a code of conduct for all staff involved in the project, training/awareness-raising of SEA/SH, and a grievance mechanism with referral pathways for SEA/SH grievances. The social specialist of the PMU will be responsible for the close monitoring, implementation and documentation of the SEA/SH prevention and control measures. The SEA/SH Prevention and Response Plan will be updated one month after AF2 effectiveness to cover AF1 and AF2.

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



ESS5 is currently not relevant for this proeject because it does not require land acquisition, impact negatively on assets, or cause loss of assets.

**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:**

The Borrower's Framework is not considered

**IV. CONTACT POINTS**

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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): Ahmet Fatih Ortakaya

Practice Manager (ENR/Social) Senait Nigiru Assefa Cleared on 27-Feb-2023 at 07:01:50 EST