

**COMBINED PROJECT INFORMATION DOCUMENTS / INTEGRATED
SAFEGUARDS DATA SHEET (PID/ISDS)
ADDITIONAL FINANCING**

Report No.: PIDISDSA17402

Date Prepared/Updated: 07-Jun-2016

I. BASIC INFORMATION

A. Basic Project Data

Country:	Lebanon	Project ID:	P158980
		Parent Project ID (if any):	P149242
Project Name:	Additional Financing for Emergency National Poverty Targeting Program (P158980)		
Parent Project Name:	Emergency Nat'l Poverty Targeting Proj (P149242)		
Region:	MIDDLE EAST AND NORTH AFRICA		
Estimated Appraisal Date:		Estimated Board Date:	27-Jun-2016
Practice Area (Lead):	Social Protection & Labor	Lending Instrument:	Investment Project Financing
Sector(s):	Other social services (93%), Public administration- Other social services (7%)		
Theme(s):	Social Safety Nets/Social Assistance & Social Care Services (53%), Social Protection and Labor Policy & Systems (47%)		
Borrower(s):	Ministry of Finance		
Implementing Agency:	Ministry of Social Affairs		
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?			
Financing (in USD Million)			
Financing Source			Amount
Borrower			0.00
Lebanon Syrian Crisis Trust Fund			10.00
Total Project Cost			10.00
Environmental Category:	C - Not Required		
Appraisal Review Decision (from Decision Note):	The review did authorize to proceed with Negotiations, in principle		

Other Decision:	
Is this a Repeater project?	No

B. Introduction and Context

Country Context

The Syrian refugee crisis has resulted in unprecedented social and economic challenges to Lebanon. Over the past decades, Lebanon has been affected by recurrent domestic and regional conflicts that resulted in high economic and social costs and long-lasting impact. In spite of the country's resilience in weathering frequent internal and external shocks, the ongoing conflict in Syria has caused unprecedented waves of refugees: since the beginning of the conflict in 2011, about 1.6 million Syrians have crossed the border to Lebanon, making up 27 percent of the country's population. This dramatic surge in population is putting a strain on the country's resources, public services and infrastructure while affecting local communities who are already experiencing high levels of poverty. This situation, combined with the current political deadlock in Lebanon, poses the risk of destabilizing further the country's fragile political, social and economic situation.

With the support of the international community, Lebanon has succeeded in extending its support to refugees while maintaining levels of access and quality for Lebanese. From the onset of the Syrian crisis, the international community has been strongly committed to supporting the Government of Lebanon (GoL) in addressing the immediate needs to both Syrian refugees and the vulnerable Lebanese population.

Sectoral and institutional Context

Even prior to the onset of the Syrian conflict and the inflow of large numbers of Syrian refugees, poverty in Lebanon was significant and regional disparities in living conditions were acute. The most recently completed Household Budget Survey (HBS 2011-12) shows that poverty in Lebanon was 27 percent (pre-Syrian crisis) which implies that about one million people had levels of consumption below the annual poverty line set at 4,729 thousand LBP per capita per year (\$3,150). Significant regional differences exist. Poverty is the lowest in Beirut (16%), followed by Mount Lebanon (22%) and Nabatieh (25%). The poorest regions are North Lebanon (36%) and Bekaa (38%).

The Syrian conflict is estimated to have increased poverty among the Lebanese population by an additional 170,000 people in 2014 with the existing poor pushed deeper into poverty. According to the 2015-16 Lebanon Crisis Response Plan (LCRP), in addition to the estimated 1.5 million Lebanese living under the poverty line, the total vulnerable population in Lebanon today is more than 3.3 million - including the Syrian refugees i.e. more than 55% of the population is considered poor or vulnerable to poverty. Prior to the Syrian conflict, Lebanon had a population of 4.2 million. Today, five years later, its population has surged by 30% to close to 6 million.

Since the majority of the Syrian refugees are located in regions already having high poverty rates, vulnerability of the Lebanese in these areas has increased. Recent assessments have also found that Lebanese households are facing higher expenditures as the cost of goods and services are rising, particularly food. The socio-economic consequences of the refugee crisis have also led to

increasingly fragile inter-communal relations and social tensions with Lebanese communities attributing the decline in their own living standards to the refugee presence.

In response to rising poverty levels in communities hosting refugees and in order to help mitigate tensions between the refugee and Lebanese communities, the GOL, with World Bank's assistance, scaled up in 2014 the National Poverty Targeting program (NPTP) to cover more poor Lebanese households and provide food assistance via an electronic card (e-card) in the poorest regions of the country and those with the highest prevalence of refugees. The Emergency NPTP project of US\$8.2 million grant (funded from the Trust Fund for Lebanon) was approved on June 3, 2014 as an emergency operation, and is part of the World Bank's package of response programs to help mitigate the impact of the Syrian crisis on host communities. The project became effective rapidly on August 18, 2014 and has a closing date of December 31, 2017. Implementation of the Emergency NPTP is going well as documented in the recent mid-term review . As of May 2016, the Emergency NPTP is 69% disbursed, with the e-card food voucher component fully disbursed in 4 months. However, due to funding constraints, only 27,209 extreme poor Lebanese have received the e-card to date.

C. Proposed Development Objective(s)

Original Project Development Objective(s) - Parent

The objective of the Project is to expand the coverage and enhance the social assistance package of the National Poverty Targeting Program (NPTP) to Lebanese affected by the Syrian crisis and all Lebanese households under the extreme poverty line.

Proposed Project Development Objective(s) - Additional Financing

The objective of the Project is to expand the coverage and enhance the social assistance package of the National Poverty Targeting Program (NPTP) to Lebanese affected by the Syrian crisis and all Lebanese households under the extreme poverty line, as well as to assess the effectiveness of a graduation pilot.

Key Results

D. Project Description

This project is composed of the following three components : (1) Administration of NPTP; (2) Social Assistance; and (3) Graduation Pilot.

Component I. Administration of NPTP : This component's objective is to ensure an effective and efficient administration and implementation of the project through its structures in the MOSA and the PCM. It is a continuation and expansion of activities financed under the parent project, as well as the inclusion of a new component. It includes the financing of the following:

➤(€ The NPTP Project Management teams at MOSA and PCM including operating costs as agreed in the parent project and subsequent changes in the management structures (as agreed in mid-term review Aide Memoire ➤(February, 2016). In addition, this component will finance a project sub-coordinator and specialized consultants to manage activities related to the newly introduced NPTP graduation pilot (see Component 3).

➤(€ The Fiduciary Operations Team (FOT) which is responsible for implementation of the

procurement and financial functions of the project, working closely with the teams in MOSA and the PCM who are implementing the program activities. The FOT will continue to play the same role as in the parent project.

Component 2. Social Assistance : The objective of this component is to address basic food needs of extremely poor Lebanese households. It builds on the positive impact of the e-card food voucher program being implemented under the parent project. The proposed AF will therefore include a continuation and expansion of this program from the current 27,209 individuals receiving the e-card food voucher to 42,422 individuals. It will also extend coverage for another 7 months, reduce the value of the voucher from US\$30 per person/month to US\$25 per person/month, and cap the number of beneficiaries per household at 5 persons, in line with recent reform options for the NPTP.

Component 3. NPTP Graduation Pilot: The objective of this component is to pilot a graduation model that would promote increased and sustainable levels of income among the poorest NPTP beneficiary households (HHs), in order to improve their overall relative poverty levels. To achieve this objective, NPTP-G will provide self-employment opportunities to male and female members of targeted NPTP HHs through the delivery of a comprehensive package of services. In the long-term, it is expected that NPTP-G will contribute to a decrease in the number of NPTP beneficiary HHs living under the extreme poverty line in the country. The component will finance a rapid market analysis in each target area in order to assess local market needs and opportunities, after which a package of the following services for the targeted NPTP HHs will be provided: (i) the NPTP e-card food voucher for consumption support and improved food security levels, financed through Component I above; (ii) an asset transfer to help jump-start one or more economic activities; (iii) technical skills training related to the chosen asset as well as on identifying, developing, and running a business; (v) coaching and life-skills training to boost beneficiaries' self-confidence and social capital and contribute to improve overall levels of discouragement; and (vi) financial literacy training and linkages to microfinance services for improved income management and savings. This package of services will be delivered in a sequenced manner in the course of approximately 24 months.

Component Name

Component I. Administration of NPTP

Comments (optional)

Component Name

Component 2. Social Assistance

Comments (optional)

Component Name

Component 3. NPTP Graduation Pilot

Comments (optional)

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

National

F. Environmental and Social Safeguards Specialists

Alaa Ahmed Sarhan (GEN05)

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II. Implementation

Institutional and Implementation Arrangements

The parent project has established effective and efficient operational procedures with satisfactory management and this arrangement will continue with the additional financing. The Program implementation will therefore remain the responsibility of the NPTP Project Unit in the MOSA and the NPTP Central Management Unit (CMU) at the Presidency of the Council of Ministers (PCM). A fiduciary operations team (FOT) will be responsible for handling all fiduciary aspects of the project.

III. Safeguard Policies that might apply

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	No	<p>This project will not involve any physical investments and will have either minimal or no adverse environmental impacts. Hence, the Bank's OP 4.01 is not triggered and no EA is required.</p> <p>Under Component 3 , the selected NPTP-G beneficiaries will receive a package of services that will include: (i) the NPTP e-card food voucher for consumption support and improved food security levels; (ii) an asset transfer to help jump-start one or more economic activities; (iii) technical skills training related to the chosen asset as well as on identifying, developing, and running a business; (v) coaching, to boost beneficiaries' self-confidence and social capital; and (vi) financial literacy training for improved income management and savings for shocks.</p> <p>The pilot will target a total of 600 beneficiaries in both urban and rural areas. The type of assets received by the beneficiaries will be determined based on a market analysis and in consultations with stakeholders. Accordingly, an asset of around US\$ 2000 will be transferred to each beneficiary. Based on the CGAP model and preliminary consultations with stakeholders, it is expected that the pilot would only include assets that would help start small scale income generating activities. Accordingly, the team will ensure that any potential</p>

		risk is mitigated and managed in the operations manual. Moreover, the operations manual will include an environmental and social screening checklist for the activities that result in minimal environmental impacts.
Natural Habitats OP/BP 4.04	No	This OP doesn't apply.
Forests OP/BP 4.36	No	This OP doesn't apply.
Pest Management OP 4.09	No	This OP doesn't apply.
Physical Cultural Resources OP/BP 4.11	No	This OP doesn't apply.
Indigenous Peoples OP/BP 4.10	No	This OP doesn't apply.
Involuntary Resettlement OP/BP 4.12	No	The Bank's OP 4.12 policy does not apply to this project. The project components and activities are focused on the areas of social assistance provision and establishing fiduciary and financial management controls and are not expected to result in any adverse impacts related to the involuntary taking of land resulting in relocation or loss of shelter, loss of assets or access to assets, or loss of income/means of livelihoods.
Safety of Dams OP/BP 4.37	No	This OP doesn't apply.
Projects on International Waterways OP/BP 7.50	No	This OP doesn't apply.
Projects in Disputed Areas OP/BP 7.60	No	This OP doesn't apply.

IV. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:
There are no social or environmental safeguards issues nor negative impacts anticipated under this project. The Bank's social and environmental safeguards policies will not apply to this project
2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:
N/A
3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.
N/A
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.
N/A. This is an AF and it will maintain the same assessments and arrangements as the parent project.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

N/A.

B. Disclosure Requirements

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.

If in-country disclosure of any of the above documents is not expected, please explain why:

C. Compliance Monitoring Indicators at the Corporate Level

The World Bank Policy on Disclosure of Information			
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [<input type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input checked="" 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 type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input checked="" type="checkbox"/>]
All Safeguard Policies			
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [<input type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input checked="" type="checkbox"/>]
Have costs related to safeguard policy measures been included in the project cost?	Yes [<input type="checkbox"/>]	No [<input type="checkbox"/>]	NA [<input checked="" 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 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"/>]

V. Contact point

World Bank

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VI. For more information contact:

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VII. Approval

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<i>Approved By</i>		
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Practice Manager/ Manager:	Name: Hana Polackova Brixi (PMGR)	Date: 08-Jun-2016
Country Director:	Name: Mouna Couzi (CD)	Date: 27-Jun-2016