

INTEGRATED SAFEGUARDS DATA SHEET

CONCEPT STAGE

Report No.: ISDSC5000

Date ISDS Prepared/Updated: 18-Oct-2013

Date ISDS Approved/Disclosed: 21-Oct-2013

I. BASIC INFORMATION

A. Basic Project Data

Country:	Sierra Leone	Project ID:	P143588
Project Name:	Sierra Leone Safety Nets Project (P143588)		
Task Team Leader:	Suleiman Namara		
Estimated Appraisal Date:	18-Nov-2013	Estimated Board Date:	27-Mar-2014
Managing Unit:	AFTSW	Lending Instrument:	Specific Investment Loan
Sector(s):	Other social services (50%), Primary education (25%), Health (25%)		
Theme(s):	Social safety nets (100%)		
Financing (In USD Million)			
Total Project Cost:	10.00	Total Bank Financing:	10.00
Financing Gap:	0.00		
Financing Source			Amount
BORROWER/RECIPIENT			0.00
International Development Association (IDA)			10.00
Total			10.00
Environmental Category:	C - Not Required		
Is this a Repeater project?	No		

B. Project Objectives

The project development objective (PDO) is to establish the key building blocks for of a basic national safety net system and provide income support to poor and vulnerable households in Sierra Leone.

C. Project Description

A. Concept

The proposed project will be implemented using an Investment Project Financing (IPF) for a period

of 4 years starting in FY14. The project is expected to be financed by an IDA credit of US\$ 15.00 million. Government has indicated its commitment to make a financial contribution to this project with amounts that will be firmed up during pre-appraisal. The project will establish the key building blocks of a safety net system, while launching a targeted cash transfer program in selected initial districts in the country.

The proposed operation will support the creation of a national safety net system, focusing a cash transfer program that will target extremely poor households. Building on the lessons learned from the ongoing public works programs implemented under the Sierra Leone Youth Employment Support Project and other small programs, the SSN project will put in place the building blocks of a safety nets system aimed at reducing poverty and making economic growth equitable. Project coverage will be based on transparent criteria that will be agreed during project preparation. Based on the preliminary discussions with Government, the project will make small but regular transfers for 2-3 years to extremely poor households. The transfers will be accompanied with soft conditions and will provide an opportunity to poor households to smooth consumption and invest in the human capital of their families, particularly young children and pregnant and lactating mothers. There is limited experience in Sierra Leone with targeted cash transfer programs and therefore the operation will be simple, starting with 4 out of the country's 14 districts and implemented with a significant focus on building systems, learning and capacity building. The Government has intentions of scaling up the program to cover all the districts as lessons emerge.

The proposed project is expected to have the following components:

Component 1. Development of Systems for Implementation of Social Safety Net Intervention

Component Objective. The objective of this component is to put in place the building blocks of a basic national safety net system in Sierra Leone. Specifically, this component will finance development of a set of safety net instruments and systems that need to be in place before or during the initial stages of the project including the following activities: (a) design of targeting tools; (b) building a beneficiary registry; (c) setting up of a payment system; and (d) development and strengthening of a grievance redress mechanism.

Targeting system. The project will develop targeting tools to support the SSN project. The following elements of the targeting system will be supported by this component:

- (a) Development of tools for a 3-stage targeting mechanism combining geographical, proxy means testing (PMT), and community-based targeting. This will include: (i) tools to guide districts and local councils in targeting geographical areas below the district level (i.e., to chiefdoms and wards); (ii) tools to be used in the PMT targeting process, including data collection; and (iii) tools to carry out the community-based targeting process (e.g., participatory poverty assessments).
- (b) Design and implementation of a beneficiary registry (i.e., database). This registry will include beneficiary information collected during the targeting processes for the SSN project and will potentially be linked to the national identification system. Development of these tools will build on the experience of the ongoing public works program. This database will be housed in the Social Protection Secretariat and managed by NaCSA, but will be accessible to other social programs.

Payment system. Building on the ongoing pilot under the national public works program, the component will further build and scale up an e-payment system under the SSN project. Alternative payment mechanisms will be explored in areas where the e-payment mechanisms may not be initially feasible.

Grievance redresses mechanism (GRM). The component will support the Government to implement a grievance mechanism. The GRM will provide beneficiaries a channel through which they can raise any concerns or complaints about the implementation of the SSN project, in particular, during selection and payments processes. This mechanism will build on the existing GRM system being used under in the ongoing public works program.

Capacity building on safety net tools and systems. The project will provide capacity building to stakeholders at central and local levels, including training for communities, on the use of the tools and systems developed under this component, as well as on the program's operations, and on their respective responsibilities.

Component 2. Cash Transfers

Component Objective. The objective of the component will be to provide income support to extremely poor households. The component will provide regular transfers to eligible households based on emerging evidence from Africa and other existing international experiences and in the process test functionality, performance and the efficiency of the SSN system. The target group will include extremely poor households, as these are also the most food insecure and likely to have the highest risks of malnutrition and poor maternal health. The component will be implemented in targeted geographical areas of Sierra Leone within four districts selected based on poverty criteria, one in each of the country's four regions.

Beneficiary households will be selected using a targeting mechanism consisting of three stages: (i) geographical targeting to allocate resources to target areas; (ii) community-based targeting to generate a list of potential participants within selected communities identified through the geographical targeting mechanism; and (iii) verification of these participants' eligibility through application of a proxy means test (PMT). In the first stage of targeting, various sources of data will be used to select the project's geographical coverage. First, the four target districts will be selected for coverage among the country's 14 districts based on their poverty status using estimates from the various data sources, including the most recent nationally representative household survey, the 2011 Sierra Leone Integrated Household Survey (SLIHS). See Annex 2 for a detailed description of the proposed targeting mechanism. In the second stage, beneficiaries will be selected through a community-based targeting process, in which the communities themselves generate a list of potential beneficiaries using transparent criteria. In this stage, the targeting process used in the ongoing public works program and other small programs will be built on and refined. In the final stage, it is expected that a proxy means test would be applied to the list of potential beneficiaries generated through the community-based targeting stage. The purpose of the PMT is to verify that the beneficiaries selected by communities for the programs are in fact eligible, based on indicators that are correlated with poverty (proxies).

Given the relatively low capacity environment, the transfer will have a fixed structure (i.e., will not vary across households). Transfers will be delivered to households on regular basis throughout the year, most likely quarterly, depending on the payment system that is ultimately selected. The size of the transfer will be determined during project preparation; however, it should be high enough to provide meaningful support to poor households' income but low enough to avoid negative incentives (e.g., reduced work).

This component will also support workshops ("soft conditions") to reinforce human capital investments, particularly those associated with maternal and child health. The aim of these

workshops will be to provide beneficiary households with information on project objectives, encourage beneficiary households to put the transfers toward investments in human capital and to adopt good practices (e.g., on proper health and nutrition, child care, home hygiene, water usage, as well as other topics including the importance of starting education at the right age). It is expected that transfers will be made to a woman within each targeted household in order to increase the potential for higher program impacts on human capital (i.e., the female member in the household with the most knowledge of or responsibility for household spending decisions related to maternal and child health).

Component 3. Project Management and Administration

The objective of this component is to finance program management and administration of the SSN project implemented by the National Commission for Social Action (NACSA). Specifically, the component will finance the delivery of cash transfers to beneficiaries and staff costs related to development of SSN systems including the following activities: (i) development and strengthening of the M&E system; (ii) information, education, and communication campaigns; (iii) workshops, seminars, and knowledge exchange events; (iv) recurrent operational costs; (v) fiduciary aspects; and (vi) studies linked to implementation. Given that the SSN projects are relatively new in Sierra Leone, there is need to provide ongoing support and assistance and to strengthen coordination across the Ministries (e.g., Social Welfare, Health, Labour, Education, Agriculture) in carrying out the required operational reform to effectively implement the SSN. The component will also support the relevant district councils in implementation of the project.

Development and strengthening of the M&E system. The proposed component will help to set up an M&E system for SSN project. The M&E system will provide information to program implementers at both central and district levels necessary to track the program's progress and results. The M&E system will not only be useful for program management, but will also generate new knowledge. The main elements of the M&E system this component will support are:

(a) Management Information System (MIS). The component will seek to develop and implement an MIS system to facilitate the project monitoring. The MIS will incorporate data from the beneficiary registry and will be capable of providing the necessary information to generate payment sheets, reconcile payments, and calculate key process indicators. The MIS will build on the experience of the ongoing public works program, which has recently introduced a similar system to record attendance and payment information.

(b) Process Evaluation(s). The component is expected to support a minimum of one process evaluation about a year into SSN project program's implementation. Such a process evaluation would assess each of the program processes to assess whether they are being conducted as designed and to recommend any necessary improvements. The main processes covered under this evaluation would include: (i) targeting, registration, and enrollment of beneficiaries into the program; (ii) application of the soft conditions (i.e., human capital workshops); (iv) functioning of the M&E system; (v) payment processes; and (vi) financial monitoring. This evaluation will be carried out by an independent firms or consultants contracted by NaCSA.

(c) Spot checks. The component is expected to support central level staff in carrying out field visits to a random sample of communities participating in SSN project program to verify the accuracy of the data entered in the MIS and provide recommendations on how to improve data collection, processing, and analysis. The frequency of these visits is yet to be determined. The proposed project will draw from the existing experiences with mobile monitoring initiatives being implemented under the Youth Employment Support Project.

(d) Impact Evaluation. The component will include a randomized impact evaluation of the cash

transfer program to examine the effects on beneficiary households' welfare.

IEC. The component will provide support in designing and implementing a strategy to communicate information about the project activities to beneficiaries and relevant stakeholders. In particular, the IEC activities will seek to: (i) inform program beneficiaries about SSN project program details including activities, targeting, benefits, and soft conditions; and (ii) inform stakeholders at the central and local levels about the program's progress and results.

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

The project will target four districts in Sierra Leone. These districts, which have yet to be identified, will be selected based on poverty and geographic criteria. The project activities will have no or negligible environmental social safeguards impacts, and the project does not involve land acquisition leading to involuntary resettlement or restrictions of access to resources or livelihoods. There are no Indigenous Peoples in the project area.

E. Borrowers Institutional Capacity for Safeguard Policies

F. Environmental and Social Safeguards Specialists on the Team

Hocine Chalal (AFTN1)

Angela Nyawira Khaminwa (AFTCS)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	No	
Natural Habitats OP/BP 4.04	No	
Forests OP/BP 4.36	No	
Pest Management OP 4.09	No	
Physical Cultural Resources OP/ BP 4.11	No	
Indigenous Peoples OP/BP 4.10	No	There are no Indigenous Peoples in the project area.
Involuntary Resettlement OP/BP 4.12	No	The project will not finance any activities that will result in impacts detailed in OP 4.12.
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	No	
Projects in Disputed Areas OP/BP 7.60	No	

III. SAFEGUARD PREPARATION PLAN

¹ Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.

A. Tentative target date for preparing the PAD Stage ISDS: 30-Sep-2013

B. Time frame for launching and completing the safeguard-related studies that may be needed.

The specific studies and their timing¹ should be specified in the PAD-stage ISDS:

September 30, 2013

IV. APPROVALS

Task Team Leader:	Name: Suleiman Namara	
<i>Approved By:</i>		
Regional Safeguards Coordinator:	Name: Alexandra C. Bezeredi (RSA)	Date: 18-Oct-2013
Sector Manager:	Name: Stefano Paternostro (SM)	Date: 21-Oct-2013